

Denton Independent School District
Interlocal Agreement for East/West Collector – High School #5
February 10, 2025

SUMMARY:

This item requests approval of an Interlocal Agreement regarding the construction of an East/West Collector Road relative to the construction of High School #5 and the adjacent Career Technical Education Center.

BOARD VALUE:

Growth & Management... In pursuit of excellence, we value demonstrating effective and efficient management of district resources and providing leadership and/or oversight to ensure District meets all fiscal, legal, and regulatory requirements.

PREVIOUS BOARD ACTION:

The Board previously approved a *PreDevelopment and Professional Services Agreement* as well as an *Interlocal Agreement for the Acquisition and Development of Property for the Construction of a High School and Career and Technical Education Center* on 9/24/24. Prior to those approvals, the Board approved an initial MOU with the Town of Cross Roads on 12/12/23, which outlined the responsibilities and a framework for the agreements approved on 9/24/24.

BACKGROUND INFORMATION:

An East/West Collector Roadway Project in the Town of Cross Roads was included in the most recent Denton County Bond Program, and was originally planned to connect FM720 to Naylor Road to S. Potter Shop Road in Cross Roads, adjacent to the northern boundary of the property on which our High School #5 and Advanced Technology Center #2 projects are to be located. The assurance of the completion of this new collector road was one of the essential infrastructure requirements necessary for our projects to be successfully constructed at this location. In the early design of our projects, it was anticipated that the roadway would be entirely built with funding from Denton County, and possibly Town of Cross Roads funding, if necessary.

SIGNIFICANT ISSUES:

When bids for this roadway construction were recently collected, it was determined that there were not sufficient County Bond funds available to construct this entire collector roadway (just under \$9M was allocated by the County based on initial estimates provided by the Town of Cross Roads). We are working collaboratively with the County and the Town to address funding concerns. The Town has agreed to an arrangement that reduces the requirements for this roadway project to a four-lane, concrete roadway from FM720 to Naylor Road only, as that is what our required Traffic Impact Study has identified as necessary for the addition of our future high school traffic to existing roadways. The Town will not agree to grant us an unrestricted building permit to continue our current work on HS#5 without assurance that sufficient funding is available in order to complete this collector road. As such, as a condition of granting our construction permit, they are requiring that we escrow funds sufficient to complete the roadway in addition to what the County has already allocated.

FISCAL IMPLICATIONS

The District will be required to submit payment of \$4 million (from our bond funds for this project) into an escrow account held by the Town for the express purpose of completing this project. The District will retain any interest collected from these funds in the interim. Additionally, the District will agree to pay up to \$5000 in legal fees, if necessary, required for creating and authorizing this agreement.

BENEFIT OF ACTION:

The District was granted conditional permits to start preliminary work on our HS#5 project late last Fall in order to maintain our construction schedule and stay on our desired timeline. However, we are reaching the end of the work we can do on that conditional permit, and the Town will require us to stop construction until an unrestricted permit is issued, which they will not agree to do without approval of this interlocal agreement. The Cross Roads Town Council approved this agreement on 2/18/24, and granted approval for our unrestricted permit to be issued upon Denton ISD Board approval of this ILA and issuance of the funds to be placed in the escrow account. As such, we would be able to continue to move forward with our construction work and not incur additional costs due to ongoing delays with our general contractors.

SUPERINTENDENT’S RECOMMENDATION:

It is recommended that the Interlocal Agreement be approved as presented.

STAFF PERSONS RESPONSIBLE:

Brandon Boyter, Executive Director of Construction, Planning & Growth
Jeremy Thompson, Deputy Superintendent

ATTACHMENTS:

Interlocal Agreement Regarding the Construction of an East/West Collector Relative to the Construction of a High School and Career Technical Education Center

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____
Signature of Divisional Assistant Superintendent: ____
Signature of Superintendent: _____