

Memorandum



CITY OF DALLAS

DATE October 5, 2018

Honorable Members of the Mobility Solutions, Infrastructure and Sustainability
TO Committee

SUBJECT **Update on Supplemental Appropriation in the Bipartisan Budget Act of 2018**

This memo serves as an update to previously communicated funding that has been allocated to the US Army Corps of Engineers (Corps) for the Dallas Floodway (DF), Dallas Floodway Extension (DFE), and Lewisville Dam flood risk management projects through the Supplemental Appropriation in the Bipartisan Budget Act of 2018 (PL 115-123). Staff from both the Corps and the City have been meeting to develop the path forward and next steps. All work will be performed by the Corps and supported by City staff.

As a reminder, the original funding allocations and a brief description from PL 115-123 are attached and outlined below:

- DFE: \$53M for Lamar Levee
- DF: \$222.9M for approved flood risk management such as levee raises, removal of the Atchison, Topeka and Santa Fe Bridge, Trinity Portland Pump Station, Charlie Pump Station, Delta Pump Station Rehabilitation, Hampton Pump Station and Nobles Sump Improvements
- Lewisville Dam: \$92M for approved flood risk management such as spillway improvements and restoration of maintenance paths

In order for the Corps to proceed with these projects, the City Council will be asked to enter into project partnership agreements or addendums to the existing project partnership agreements. These agreements are anticipated to be prepared by the Corps and received this fall. Included in these agreements will be the standard cost considerations based on current construction estimates as well as the construction execution plan. Cost shares are not finalized at this time.

DFE, Lamar Levee is classified as an ongoing construction project and will not require a cost share; it is subject to reimbursement for necessary real estate to be acquired by the City after the execution of the project partnership addendum and is subject to reimbursement for lands that are to be acquired for the Corps to build this flood structure. Additionally, the Corps will be requesting funds from the City should the partners at Texas Central Rail desire a "betterment" for their proposed substitution of a floodway along a portion of the Lamar Levee around IH45. Real estate activities are being prepared so that the project is not delayed. The construction execution plan is currently calling for several contracts for design and construction which will likely begin as early as Winter 2019/2020 with final completion of the project in Fall 2021. This schedule is weather dependent and subject to refinement.

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DF is classified as a new construction start and will include the required 35% cost consideration and cost considerations for the additional levee flattening. The range of funding required for the City's obligation is \$17M – \$115M. This range is attributed to how the final determination on funding and credits from prior expenditures are calculated. Additionally, certain projects such as Trinity Portland and Charlie Pump Stations will require real estate. These real estate expenditures will be eligible for reimbursement if these activities take place after the execution of the project partnership agreement. The construction execution plan is currently calling for several contracts for design preparation, design, design-build and construction which will likely begin as early as Spring 2019 with final completion of projects in Fall 2022. This schedule is weather dependent and subject to refinement.

Lewisville Dam is classified as an ongoing construction project. As part of the ongoing guidance documents provided by the Corps, project funding will also include \$55M in the FY19 President's Budget as well as the work plan funds totaling \$6M from FY17 and FY18. The respective cost share considerations are still under review as the supplemental funding may not be subject to the water supply contract. The final decisions related to cost considerations are anticipated later this fall. The construction execution plan builds on the current schedule for phasing and will include design and construction contracts which will likely begin as early as Spring 2019 with final completion of the project in Summer 2026. This schedule is weather dependent and subject to refinement.

Funding for the City's cost share on these projects will be determined over the next several weeks. It is anticipated that the DF and DFE will utilize 1998 bond funds, as discussed with the committee previously, and the Lewisville Dam will utilize annual appropriations from the water utility. There is an option to finance additional needs through treasury bonds which staff will be exploring with the Corps.

These funding agreements and associated work is an opportunity for our partners to execute and complete flood risk management for the region and the City. As more clarity around the details is available, staff will provide updates to the Mobility Solutions, Infrastructure and Sustainability Committee. It is likely that the agreements will be prepared and require your action this fall.



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