

AGENDA



Thursday, December 18, 2008

**Austin Water Utility
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 7

Subject: Approve an ordinance authorizing negotiation and execution of an amendment to the existing Cost Reimbursement Agreement with SCA 101 Onion Creek Holdings, L.P., to increase the amount of City cost reimbursement for construction of 24 and 36-inch water main and appurtenances for the Alexan Onion Creek by \$15,000 for actual “hard” construction costs, with a new maximum “hard” construction cost amount not to exceed \$774,302, and a total maximum amount not to exceed \$888,197.

Amount and Source of Funding: Funding is available in the amount of \$15,000 from the Fiscal Year 2008-2009 Capital Budget of the Austin Water Utility.

Fiscal Note: A fiscal note is attached.

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

Boards and Commission Action: Reviewed by Water and Wastewater Commission.

Prior Council Action: Originally approved by Council on 12-15-05, Ordinance No. 20051215-003; First amendment approved by Council on 4-10-08, Ordinance No. 20080410-007.

Alexan Onion Creek is a multi-family development located at 10701 I.H. 35 South (the “Property”) inside the corporate limits of Austin. SCA 101 Onion Creek Holdings, L.P., (the “Developer”) previously submitted Service Extension Request Number 2457, requesting the extension of City water utility service to the Property, which is within the Desired Development Zone and the Slaughter Creek Watershed. The City Council approved the negotiation and execution of a cost reimbursement agreement with the Developer, on December 15, 2005, with City cost reimbursement not to exceed \$684,000 for actual hard construction costs for construction of a 24 and 36-inch water main to serve the Property and the area. The estimated construction cost for the 24 and 36-inch water mains were developed on conceptual engineering and planning documents during the review of the Service Extension Request.

The bids for the 24 and 36 water mains and appurtenances were opened November 29, 2007. The lowest bid received and certified by the City was over the original \$684,000.00 cost estimate. City Council approved the First Amendment to the Cost Reimbursement agreement on April 10, 2008 to increase the maximum “hard” cost reimbursement for the actual construction costs of the 24 and 36-inch water main and appurtenances constructed within public right-of-way or easements from \$684,000 to \$759,302.

The project is 95% complete and one change order is required for additional traffic control costs for a lane closure. This change order will cause the project costs to exceed the authorized maximum “hard” cost reimbursement for the actual construction costs of the 24 and 36-inch water main and appurtenances of \$759,302 by \$15,000. The \$15,000 will increase the maximum “hard” cost reimbursement for the actual construction costs of the 24 and 36-inch water main and appurtenances constructed within public right-of-way or easements from \$759,302 to \$774,302.

The maximum “soft” costs for engineering, design and project management of the 36-inch water main and appurtenances constructed within public right-of-way or easements will not change from the authorized

amount of \$113,895, or 15% of the actual construction costs of the 36-inch water main and appurtenances, whichever is less. The construction inspection and review fees of \$30,372 approved by City Council also will also not change.