

Office of the City Manager

City of Richland Hills, Texas

## Memorandum

To: Honorable Mayor Bill Agan and members of the Richland Hills City Council  
From: Eric Strong, City Manager  
Date: November 1<sup>st</sup>, 2016  
Subject: FWTA Street Refund

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### **Council Action Requested:**

Consideration of acceptance of FWTA final street payment for street repairs.

### **Background Information:**

As you know, several months ago the FWTA sent us an agreement to sign in order to receive the annual refund for street repairs that they have provided us for the past 24 years of membership. As a reminder, this refund is equal to 15% of their annual sales tax collections in Richland Hills, and was instituted to repair streets that are damaged in part by their heavy vehicular traffic.

The agreement they sent had language in it that clearly and repeatedly stated that by accepting the funds, we agreed to give up any payments in future years for any street repairs. The council did not find this agreement acceptable, so we sent back an agreement like we have used in years past. The agreement we sent back did not require the FWTA to make any future payments, but it also did not definitively mandate that payments would cease (or continue). It dealt with only this current year.

I have notice from the FWTA that they will not be signing our agreement, and will only provide the payment once we agree to their initial letter, which I have once again attached for your review. I have also been told that if we don't execute that document soon, the entire offer will be removed and we will not be able to receive any funding.

Due to the threat of the funding for this year going away permanently, I wanted to provide you the opportunity to deliberate this matter one final time. However, staff is not recommending that you agree to this document. We simply felt you needed the opportunity to entertain it one final time with the knowledge that it is about to be removed as an option if we don't agree to their original terms.

**Board/Citizen Input:** N/A

**Financial Impact:** \$185,453

**Staff Contacts:**

Eric Strong  
City Manager  
[estrong@richlandhills.com](mailto:estrong@richlandhills.com)

**Attachments:** FWTA offer letter

ATTACHMENT B  
FORT WORTH TRANSPORTATION AUTHORITY

November 1, 2016  
6A - 3



August 26, 2016

Eric Strong  
City Manager, City of Richland Hills  
3200 Diana Drive  
Richland Hills, TX 76118

Dear Mr. Strong:

The Fort Worth Transportation Authority's (FWTA) Board of Directors approved the final payment of street fees to the City of Richland Hills. This program will be discontinued after this final payment is made and no further payments for the Street Improvement program should be expected in future years from FWTA.

Payments were calculated as 15 percent of the attributable sales tax from the City of Richland Hills during the allocation period of January 2015 through December 2015, as reported by the Texas Comptroller of Public Accounts. The check amount will be \$185,435.

Please sign the attached document where appropriate and return it to me at your convenience. I will forward a check to you shortly after I receive the properly executed document.

Sincerely,

Monica Fowler  
VP/Chief Financial Officer

**ACKNOWLEDGEMENT OF FINAL PAYMENT**  
(Discontinued Street Improvement Program)

**August 22, 2016**

The undersigned authorized representative of the City of Richland Hills hereby acknowledges and agrees that the delivery of One Hundred Eighty-Five Thousand Four Hundred Thirty-Five Dollars (\$185,435.00) represents full and final payment by the Fort Worth Transportation Authority (the "FWTA") of all amounts owed to the City under the now-discontinued Street Improvement Program or any contract, either written or implied, for the provisions of funds for street improvements, including street reconstruction, street resurfacing, street expansion, turning radii improvements, curb cuts, wheelchair ramps, reinforced concrete pads at bus stops, and signalization. Upon receipt of the full and final payment, the FWTA shall have no obligation to provide further funds for such street improvements.

Upon receipt of this executed Acknowledgement of Final Payment, the FWTA agrees to deliver the full and final payment in the amount of \$185,435.00.

IN WITNESS HEREOF, the undersigned have executed this Acknowledgement of Final Payment as of the date set forth above.

**FORT WORTH TRANSPORTATION AUTHORITY**

By: \_\_\_\_\_  
Paul J. Ballard  
President & Chief Operating Officer

**CITY OF RICHLAND HILLS**

By: \_\_\_\_\_  
Eric Strong,  
City Manager