



ENGINEERING SERVICES

To: Mayor and Town Council

From: Hulon T. Webb, Jr., P.E., Director of Engineering Services

Through: Mario Canizares, Town Manager
Chuck Ewings, Assistant Town Manager

Re: Escrow Agreement – Prosper Independent School District (PISD):
Teel Parkway (US 380 – First Street)

Town Council Meeting – November 14, 2023

Strategic Visioning Priority: 1. Acceleration of Infrastructure

Agenda Item:

Consider and act upon authorizing the Town Manager to execute an Escrow Agreement between Prosper Independent School District (PISD), and the Town of Prosper, Texas, related to the design and construction of improvements on Teel Parkway and at the intersection of First Street and Artesia Boulevard adjacent to the Richland High School property.

Description of Agenda Item:

Prosper Independent School District (PISD) is currently constructing Richland High School at the southeast corner of Teel Parkway and First Street with a planned opening of Fall 2025. As part of the development of the high school site, PISD will be extending two lanes of Prairie Drive from Teel Parkway east to connect to the existing four lanes of Prairie Drive in The Parks at Legacy development. In addition, the PISD is required to provide funds to the Town for construction of the following improvements:

- Teel Parkway (US 380 – First Street): \$2,533,722
 - Construction of two (2) northbound lanes adjacent to the Richland High School property, two (2) left turn lanes, one (1) full median opening, one-half (1/2) median opening, one (1) right turn lane at Prairie Drive, and one (1) deceleration lane at the high school driveway. Engineering design fees are included.
- Traffic Signal - First Street at Artesia Boulevard: \$ 262,500
 - Cost participation for one-half (1/2) design and construction of the traffic signal at First Street and Artesia Boulevard. Staff is also working with Denton County Fresh Water District No. 10 (DCFWS#10) on an agreement for cost participation between the Town and DCFWS#10 on other one-half (1/2) of the traffic signal. Engineering design fees are included.

While the Town's Thoroughfare and Circulation Design Requirements allows for the escrow of the future improvements prior to the occupancy of its facilities, it does not allow the escrow of these improvements to be delayed until the construction of the improvements. Staff has discussed this issue with the PISD on previous escrow agreements, and similar to past agreements, agrees to delay the receipt of the escrow funds until such time as these improvements are constructed.

The attached agreement between the Town of Prosper and the PISD obligates the PISD to deposit with the Town fifty percent (50%) of the actual costs, currently estimated to be \$2,796,222, towards the design and construction of the improvements listed on the previous page, and in the agreement, within 15 days after receiving written notice from the Town of the execution of contracts for the construction of the projects. The remaining fifty percent (50%) will be deposited when the construction of the projects is fifty percent (50%) complete. Any cost overruns will be paid by the PISD after their review and approval of receiving written notice from the Town. Any remaining escrow funds, including interest, shall be returned to the PISD after the Town has accepted the improvements.

Budget Impact:

The costs to be received from PISD is estimated to be \$2,796,222 and will be deposited into Account No. 590-2120 Paving Escrow for allocation to the Teel Parkway (US 380 – First Street) project (Project No. 2153-ST) and the Traffic Signal – First Street & Artesia Boulevard project (Project 2101-TR).

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

Attached Documents:

1. Escrow Agreement
2. Location Map

Town Staff Recommendation:

Town staff recommends that the Town Council authorize the Town Manager to execute an Escrow Agreement between Prosper Independent School District (PISD), and the Town of Prosper, Texas, related to the design and construction of improvements on Teel Parkway and at the intersection of First Street and Artesia Boulevard adjacent to the Richland High School property.

Proposed Motion:

I move to authorize the Town Manager to execute an Escrow Agreement between Prosper Independent School District (PISD), and the Town of Prosper, Texas, related to the design and construction of improvements on Teel Parkway and at the intersection of First Street and Artesia Boulevard adjacent to the Richland High School property.