



Agenda Item Report

Legislative Board: City Council
Date: April 1, 2025
Contact: Micah Grau
Agenda Item ID / Number: 2025-301- / H.3

ITEM TITLE: Approval of an Interlocal Agreement between the City of Buda and the Buda Economic Development Corporation for the design of water and wastewater on FM 2770 (City Manager Micah Grau)

1. EXECUTIVE SUMMARY

This interlocal is for designing a solution to extend water and wastewater utilities to FM 2770.

2. BACKGROUND/HISTORY

The City and Buda Economic Development Corporation (BEDC) are proposing to partner on the extension of water and wastewater utilities to serve an economic development retention project proposing to expand on FM 2770. Extending services to this area can also provide an added benefit of having water and wastewater service extended to the FM 1626 / FM 2770 corridor.

3. ANALYSIS

This interlocal is only to start the design. The City will still need to determine the funding mechanism for construction of the utility extensions.

4. FINANCIAL IMPACT

As part of the Fiscal Year 2025 Budget, the BEDC included funding to help cover design costs to develop plans and specifications to serve the property with water and wastewater. The City is seeking authorization to run a new water take point from the Alliance Regional Water Authority's ground storage tank located on FM 2770. BEDC included \$540,000 to fund the design portion of the project. Pre-design estimates for construction are \$4.16 million.

5. STRATEGIC PLAN/GOALS

BALANCED AND INTENTIONAL GROWTH

6. STRATEGIC PLAN OBJECTIVES

Retain and grow local businesses in Buda

7. PROS AND CONS

Pros: secures funding from the BEDC to design extending utilities to the FM 2770 corridor.

Cons: no funding has been identified for construction, and the construction estimate is pre-design.

8. ALTERNATIVES

Council may elect not to move forward with the design or to fund the design from City funding sources.

9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION

Staff recommends approval.

Attachments:

Resolution: ILA with Buda EDC for FM 2770 Utilities
City and BEDC Funding Agreement for FM 2770 Utilities.docx