



October 19, 2011

The Honorable Joe Flores
Hidalgo County Commissioner, Precinct 3
724 N. Breyfogle Road
Mission, Texas 78574

RE: FM 681/FM 2221
From: SH 107
To: SH 364 (La Homa)

La Homa Road
From: FM 495
To: FM 1924

Dear Commissioner Flores:

The following information will assist in providing an explanation of the funding situation for FM 681/FM 2221 and La Homa Road mentioned above:

Regarding the FM 681/FM 2221 Project:

- TxDOT and Hidalgo County have executed several ROW Agreements on FM 681 in which TxDOT has agreed for Hidalgo County to pay 100% of the cost of all right of way and compensable utilities and be reimbursed 98.5% by TxDOT. L&G is currently in the ROW acquisition phase on behalf of the County.
- Since TxDOT's funds were not available until September 2011 for reimbursement to Hidalgo County, Precinct #3 transferred \$ 1,953,257.00 from the La Homa project (set aside for land acquisition cost) to FM 681 so the County could spend the money on ROW acquisition prior to September 2011.
- Since currently TxDOT's funds are available for reimbursement to the County, there no longer is a need to keep the La Homa funds with the FM 681 project. As long as Precinct #3 sets up a revolving account of 1 million dollars they can spend the funds from the revolving account and receive reimbursement from TxDOT.

Regarding the La Homa Project:

- The \$ 1,953,257.00 from La Homa can be transferred back to the La Homa project for the following expenses:
 - ROW Acquisition Services/70 parcels @ \$12,500 = \$ 875,000
 - ROW/Compensable Utility Cost = \$ 1,078,257
 - Total - \$ 1,953,257.00

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•Please keep in mind that the estimated ROW/Compensable Utility Cost for the La Homa project is approximately 2 million dollars and since La Homa Road is an off-system roadway, the County is responsible for the entire cost (2 million dollars); however, when the next TIP gets approved in April 2012 by the HCMPO, the Category 7 funds assigned to La Homa will be as follows:

- Construction - \$ 6,387,369 (80% federal and 20% - EDC County) (FY 2015)
- ROW - \$ 1,930,494 (80% federal) and (20% County ≈ \$ 400,000)
- CE = \$ 319,368
- Contingencies = \$ 415,179
- Total - \$ 9 million dollars

Under this scenario, the County's responsibility of the ROW is only 20% (≈ \$ 400,000) and Federal money (Cat 7) of approximately \$ 1.5 million dollars will be reimbursed to the County. So Hidalgo County's share will be \$ 400,000, in which \$ 1,078,257.00 was set aside as a revolving account so there will be a surplus of \$ 678,257.00 to the County at the end of the project.

RECAP (AFTER MPO APPROVES APRIL 1, 2012):

TOTAL \$ 1,953,257.00 County Money Available

(\$400,000.00) Estimated 20% County Portion of ROW Participation

(\$875,000.00) Estimated ROW Acquisition Services for Est. 70 Parcels

(\$108,000.00) Estimated Construction Management/Design Services

\$ 570,257.00 Surplus

Therefore, we recommend that you proceed with hiring a Right-of-Way Acquisition Provider and move forward to acquiring the ROW with the estimated funds identified above.

Should you have any questions, please do not hesitate to give us a call.

Sincerely,

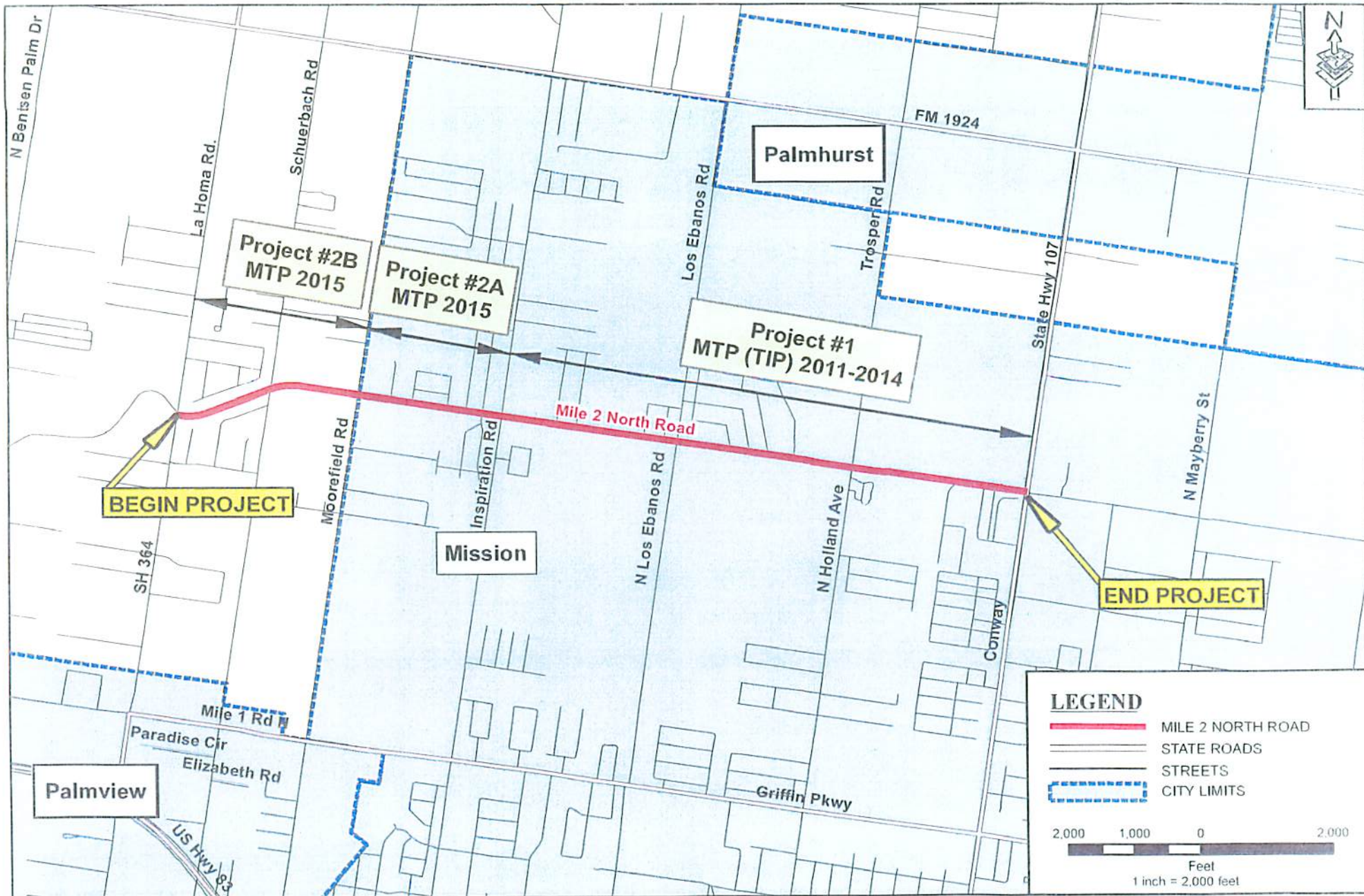


Jacinto Garza, P.E.
President/CEO

Facts Regarding the Development of Mile 2 N. Project

- Mile 2 North from SH 107 (Conway) to SH 364 (La Homa Road) is an important and critical infrastructure corridor within Hidalgo County.
- TxDOT, HCMPO, City of Mission & Hidalgo County have identified the need to widen and reconstruct Mile 2 North from an existing two- lane rural roadway to a four- lane curb & gutter urban facility
- All entities involved have allocated Federal, State, and Local funds to fully fund the acquisition of ROW, adjustment of utilities and construction of the corridor
- Segment of the project from SH 107 to Moorfield road is within the City of Mission jurisdiction, while the segment from Moorfield road to La Homa road lies within the County jurisdiction.
- City of Mission has taken the lead by incurring cost for the development of schematics, preliminary office ROW mapping, Hydrologic map for identification of proposed outfalls, preliminary utility research, the required public involvement and, completion of the environmental document for the entire Corridor.
- City of Mission has also taken the lead by incurring the cost of Plan's Specification's and Estimate (PS&E) for the Section from SH 107 to the Inspiration Road.
- Therefore Hidalgo County Pct. 3 will take the lead by incurring the costs of PS&E associated with the sections from Inspiration road to Moorfield road (Mission City limits) and the section from Morrfield road to La Homa (County limits)

Est. Cost \$349,313.94



**MILE 2 NORTH ROAD
PROJECT LOCATION MAP**
APPROX. LENGTH: 2.5 MILES

PROJECT #1: FROM INSPIRATION RD TO SH 107 (CONWAY)
APPROX. LENGTH: 1.5 MILES
PROJECT #2A: FROM MOOREFIELD RD TO INSPIRATION RD
APPROX. LENGTH: 0.40 MILE
PROJECT #2B: FROM LA HOMA RD TO MOOREFIELD RD
APPROX. LENGTH: 0.60 MILE