

Thursday, February 01, 2007

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**Austin Water Utility
RECOMMENDATION FOR COUNCIL ACTION**

ITEM No. 10

Subject: Approve an ordinance authorizing negotiation and execution of a cost participation agreement, Service Extension Request No. 2523, with CENTEX HOMES, INC , providing terms and conditions for construction of 12-inch water main and appurtenances to provide water service to the Ridgeview Subdivision located along U.S. Highway 290 West, east of South View Road with City cost reimbursement in an amount not to exceed 33% of the actual construction costs ("hard costs") or \$165,082, whichever is less, and approve an Ordinance waiving the requirements of Section 25-9-62 of the City Code relating to amount of cost participation

Amount and Source of Funding: Funding is available in the Fiscal Year 2006-2007 Capital Improvement Budget of the Austin Water Utility

Fiscal Note: A fiscal note is attached.

**Additional Backup
Material**

(click to open)

- ☐ [MAP RIDGEVIEW SUB](#)
- ☐ [AWU Fiscal Note](#)
- ☐ [Ordinance](#)
- ☐ [Water & Wastewater
Rec.](#)
- ☐ [Environmental Board
Rec.](#)

For More Information: Seyed Miri, P.E. 972-0202 and Denise Avery 972-0104

Boards and Commission Action: Recommended by the Water and Wastewater Commission. Recommended by the Environmental Board

The Ridgeview Subdivision is a proposed single-family development located on approximately 93.1 acres of land located along U S. Highway 290 West east of South View Road (the "Property"), outside the full-purpose city limits Centex Homes, Inc , (the "Developer") has submitted Service Extension Request 2523 requesting that the City provide water utility service to the Property which is within the Council approved Impact Fee Boundary, Utility Service Area, City of Austin Water Certificate of Convenience and Necessity (CCN) area and also within the Drinking Water Protection Zone and Slaughter Creek Watershed

The request to approve SER 2523 is being brought to the City Council because of Section 25-9-34 of the Code Code that requires City Council approval for all Service Extension Requests in the Drinking Water Protection Zone and in an area annexed for limited purposes or in the extraterritorial jurisdiction.

Under the proposed cost participation agreement, the Developer would construct approximately 3,000 feet of 12-inch water main that will provide for a future "loop" through the Property from the existing 12-inch water main in South View Road at the proposed northern entrance to the subdivision, east through the Property to the northeast property corner at the proposed right-of-way of U S. Highway 290 West. The proposed 12-inch water main improvements will eventually provide a second water main to serve the existing development within this area. Based on the Utility's capacity analysis, adequate system capacity exists to meet the projected demands of the property to be served

The City will reimburse the Developer for the hard costs of the 12-inch water main and appurtenances

constructed within public right-of-way or easements for a total not to exceed 33% of the actual construction costs ("hard costs") of the 12-inch water main up to a maximum of \$165,082.00, whichever is less. The City would be reimbursing the Developer for the 4-inch increase in pipe diameter that brings the pipe diameter to a total of 12-inches. The 4-inches are 33% of the 12-inch pipe. The Developer will bear all other costs for engineering, design, financing, interest, fiscal security, accounting, insurance, inspections, permitting, project management, easement acquisition and legal services associated with this construction.

Because the City requested that the Developer construct water improvements beyond those needed only to serve the proposed development and the current City Code, which is in the process of revision does not provide adequate City cost participation, the Developer is requesting a waiver from City Ordinance requirements in Section 25-9-62 relating to the amount of cost participation. Under this Section, the amount of cost participation for over-sizing the main is computed by multiplying \$3.00 by each inch in diameter that the water main is oversized (8-inch water main to a 12-inch main), by the actual length of water main constructed within public right-of-ways or easements which would result in a reimbursement amount not to exceed \$36,000.00.

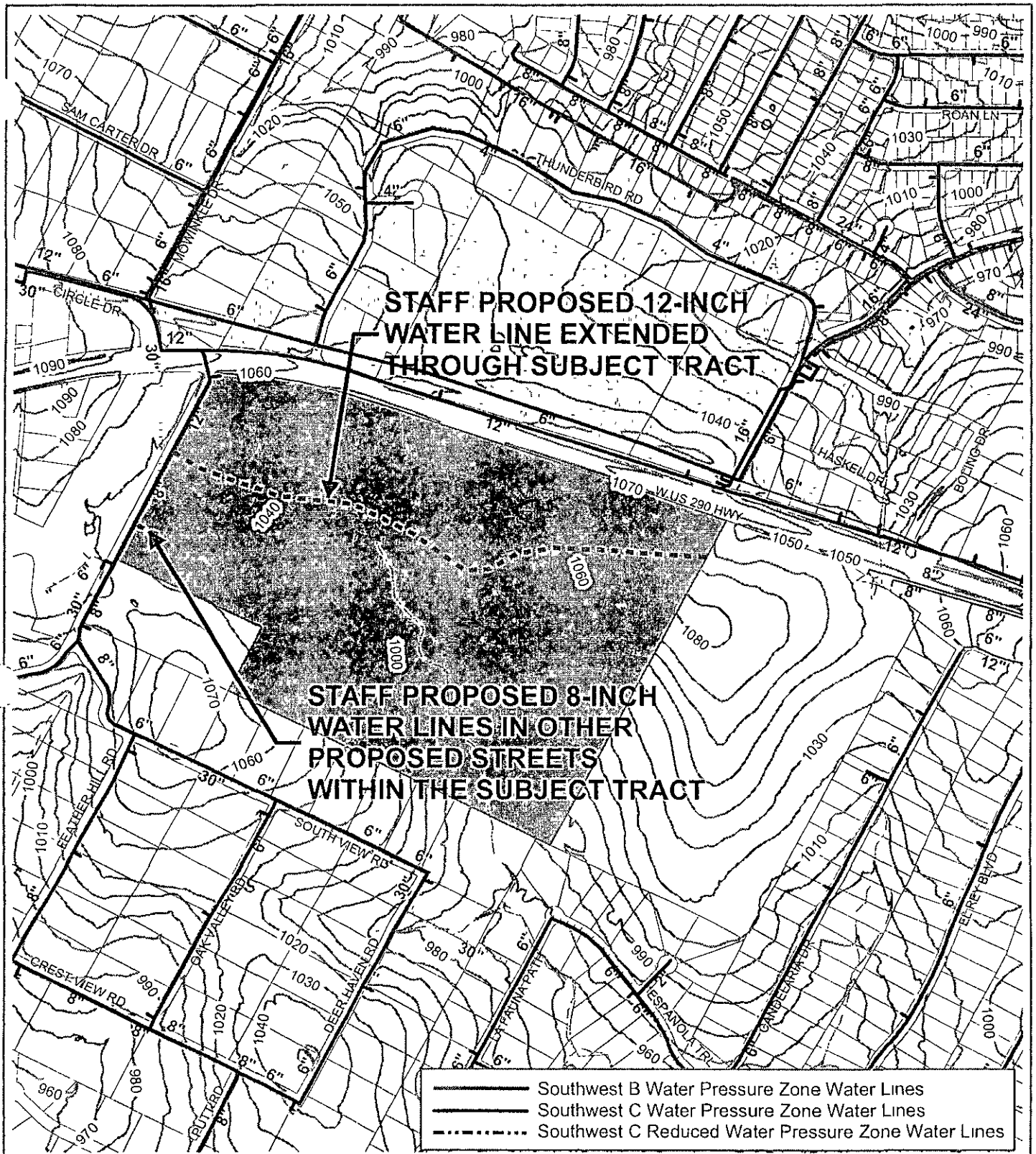
State law adopted in 2005 requires that infrastructure costs required by a political subdivision for a development be "roughly proportionate" to the cost of the infrastructure for the development. The proposed proportional share method reflects the intent of this state law.

This action waives the requirements of Section 25-9-62, thereby allowing the reimbursement of 33% of the hard costs of the 12-inch water main up to a maximum of \$165,082.00.

The Developer will conform to the City of Austin design criteria and construction standards in all respects. The applicant will construct all required improvements at their cost and after approval of construction, the applicant will dedicate the facilities to the City for ownership, operation and maintenance.

The Developer agrees to allow the City to use the Plans and Specifications approved by the Director, to solicit and publish invitations for bids for the construction of the improvements following standard City bidding practices and procedures, including the minority-owned business enterprise procurement program found in Chapter 2-9, City Code, as amended, and Chapters 212 and 252, Texas Local Government Code, as amended.

The Watershed Protection and Development Review Department, Transportation, Planning and Sustainability Department and other applicable City Departments have reviewed the subject Service Extension Request. The staff of Watershed Department presented information regarding this SER to the Environmental Board on January 24, 2007 and they found it to be SOS compliant.



560 280 0 560 Feet

Subject Tract

City Limits

Limited-Purpose City Limits

W. S.E.R. Name: Ridgeview
W. S.E.R. Number: 2523

CAPITAL IMPROVEMENT BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

02/01/07
Resolution
Austin Water Utility

DESCRIPTION:

Approve an ordinance authorizing negotiation and execution of a cost participation agreement, Service Extension Request No 2523, with CENTEX HOMES, INC , providing terms and conditions for construction of 12-inch water main and appurtenances to provide water service to the Ridgeview Subdivision located along U S Highway 290 West, east of South View Road with City cost reimbursement in an amount not to exceed 33% of the actual construction costs ("hard costs") or \$165,082, whichever is less and approve an Ordinance waiving the requirements of Section 25-9-62 of the City Code relating to amount of cost participation

FINANCIAL INFORMATION:

Project Name	Ridgeview Subdivision
Fund	3960
Department	2207
Unit	2057

Current Appropriation	\$	165,082 00
Unencumbered Balance	\$	165,082 00
Less Outstanding Commitments		0 00
Amount of This Action		<u>(165,082 00)</u>
Remaining Balance	\$	<u><u>-</u></u>

Utility Finance



David Anders, Utilities Finance Manager

Date

1/23/07

ORDINANCE NO.

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A COST PARTICIPATION AGREEMENT WITH CENTEX HOMES, INC. FOR CONSTRUCTION OF A 12-INCH WATER MAIN AND APPURTENANCES TO PROVIDE WATER SERVICE TO THE RIDGEVIEW SUBDIVISION; AND WAIVING REQUIREMENTS OF SECTION 25-9-62 OF THE CITY CODE RELATING TO AMOUNT OF COST PARTICIPATION.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. This ordinance applies to an application for cost reimbursement under City Code Chapter 25-9, Article 1, Division 2, Subpart B. (*Cost Reimbursement And Cost Participation*) by Centex Homes, Inc. for construction of a 12-inch water main and appurtenances to provide water service to the Ridgeview Subdivision located along U S. Highway 290 West, east of South View Road.

PART 2. The council authorizes the City Manager to negotiate and execute a cost reimbursement agreement with Centex Homes, Inc. allowing reimbursement of 33% of the actual construction costs of the 12-inch water main up to a maximum amount of \$165,082.

PART 3. The council waives the provisions of Section 25-9-62 (*Amount of Cost Participation*) of the City Code prescribing the maximum amount of City cost participation in an oversized water line.

This ordinance takes effect on _____, 2007.

PASSED AND APPROVED

§
§
§

_____, 2007

Will Wynn
Mayor

APPROVED: _____
David Allan Smith
City Attorney

ATTEST: _____
Shirley A. Gentry
City Clerk

No. 012407-E

**RECOMMEND APPROVAL OF AN ORDINANCE AUTHORIZING NEGOTIATION AND
EXECUTION OF A COST PARTICIPATION AGREEMENT, SERVICE
EXTENSION REQUEST NO. 2523, WITH CENTEX HOMES, INC., PROVIDING
TERMS AND CONDITIONS FOR CONSTRUCTION OF 12-INCH WATER MAIN
AND APPURTENANCES TO PROVIDE WATER SERVICE TO THE
RIDGEVIEW SUBDIVISION.**

**January 24, 2007
REGULAR MEETING
VOTE**

Motion Made By:	Commissioner's Vote			
	Consenting	Dissenting	Abstaining	Absent

Michael Warner (Chairperson)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chien Lee, P E , (Vice Chair)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ronnie Jones	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leslie Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Karen Friese, P.E.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laura Raun	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cheryl Scott-Ryan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dale Gray	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Water and Wastewater Commission recommends approval of an ordinance authorizing negotiation and execution of a cost participation agreement, Service Extension Request No. 2523, with CENTEX HOMES, INC., providing terms and conditions for construction of 12-inch water main and appurtenances to provide water service to the Ridgeview Subdivision located along U S. Highway 290 West, east of South View Road with City cost reimbursement in an amount not to exceed 33% of the actual construction costs ("hard costs") or \$165,082.00, whichever is less and approve an Ordinance waiving the requirements of Section 25-9-62 of the City Code relating to amount of cost participation.

Michael Warner, Chairperson
Water and Wastewater Commission.

Date



ENVIRONMENTAL BOARD MOTION 012407-D2

Date: January 24, 2007

Subject: Ridgeview Subdivision Utility Service Extension Request

Motioned By: Phil Moncada

Seconded by: Julie Jenkins

Recommendation

The Environmental Board **recommends** and supports this proposal for the Ridgeview Subdivision Utility Service Extension Request

Staff Conditions

None.

Rationale

- 1 The Ridgeview Subdivision Utility Service Extension Request is Save Our Springs compliant 23.8 % impervious cover and City of Austin staff supports this project.

Vote 6-0-0-3

For Anderson, Moncada, Maxwell, Ahart, Curra, and Jenkins

Against

Abstain.

Absent *Beall, Ascot and Dupnik

Approved By.

Dave Anderson P.E., CFM
Environmental Board Chair

* Karin Ascot was not present after 9.00 p m