

RESOLUTION 2025-R-142

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS AUTHORIZING THE CITY MANAGER TO RATIFY ACCEPTANCE OF A PRIVATE PARTNERSHIP FUNDING AGREEMENT IN THE AMOUNT OF \$ 1,000,000 FROM THE TEXAS MEXICAN RAILWAY COMPANY (“TM”), A TEXAS STATUTORY CORPORATION, AND THE KANSAS CITY SOUTHERN RAILWAY COMPANY (“KCSR”), A MISSOURI CORPORATION QUALIFIED TO DO BUSINESS IN TEXAS (TM AND KCSR TOGETHER REFERRED TO HEREIN AS “CPKC”).

Whereas, the City Manager is authorized to approve Private Partnership Agreements on behalf of the of City of Laredo; and

Whereas, the City partnered with CPKC in the submission of a grant application to the US Department of Transportation Federal Railroad Administration Consolidated Rail Infrastructure and Safety Improvements Grant to seek federal assistance to fund engineering and other work required for the grade crossing and grade separation improvements in Laredo to ensure timely completion of the project; and

Whereas, CPKC will fund the twenty (20) percent [\$ 1,000,000] non-federal match for the US department of transportation federal railroad administration consolidated rail infrastructure and safety improvements grant in the amount of \$ 4,000,000, and

Whereas, the execution of this Financial Agreement is needed to advance the awarding of the Federal Railroad Administration Grant.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAREDO THAT:

Section 1: Authorizing the City Manager to execute this Financial Agreement with CPKC for the purpose of providing the non-federal match of said grant and for the purpose of submittal to the Federal Railroad Administration to further the awarding of this grant.

Section 3: This Resolution shall take effective immediately upon passage.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS
__19th__ DAY OF __May__, 2025.



DR. VICTOR D. TREVINO, MAYOR



ATTEST:

Mario J. Maldonado Jr.
MARIO MALDONADO JR., CITY SECRETARY

APPROVED AS TO FORM:

BY:

Doanh T. Nguyen
DOANH "ZONE" T. NGUYEN, CITY ATTORNEY

City of Laredo

Legislation Details (With Text)

File #:	2025-R-142	Version:	1
Type:	Resolution	Status:	Agenda Ready
File created:	5/6/2025	In control:	City Council
On agenda:	5/19/2025	Final action:	
Title:	Authorizing the City Manager to ratify acceptance of a private partnership funding agreement in the amount of \$1,000,000.00 from the Texas Mexican railway company ("TM"), a Texas statutory corporation, and the Kansas City Southern Railway company ("KCRS"), a Missouri corporation qualified to do business in Texas (TM and KCRS together referred to herein as "CPKC"). This funding represents the 20% non-federal match for a US Department of Transportation Federal Railroad Administration (FRA) Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant in the amount of \$4,000,000.00 80% for a total project cost of \$5,000,000.00. Submission of this Funding Agreement will be used to further the awarding of the CRISI Grant.		

Sponsors:

Code sections:

Attachments: 1. Funding Agreement 2025-R-142

Date	Ver.	Action By	Action	Result
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Engineering Department

XX.

City Council - Regular

Meeting Date: 05/19/2025

Staff Source: Albert Quintanilla

SUBJECT

2025-R-142 Authorizing the City Manager to ratify acceptance of a private partnership funding agreement in the amount of \$ 1,000,000.00 from the Texas Mexican railway company ("TM"), a Texas statutory corporation, and the Kansas City Southern Railway company ("KCRS"), a Missouri corporation qualified to do business in Texas (TM and KCRS together referred to herein as "CPKC"). This funding represents the 20 % non-federal match for a US Department of Transportation Federal Railroad Administration (FRA) Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant in the amount of \$ 4,000,000.00 (80 %) for a total project cost of \$ 5,000,000.00. Submission of this Funding Agreement will be used to further the awarding of the CRISI Grant.

PREVIOUS COUNCIL ACTION

Resolution 2022-R-178 Authorizing the interim City Manager to submit a grant application in partnership with the Kansas City Southern Railway Company in the amount not to exceed \$ 4,000,000.00. to the US Department of Transportation Federal Railroad Administration, under

the Consolidated Rail Infrastructure and Safety Improvement grant for the purpose of funding the preliminary planning, engineering and other work required for the subsequent applications for the grade crossing and grade separation improvements.

BACKGROUND

The CRISI program funds projects that improve safety, efficiency, and reliability of intercity passenger and freight rail. CPKC, its consultant, and engineering teams have agreed that a CRISI grant would be best to finalize the preliminary engineering (PE) and federal environmental reviews (NEPA) of this project. All federal discretionary grants require that NEPA be completed before any federal construction funding can be committed to an individual project, and CRISI provides the best path to achieve that outcome.

The \$ 5 million planning project consists of preliminary engineering, utilities, right of way, NEPA and outreach activities for improvements to 31 at-grade crossings between Mile Posts 0.780 and 4.20 on CPKC Laredo Subdivision, including up to five (5) closures, two (2) at-grade crossings converted to grade separations, and crossing safety improvements at the remaining 24 at-grade crossings including ten (10) sets of Active Warning Devices, all according to the Grant Application Project Narrative.

The Planning Project Total Cost estimate would be allocated as follows:

• Preliminary Engineering (PE)	\$ 2,500,000.00
• Environmental Clearance (NEPA)	\$ 550,000.00
• Right of Way (ROW)	\$ 750,000.00
• Utilities	\$ 900,000.00
• Outreach Activities	\$ 50,000.00
• Contingency	<u>\$ 250,000.00</u>
Total	\$ 5,000,000.00

COMMITTEE RECOMMENDATION

N/A

STAFF RECOMMENDATION

N/A

Fiscal Impact

Fiscal Year: 2025/2026

Budgeted Y/N?:N/A

Source of funds:

Account:

Change Order: Exceeds 25% Y/N:

FINANCIAL IMPACT:

Continuation of Grant Approval process. No financial impact.