| CURRENT CHAPTER 25-9 | DRAFT ORDINANCE NO | COMMENTS |
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| | AN ORDINANCE AMENDING CHAPTER 25-9 WATER AND WASTEWATER OF THE CITY CODE RELATING TO SERVICE EXTENSION REQUESTS AND CITY COST PARTICIPATION AND COST REIMBURSEMENT IN WATER AND WASTEWATER FACILITIES. BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN: | |
| | PART 1. Chapter 25-9 (Water and Wastewater) Article 1, Division 1 of the City Code is amended to | |
| CHAPTER 25-9. WATER AND WASTEWATER. | read: | |
| ARTICLE 1. UTILITY SERVICE. | ARTICLE 1. UTILITY SERVICE. | |
| Division 1. General Provisions. | Division 1. General Provisions. | |
| § <u>25-9-1</u> Applicability | § <u>25-9-1</u> Applicability | |
| § <u>25-9-2</u> Service Area of Water and Wastewater Utility | § <u>25-9-2</u> Service Area of <u>Austin</u> Water [and Wastewater] Utility | |
| § 25-9-3 Service Outside Service Area Prohibited | $\frac{25-9-3}{25-9-4}$ Service Outside Service Area Prohibited | |
| $\frac{525-9-4}{5}$ Reserved | § <u>25-9-4</u> Reserved § <u>25-9-5</u> Reserved | |
| § <u>25-9-5</u> Regulation of a Wastewater Treatment Plant by the Health Authority Division 2. Extension of Service. | § <u>25-9-5</u> Regulation of a Wastewater Treatment Plant by the Health Authority Division 2. Extension of Service. | |
| Subpart A. General Provisions. | Subpart A. General Provisions. | |
| § <u>25-9-31</u> Applicability | § 25-9-31 Applicability | |
| $\frac{325}{25-9-32}$ Definitions | § 25-9-32 Definitions | |
| § 25-9-33 Service Extension Application | § 25-9-33 Service Extension Application | |
| $\frac{1}{25-9-34}$ Approval of a Service Extension | § 25-9-34 <u>Review and Approval [of a Service Extension</u>] <u>Process</u> | Add § 25-9-34 (Review & Approval Process) |
| § 25-9-35 Environmental Assessments | § 25-9-35 Approval of a Service Extension Request [Environmental Assessments] | |
| § <u>25-9-36</u> Approval of Improvements | § 25-9-36 Environmental Assessments [Approval of Improvements] | |
| § <u>25-9-37</u> Construction of Improvements | § 25-9-37 <u>Approval of Improvements</u> [Construction of Improvements] | |
| § 25-9-38 Expiration of Service Extension Approval | § 25-9-38 Construction of Improvements [Expiration of Service Extension Approval] | |
| § <u>25-9-39</u> Fiscal Security | § 25-9-39 Expiration of Service Extension Request Approval [Fiscal Security] | Delete § 25-9-39 (Fiscal Security) |
| § 25-9-40 Service Commitment Transfer Not Permittee | § 25-9-40 Service Commitment Transfer Not Permittee | |
| $\frac{25-9-41}{100}$ 100 Foot Rule | § 25-9-41 Development Compliance [100 Foot Rule] | |
| § <u>25-9-42</u> Development Compliance | <u>§ 25-9-42</u> Development Compliance Subsect B. Cost Deimburgement and Cost Porticipation and Cost Deimburgement | Delete § 25-9-41 (100 Foot Rule) |
| Subpart B. Cost Reimbursement and Cost Participation. § 25-9-61 Eligible Projects | Subpart B. Cost [Reimbursement and Cost] Participation and Cost Reimbursement. § 25-9-61 Eligible Projects | |
| $\frac{25-9-61}{25-9-62}$ Amount of Cost Participation | § 25-9-62 Amount of Cost Participation | |
| $\frac{259-62}{825-9-63}$ Amount of Cost Reimbursement | § 25-9-63 Amount of Cost Participation | |
| $\frac{2596}{25-9-64}$ Application Required | § 25-9-64 Application for Cost Participation and Cost Reimbursement [Required] | |
| § 25-9-65 Approval Process | § 25-9-65 Approval Process | |
| $\frac{25-9-66}{25-9-66}$ Cost Reimbursement Requirements | § 25-9-66 Cost Reimbursement Requirements | |
| § 25-9-67 Cost Participation and Cost Reimbursement Payment | § 25-9-67 Cost Participation and Cost Reimbursement Payment | |
| § 25-9-68 Developer Agreement Required | § 25-9-68 Developer Agreement [Required] | |
| § <u>25-9-69</u> Service Connections to Certain Lots | [§ 25-9-69 Service Connections to Certain Lots] | Delete § 25-9-69 (Service Connections to Certain Lots) |
| | Additional Divisions of Chapter 25-9 not directly relevant to the Service Extension Request process | (Purpose of addition or deletion is given further |
| | have been omitted from this printout to save paper. | below) |
| ARTICLE 1. UTILITY SERVICE. | ARTICLE 1. UTILITY SERVICE. | |
| Division 1. General Provisions. | Division 1. General Provisions. | |
| <u>§ 25-9-1 APPLICABILITY.</u> | § 25-9-1 APPLICABILITY. | |
| This article applies in the planning jurisdiction of the City unless stated otherwise in this article. | This article applies in the planning jurisdiction of the City unless stated otherwise in this article. | |
| Source: Section 13-3-1; Ord. 990225-70; Ord. 031211-11. | Source: Section 13-3-1; Ord. 990225-70; Ord. 031211-11. | |
| § 25-9-2 SERVICE AREA OF WATER AND WASTEWATER UTILITY. | § 25-9-2 SERVICE AREA OF <u>AUSTIN</u> WATER [AND WASTEWATER] UTILITY. | |
| <u>8 23-3-2 SERVICE AREA OF WATER AND WASTEWATER UTILITT.</u> | 8 23-9-2 SERVICE AREA OF <u>AUSTIN</u> WATER [AND WASTEWATER] UTILITY. | l |

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| The service area of the Water and Wastewater Utility is coterminous with the water and wastewater impact fee service area established by the council under Chapter <u>25-9</u> , <u>Article 3</u> (<i>Water And Wastewater Capital Recovery Fees</i>), including each amendment or revision of the area. <i>Source: Section 13-3-5; Ord. 990225-70; Ord. 031211-11.</i> <u>§ 25-9-3 SERVICE OUTSIDE SERVICE AREA PROHIBITED.</u> The City may not provide water or wastewater service outside the service area of the Water and Wastewater Utility unless the council by ordinance waives the prohibition. <i>Source: Section 13-3-5(b); Ord. 990225-70; Ord. 000309-39; Ord. 031211-11.</i> <u>§ 25-9-4 RESERVED.</u> <u>§ 25-9-5 REGULATION OF A WASTEWATER TREATMENT PLANT BY THE HEALTH</u> <u>AUTHORITY.</u> In accordance with Sections 26.173 and 26.177 of the Texas Water Code, the Health Authority: | wastewater impact fee service area established by the council under Chapter<u>25-9</u>, <u>Article 3</u> (<i>Water And Wastewater Capital Recovery Fees</i>), including each amendment or revision of the area. <i>Source: Section 13-3-5; Ord. 990225-70; Ord. 031211-11.</i> § 25-9-3 SERVICE OUTSIDE SERVICE AREA PROHIBITED. | |
| (1) may inventory, monitor, and periodically inspect and test the discharge from a wastewater treatment plant; and | | |
| (2) shall impose on the owner of a plant an annual fee for inspecting and sampling the discharge. <i>Source: Section 13-3-2(b) and (c); Ord. 990225-70; Ord. 031211-11.</i> | (2) shall impose on the owner of a plant an annual fee for inspecting and sampling the discharge. <i>Source: Section 13-3-2(b) and (c); Ord. 990225-70; Ord. 031211-11.</i> PART 2. Chapter 25-9 (<i>Water and Wastewater</i>) Article 1, Division 2 of the City Code is amended to read: | |
| Division 2. Extension of Service. Subpart A. General Provisions. § 25-9-31 APPLICABILITY. This subpart applies to the approval and construction of a service extension other than a service extension that is constructed as part of: (1) a capital improvement program of the City; or (2) a project initiated by the City. | Division 2. Extension of Service. Subpart A. General Provisions. § 25-9-31 APPLICABILITY. This subpart applies to the approval and construction of a service extension other than a service extension that is constructed as part of <u>a project serving a property for which:</u> (1) a capital improvement program of the City; or (2) a project initiated by the City. (1) the nearest point on the property's boundary is 100 feet or less from an accessible water or wastewater system; and | § 25-9-31 clarifies circumstances under which a SER is required. |
| Source: Section 13-3-9(a); Ord. 990225-70; Ord. 031211-11. § 25-9-32 DEFINITIONS. In this subpart: (1) ASSOCIATED FACILITY means an apparatus or improvement that is used in conjunction with a water or wastewater line that provides water or wastewater service to a tract of land, regardless of where the associated facility is located. The term includes a lift station, force main, pump station, storage tank, a decentralized wastewater system component, or an addition to an existing facility that increases the capability of the existing facility to provide water or wastewater service. | | |

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| (2) CONSTRUCTION, with reference to a facility, means only the actual physical construction of the facility. The term does not include the designing of, surveying for, or laying out of a facility that occurs before the physical construction of the facility. | | |
| (3) DECENTRALIZED WASTEWATER SYSTEM means a wastewater system other than one that is connected to the Govalle, South Austin Regional, or the Walnut Creek wastewater treatmen plant, and includes an on-site wastewater disposal system, a cluster wastewater system, or a small wastewater treatment plant. | (3) DECENTRALIZED WASTEWATER SYSTEM means a wastewater system other than one that is connected to a <u>City</u> [Govalle, South Austin Regional, or the Walnut Creek] wastewater treatment <u>plants</u>], and includes an on-site wastewater disposal system, a cluster wastewater system, or a small wastewater treatment plant. | |
| (4) OVERSIZE, with reference to a water or wastewater line or an associated facility, means an increase in the size or capacity of the line or associated facility above the minimum size or capacity including fire flow requirements, that is necessary to provide utility service. | (4) OVERSIZE, with reference to a water or wastewater line or an associated facility, means an increase in the size or capacity of the line or associated facility above the minimum size or capacity, including fire flow requirements, that is necessary to provide utility service <u>to meet the projected</u> <u>demands of the tract to be served</u> | |
| (5) SERVICE EXTENSION means a water or wastewater line or associated facility that is necessary to provide new or additional water or wastewater service to a tract of land. | (5) SERVICE EXTENSION means a water or wastewater line or associated facility that <u>provides</u> [is necessary to provide] new or additional water or wastewater service to a tract of land. | |
| (6) WATER OR WASTEWATER LINE means a necessary appurtenance to a water distribution of wastewater collection system. The term includes a valve, manhole, connection, air release, diversion and other equipment necessary to make the water distribution or wastewater collection system operable in compliance with the design criteria and standards in the Utilities Criteria Manual, or the equivalent design criteria and standards as determined by the director of the Water and Wastewater Utility. | distribution or wastewater collection system. The term includes a valve, manhole, connection, air release, diversion, and other equipment necessary to make the water distribution or wastewater collection system operable in compliance with the design criteria and standards in the Utilities Criteria | |
| | (7) <u>HARD COSTS means the actual cost of construction and materials determined after completion</u> and final acceptance of a project. (8) SOFT COSTS means the cost of engineering and project management of a facility. | § 25-9-32 (7)-(10): The additional defined terms, in conjunction with other additional sections, establish the amount the Utility will provide in cost participation or cost reimbursement. |
| | (9) COST PARTICIPATION is a calculated percentage, as set forth in Section 25-9-62, of hard costs plus up to 15% of the calculated percentage of hard costs to reimburse soft costs. (10) COST REIMBURSEMENT means 100% of hard costs plus up to 15% of hard costs to reimburse soft costs. | |
| Source: Section 13-3-9(b); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11. § 25-9-33 SERVICE EXTENSION APPLICATION. (A) In this section, "approved water or wastewater line" is a water or wastewater line constructed under a: | Source: Section 13-3-9(b); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11. § 25-9-33 SERVICE EXTENSION APPLICATION. | |
| (1) capital improvement project; (2) developer participation contract; (3) community facilities contract; (4) project initiated by the City; or | (1) connect a tract of land to a City utility system <u>if an accessible water and wastewater service is</u> more than one hundred feet from the property's boundary[capital improvement project]; or (2) developer participation contract; (3) community facilities contract; (4) project initiated by the City; or | § 25-9-33(A)(1)-(3): Clarifies when a SER is required. |
| (4) project initiated by the ext, of(5) approved service extension request.(B) A service extension request application is required to: | (4) project initiated by the exty, of (5) approved service extension request. (B) A service extension request application is required to:] | |

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| (1) connect a tract of land to a City utility system; or | (2) provide utility service to a tract of land if an existing line or associated facility is unsuitable or insufficient to provide service to the tract <u>as determined by the director in accordance with the Utilities Criteria Manual</u> . | |
| | (3) provide service from a decentralized wastewater system to a tract of land where the director recommends the City operate and maintain that decentralized wastewater system. | |
| (2) to provide utility service to a tract of land if an existing line or associated facility is unsuitable or insufficient to provide service to the tract. | (B)[(C)] A person must submit an application for a service extension to the director of the <u>Austin</u> Water [and Wastewater] Utility. The director of the <u>Austin</u> Water [and Wastewater] Utility may not accept an application unless the application is complete and the applicant has paid the required <u>non-refundable</u> fee. | |
| (C) A person must submit an application for a service extension to the director of the Water and Wastewater Utility. The director of the Water and Wastewater Utility may not accept an application unless the application is complete and the applicant has paid the required fee. | | |
| | (2) <u>be accompanied by a request for annexation of the tract by the City</u> the land is not covered by the utility's certificate of convenience and necessity[<u>be accompanied by a request for annexation of the land by the City</u>]; and (3) include other information as required by the director of the<u>Austin</u> Water [and Wastewater] Utility. | § 25-9-33(C)(2): This section is modified to comply with the City Ordinance No.20050929-077, adopted in 2005, which amended section 25-9-33 of the City Code to waive the request for annexation for the land inside the City CNN. |
| (D) An application for approval of a service extension must: | | |
| (1) include a general description of the location, size, and capacity of the service extension; | | |
| (2) if the land is not covered by the utility's certificate of convenience and necessity, be accompanied by a request for annexation of the land by the City; and(3) include other information as required by the director of the Water and Wastewater Utility. | | |
| (E) If either water or wastewater service is to be provided by an entity other than the City, the | | |
| application must be accompanied by evidence of a commitment from the other entity to provide the service. The evidence must be in the form of: | application must be accompanied by evidence of a commitment from the other entity to provide the service. The evidence must be in the form of: | |
| (1) a contract with the entity; | (1) a contract with the entity; | |
| (2) a letter from the entity; or | (2) a letter from the entity; or | |
| (3) the minutes of the relevant meeting of the governing body of the entity. | (3) the minutes of the relevant meeting of the governing body of the entity. | |
| (F) The director of the Water and Wastewater Utility may not accept an application for a service extension if the tract of land to be served by the service extension is not in the service area of the Water and Wastewater Utility. | | |
| Source: Sections 13-3-9(b), 13-3-10(a), (b), and (d), and 13-3-11(a), (d), and (e); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11; Ord. 20050929-077. | Source: Sections 13-3-9(b), 13-3-10(a), (b), and (d), and 13-3-11(a), (d), and (e); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11; Ord. 20050929-077. | |
| 014. 000400-87, 014. 031211-11, 014. 20030929-077. | § 25-9-34 REVIEW AND APPROVAL PROCESS | |
| | (A) Administrative Review. An administrative review will be conducted to determine the completeness of the service extension applications. Within a time period established by state law, notification will be sent to an applicant indicating whether an application is administratively complete or if additional information is required. | § 25-9-34(A): This proposed section is added to comply with a state law, Senate Bill No. 848, adopted in 2005, which amended Local Government Code Chapter 245 to mandate a response time for a service extension application. |

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| <u>§ 25-9-34 APPROVAL OF A SERVICE EXTENSION.</u> | (B) Technical Review. After an application is determined to be administratively complete, a technical review will be conducted. Technical review may include, but is not limited to, a determination of the service requirements for the subject tract, the system capacity, cost participation and cost reimbursement, and type of improvements necessary to provide service to the site. Additional information may be required from the applicant for completion of the technical review. During the technical review a professional engineer employed by Austin Water Utility shall determine a size of a water or wastewater line or a capacity of an associated facility that is roughly proportionate to the size or capacity that is required to serve the proposed development. (C) Upon completion of the technical review, and subject to the approval requirements of Section 25-9-35, notification of approval of the service extension request will be sent to the applicant. § 25-9-<u>35[34]</u> APPROVAL OF A SERVICE EXTENSION <u>REQUEST</u>. | § 25-9-34(B)-(C): Adds description of the review process (see attached timeline flowchart). |
| (A) Except as provided in Subsection (B), city council approval of a service extension is required.(B) The director of the Water and Wastewater Utility may approve an application for a service extension if: | (A) Except as provided in Subsection (B), city council approval of a service extension<u>request or substantial amendment of an unexpired, approved service extension reques</u>tis required. (B) The director of the<u>Austin</u> Water [and Wastewater] Utility may approve an application for a service extension <u>request or amendment of an unexpired service extension reques</u>tif: | |
| (1) the requested service extension does not include cost participation or reimbursement by the City (2) the director of the Water and Wastewater Utility determines that sufficient capacity exists or will be available to meet the projected demands of the tract to be served; and (3) the property is located: (a) in the desired development zone; or | | |
| (b) in the drinking water protection zone and within the full purpose corporate limits. | (b) in the drinking water protection zone and within the full purpose corporate limits. | |
| | | |
| | (C) [If the requested service extension includes cost participation or reimbursement by the City, or if the director of the Water and Wastewater Utility does not determine that sufficient capacity exits or will exist, the application must be processed under Sections 25-9-64 (Application Required) and 25-9 65 (Approval Process).] | Current § 25-9-34(C) relating to SER's requesting cost |
| Source: Section 13-3-10(c) and (d); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11. <u>§ 25-9-35 ENVIRONMENTAL ASSESSMENTS.</u> | <i>Source: Section 13-3-10(c) and (d); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11.</i> § 25-9- <u>36 [35] ENVIRONMENTAL ASSESSMENTS.</u> | |
| (A) An applicant for a service extension shall perform an environment assessment if required as part of the City's review of an application. | as part of the City's review of an application. | |
| (B) An applicant is responsible for the cost of the environmental assessment. <i>Source: Section 13-3-11(c); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11.</i> | (B) An applicant is responsible for the cost of the environmental assessment. <i>Source: Section 13-3-11(c); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11.</i> | |

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| <u>§ 25-9-36 APPROVAL OF IMPROVEMENTS.</u> | § 25-9- <u>37 [36]</u> APPROVAL OF IMPROVEMENTS. | |
| (A) After a request for a service extension has been approved, an applicant must submit the construction plans for needed improvements to the director of the Water and Wastewater Utility for review and approval of the size, capacity, and routing of the improvements. | (A) After a request for a service extension has been approved, an applicant must submit the construction plans for needed improvements <u>and a copy of the approved service extension request</u> to the director of the <u>Austin</u> Water [and Wastewater] Utility for review and approval of the size, capacity, and routing of the improvements. | § 25-9-37(A): Codifies a current practice. |
| (B) The director of the Water and Wastewater Utility may approve the size, capacity, routing, or location of an improvement only if it complies with the Utility Criteria Manual, or equivalent standards as determined by the director of the Water and Wastewater Utility, and each applicable City requirement. <i>Source: Section 13-3-11(b); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11.</i> § 25-9-37 CONSTRUCTION OF IMPROVEMENTS. | routing, or location of an improvement only if it complies with the <u>Utilities</u> [Utility] Criteria Manual, | |
| An applicant for a service extension shall provide information determined by the director of the Water and Wastewater Utility to be necessary to demonstrate that construction of the service extension complies with the requirements of the City. <i>Source: Section 13-3-11(c); Ord. 990225-70; Ord. 031211-11.</i> § 25-9-38 EXPIRATION OF SERVICE EXTENSION APPROVAL. (A) This subsection applies to a service extension approved before April 17, 2000. (1) Unless extended under this subsection or Subsection (C), the approval of a service extension remains in effect until the latest of: (a) the date on which the preliminary plan expires for the property to be served by the service extension; (b) the second anniversary of the date on which the service extension was approved, if on or before that date: (i) a preliminary plan for the property to be served has not been approved; and (ii) construction of the service extension has not begun; or | An applicant for a service extension <u>request</u> shall provide information determined by the director of the <u>Austin</u> Water [and Wastewater] Utility to be necessary to demonstrate that construction of the service extension complies with the requirements of the City. <i>Source: Section 13-3-11(c); Ord. 990225-70; Ord. 031211-11.</i> § 25-9- <u>39[38]</u> EXPIRATION OF SERVICE EXTENSION REQUEST APPROVAL. (A) This subsection applies to a service extension <u>request</u> approved before April 17, 2000. (1) Unless extended under this subsection or Subsection (C), the approval of a service extension <u>request</u> remains in effect until the latest of: (a) the date on which the preliminary plan expires for the property to be served by the service extension; | |
| (c) the third anniversary of the date on which the service extension was approved, if: (i) on or before that date a preliminary plan for the property to be served has not been approved; (ii) construction of the service extension began before the second anniversary of the date on which the service extension was approved, but on or before the third anniversary of that date, construction of the service extension has not been completed and accepted for operation and maintenance by the City. (2) If construction of a service extension begins while the approval is in effect under Paragraph (1), the director of the Water and Wastewater Utility may extend the approval of a service extension. (B) This subsection applies to a service extension approved after April 17, 2000. (1) Except as provided in Paragraph (2), a service extension expires on the latest of: (a) 120 days after the date of its approval; (b) for a project with a pending development application, the date the application expires; or | (c) the third anniversary of the date on which the service extension<u>request</u> was approved, if: (i) on or before that date a preliminary plan for the property to be served has not been approved; (ii) construction of the service extension began before the second anniversary of the date on which the service extension <u>request</u> was approved, but on or before the third anniversary of that date, construction of the service extension has not been completed and accepted for operation and maintenance by the City. (2) If construction of a service extension begins while the approval is in effect under Paragraph (1), the director of the <u>Austin</u> Water [and Wastewater] Utility may extend the approval of a service extension. (B) This subsection applies to a service extension<u>request</u> approved after April 17, 2000. (1) Except as set forth in (2), an approved [Except as provided in Paragraph (2), a] service extension<u>request</u> expires on the latest of: (a) 120 days after the date of its approval; (b) for a project with a pending development application, the date the application expires; or | |
| (c) for a project with an approved development application, the date the approval expires. | (c) for a project with an approved development application, the date the approval expires.(2) For a project with a recorded plat, the service extension request does not expire. | § 25-9-39(B)(2): This is current practice and its purpose is to maintain means of service for the plat. |

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| (2) If a project's intensity, proposed land uses, or anticipated water or wastewater demands change | (32) If a project's intensity, proposed land uses, or anticipated water or wastewater demands change [substantially, an approved], any such change must be reported to the director and there must be an application for the amended service extension request unless the director determines the change is not | § 25-9-39(B)(3): Clarifies current process when there is |
| substantially, an approved service extension expires. | so substantial as to require an amendment[expires]. (C) Under this section, if the approval of a service extension <u>request</u> requires cost participation or cost | change proposed for an SER. |
| (C) Under this section, if the approval of a service extension requires cost participation from the City | reimbursement from the City under a cost participation or cost reimbursement contract or a | |
| under a cost participation contract or a community facilities contract approved by the council: (1) construction of the service extension begins on the date that fiscal security is posted or money is | community facilities contract approved by the council: (1) construction of the service extension begins on the date that fiscal security is posted or money is | |
| deposited in compliance with the contract; and | deposited in compliance with the contract; and | |
| (2) the service extension approval is extended until construction of the service extension is complete | | |
| and the City accepts the lines and associated facilities constructed under the contract. | complete and the City accepts the lines and associated facilities constructed under the contract. | |
| Source: Section 13-3-12(b), (d), and (e); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11. <u>§ 25-9-39 FISCAL SECURITY.</u> | Source: Section 13-3-12(b), (d), and (e); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11. [<u>§ 25-9-39</u> FISCAL SECURITY: | |
| (A) Except as provided in Subsection (D), the owner of the tract of land to be served by a service | (A) Except as provided in Subsection (D), the owner of the tract of land to be served by a service | |
| extension shall post fiscal security with the City before the 91st day after the date on which the servic extension is approved. | extension shall post fiscal security with the City before the 91st day after the date on which the servic extension is approved. | |
| (B) The fiscal security must be in an amount equal to 100 percent of the estimated cost of the service extension improvements. | (B) The fiscal security must be in an amount equal to 100 percent of the estimated cost of the service extension improvements. | |
| (C) The fiscal security must be in the form of: | (C) The fiscal security must be in the form of: | |
| (1) an irrevocable letter of credit that has a minimum term of three years and is acceptable to the | (1) an irrevocable letter of credit that has a minimum term of three years and is acceptable to the | |
| City; or (2) a cash deposit. | City; or (2) a cash deposit. | |
| | | § 25-9-39 (Fiscal Security) is deleted because the Utility |
| (D) If a maliminant plan for the tract to be carried by the carries extension is filed before the 00th day | (D) If a malining much for the treat to be considered by the consistencion is filed before the 00th day | has not required this form of fiscal security for a long |
| (D) If a preliminary plan for the tract to be served by the service extension is filed before the 90th day after the service extension is approved, the owner of the tract of land shall post fiscal security for the | (D) If a preliminary plan for the tract to be served by the service extension is filed before the 90th day after the service extension is approved, the owner of the tract of land shall post fiscal security for the | time. Please note fiscal security is still required for projects receiving cost participation and cost |
| improvements at the time fiscal security for the subdivision is posted. | improvements at the time fiscal security for the subdivision is posted. | reimbursement. |
| (E) If, on the 30th day before the approval of a service extension expires construction of a service extension has not begun, the City may use the fiscal security to construct the service extension. | (E) If, on the 30th day before the approval of a service extension expires construction of a service extension has not begun, the City may use the fiscal security to construct the service extension. | |
| (F) A developer agreement described in Section <u>25-9-68</u> (<i>Developer Agreement Required</i>) may vary | (F) A developer agreement described in Section <u>25 9-68</u> (Developer Agreement Required) may vary | |
| the fiscal security requirements of this section. | the fiscal security requirements of this section. | |
| Source: Section 13-3-13; Ord. 990225-70; Ord. 000406-87; Ord. 031211-11. | Source: Section 13-3-13; Ord. 990225-70; Ord. 000406-87; Ord. 031211-11. | |
| <u>§ 25-9-40 SERVICE COMMITMENT TRANSFER NOT PERMITTED.</u> A service commitment may not be transferred from one tract of land to another. | § 25-9-40 SERVICE COMMITMENT TRANSFER NOT PERMITTED. A service commitment may not be transferred from one tract of land to another. | |
| Source: Ord. 000406-87; Ord. 031211-11. | Source: Ord. 000406-87; Ord. 031211-11. | |
| § 25-9-41 100 FOOT RULE. | § 25-9-41 <u>DEVELOPMENT COMPLIANCE</u> [100 FOOT RULE]. | |
| | | § 25-9-41(100 foot rule) is removed from this section of the City code addressing SERs because the application of |
| (A) The City may, at its expense, extend a water or wastewater line for a maximum distance of 100 | (A) The City may, at its expense, extend a water or wastewater line for a maximum distance of 100 | the 100-foot rule does not involve an SER. This section |
| feet to serve a legal tract in the full purpose municipal boundaries of the City if funds are available to | | might be deleted entirely or moved to another part of the |
| pay the cost of installing the line. | pay the cost of installing the line. | code. |
| (B) A line installed under Subsection (A) must be 8 inches or less in diameter. | (B) A line installed under Subsection (A) must be 8 inches or less in diameter. | |

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| (C) The person requesting utility service is responsible for installing water or wastewater line needed to serve the tract in excess of the line installed by the City under Subsection (A). <i>Source: Section 13-3-4; Ord. 990225-70; Ord. 031211-11.</i> § 25-9-42 DEVELOPMENT COMPLIANCE. Development of a project for which a service extension is approved must comply with the terms of the approved service extension. <i>Source: Ord. 000406-87; Ord. 031211-11.</i> § 25-9-61 ELIGIBLE PROJECTS. | to serve the tract in excess of the line installed by the City under Subsection (A). <i>Source: Section 13 3 4; Ord. 990225 70; Ord. 031211 11.</i>] Development of a project for which a service extension <u>request</u> is approved must comply with the | |
| (A) An entity that agrees to construct a water or wastewater line or an associated facility that on acceptance will become part of the City water and wastewater system may apply to the City for cost participation in a water or wastewater line or an associated facility if the line or facility is oversized at the request of the City to serve additional property; and | facility is oversized at the request of the City to serve additional property [and]. Cost participation | § 25-9-61 to 65: Proposed changes to these sections are in response to the House Bill No. 1835, effective 2005, which amends the Local Government Code adding Section 212.904 that requires costs imposed by the City on a development for infrastructure improvements be "roughly proportionate" to the infrastructure costs associated with the development. (See attached spreadsheet analyzing 3 different methods for calculating the City's cost participation in a project. Cost participation based on pipe diameter is recommended). |
| (1) if the improvement is a wastewater line, has a diameter of more than 8 inches but less than 18 inches and the tract to which service is to be provided is within the desired development zone; or | (A) Under this Section cost participation will apply: | |
| (2) if the improvement is a water line, has a diameter of more than 12 inches but less than 24 inches | (1) if the improvement is a water line and has a diameter of more than 8 inches but less than 24 inches; or (2) [(4)] if the improvement is a wastewater line,and has a diameter of more than 8 inches but less than 18 inches [and the tract to which service is to be provided is within the desired development | |
| (B) The maximum cost reimbursement for the cost of a facility is described in the following table.(C) Cost reimbursement is not permitted for a wastewater facility that serves the drinking water protection zone. | zone] ; or | |
| | (B) The maximum cost reimbursement for the cost of a facility is described in the following tabld. (3) if the improvement is a pump station, reservoir, storage tank, lift station, force main or wastewater treatment plant that is oversized at the request of the City. (B) Under this Section cost reimbursement [for the cost of a facility is described in the following table.] will apply: (1) if the improvement is a water line and has a diameter of 24 inches or greater; or (C) Cost reimbursement is not permitted for a wastewater facility that serves the drinking water protection zone.] (2) if the improvement is a wastewater line and has a diameter of 18 inches or greater. | |

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| FACILITIES ELIGIBLE FOR COST REIMBURSEMENT Facility Maximum Reimbursement (Per LUE) 1. Water Treatment (only water treatment plants to be assumed for ownership \$468 by the City for system-related needs) 2. Water Transmission (only water transmission lines 24 inches or greater in \$345 diameter, and water transmission valves and encasements for lines 24 inches or greater in diameter) 3. Water Reservoirs (only water reservoirs) \$175 4. Water Pumpage (only water reservoirs) \$175 4. Water Pumpage (only water pumpage facilities including treatment plant \$153 pumpage) 5. Wastewater Treatment (only wastewater treatment plants to be assumed for \$949 ownership by the City for system-related) 6. Wastewater Interceptors (only gravity mains 18 inches or greater in diameter, \$404 force main 12 inches or greater in diameter, tunnels, tunnel liners, and special manholes) 7. Wastewater Lift Stations (only major, permanent lift stations) \$80 | FACILITIES ELIGIBLE FOR COST REIMBURSEMENT Facility Maximum Reimbursement (Per LUE) 1. Water Treatment (only water treatment plants to be assumed for ownership \$ 468 by the City for system related needs) 2. Water Transmission (only water transmission lines 24 inches or greater in \$ 345 diameter, and water transmission valves and encasements \$ 345 for lines 24 inches or greater in diameter) 3. Water Reservoirs (only water reservoirs) \$ 175 4. Water Pumpage (only water pumpage facilities including treatment plant \$ 153 pumpage) 5. Wastewater Treatment (only wastewater treatment plants to be assumed for \$ 949 ownership by the City for system related) 6. Wastewater Interceptors (only gravity mains 18 inches or greater in diameter, \$ 404 force main 12 inches or greater in diameter, tunnels, \$ 404 force main 12 inches or greater in diameter, tunnels, \$ 80 7. Wastewater Lift Stations (only major, permanent lift stations) \$ 80 | The portion of this section relating to Facilities Eligible for Cost Reimbursement is deleted because basing the maximum reimbursement amount for each facility on living unit equivalents (LUEs) is no longer an applicable method. |
| Source: Section 13-3-15(b), (c), and Table 2; Ord. 990225-70; Ord. 000309-39; Ord. 000406-87; Ord. 031211-11. | Source: Section 13-3-15(b), (c), and Table 2; Ord. 990225-70; Ord. 000309-39; Ord. 000406-87; Ord. 031211-11. | |
| <u>§ 25-9-62 AMOUNT OF COST PARTICIPATION.</u> | § 25-9-62 AMOUNT OF COST PARTICIPATION. | |
| (A) The amount of City cost participation in an oversized water line is computed by: (1) multiplying \$3 by each inch in diameter that the water line is oversize; and (2) multiplying that product by the length of the water line measured in feet. (B) The amount of City cost participation for an oversized wastewater line is computed by: (1) multiplying \$3.50 by each inch in diameter that the wastewater line is oversize; and (2) multiplying that product by the length of the wastewater line measured in feet. (C) multiplying that product by the length of the wastewater line measured in feet. (C) The length of an oversized water or wastewater line shall be determined in accordance with approved as-built drawings. (D) The cost participation computation for an oversized water or wastewater line accounts for all costs related to the oversizing, including: (1) engineering costs; (2) administrative costs; and (3) the cost of fittings, hydrants, and valves. <i>Source: Section 13-3-15(d); Ord. 990225-70; Ord. 031211-11.</i> | Tables 1 and 2 below set forth the percentage [(A) — The amount] of [-City] cost participation in the hard costs of an oversized water or wastewater line. The percentage of cost participation is based upon the increased percentage in pipe diameter due to oversizing established under Section 25-9-64. Cost participation is determined by multiplying the percentage set forth in Table 1 and Table 2 by the hard costs of an oversized line. [line is computed by:] [(1) multiplying \$3 by each inch in diameter that the water line is oversize; and (2) multiplying that product by the length of the water line measured in feet (B) The amount of City cost participation for an oversized wastewater line is computed by: -(1) multiplying \$3.50 by each inch in diameter that the water line measured in feet (B) The amount of City cost participation for an oversized wastewater line is computed by: -(1) multiplying \$3.50 by each inch in diameter that the wastewater line is oversize; and -(2) multiplying that product by the length of the wastewater line measured in feet (B) The length of an oversized water or wastewater line shall be determined in accordance with approved as built drawings.] ((D) The cost participation computation for an oversized water or wastewater line accounts for all costs related to the oversizing, including: -(1) engineering costs; -(2) administrative costs; and -(3) the cost of fittings, hydrants, and valves. Source: Section 13 3 15(d); Ord. 990225 70; Ord. 031211-11. (A) The following table sets forth the amount of cost partic | |

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| | $\begin{array}{c c c c c c c c c c c c c c c c c c c $ | |
| <u>\$ 25-9-63 AMOUNT OF COST REIMBURSEMENT.</u> | (C) The amount of cost participation for hard costs for pump stations, reservoirs, storage tanks, wastewater treatment plants, lift stations, force mains and other associated facilities will be calculated on the percentage of oversizing of the treatment capacity or pumping capacity. (D) The amount of cost participation for soft costs is up to 15% of the hard costs calculated under subsections (A), (B) and (C) of this Section. (E) Notwithstanding the above, under no circumstannce shall cost participation under this section exceed the amount authorized by council, unless council provides authorization for additional cost participation. § 25-9-63 AMOUNT OF COST REIMBURSEMENT. | |
| The amount of the cost reimbursement for an improvement is based on the actual construction cost of the improvement. However, the amount of cost reimbursement for a facility may not exceed the maximum reimbursement provided in Subsection <u>25-9-61(B)</u> (<i>Eligible Projects</i>) for each living unit equivalent of capacity provided by the facility, calculated in accordance with the Utilities Criteria Manual. <i>Source: Section 13-3-15(e) and (f); Ord. 990225-70; Ord. 031211-11.</i> <u>§ 25-9-64 APPLICATION REQUIRED.</u> | reimbursement [the actual construction cost of the improvement. However, the amount of cost reimbursement for a facility may not exceed the maximum reimbursement provided in Subsection <u>25-</u> | equivalent (LUE) that the facility serves. The addition of a provision for soft costs to be included in cos participation or cost reimbursement agreements with developers will eliminate the need to seek a waiver from |
| The applicant for approval of a service extension must request cost participation or cost reimbursement at the time the applicant applies to the director of the Water and Wastewater Utility for approval of the service extension. Source: Section 13-3-17(a); Ord. 990225-70; Ord. 031211-11. | During the technical review of the application, a determination will be made on whether oversizing of water or wastewater lines or associated facilities will be necessary The]. If oversizing of any water or watewater line or associated facilities is necessary the [The] applicant for approval of a service extension [must] request must indicate on a form provided by the director whether they are requesting cost participation or cost reimbursement [at the time the applicant applies to the director of the Water and Wastewater Utility for approval of the service extension] <i>Source: Section 13-3-17(a); Ord. 990225-70; Ord. 031211-11.</i> | |

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| | § 25-9-65 APPROVAL PROCESS FOR COST PARTICIPATION OR COST | |
| § 25-9-65 APPROVAL PROCESS. | REIMBURSEMENT. | |
| | | |
| | (A) The director of the Austin Water [and Wastewater] Utility shall review each request for cost | |
| | participation or cost reimbursement. [(B)] The cost participation and cost reimbursement review is | |
| | incorporated in the technical review process as described in Section 25-9-34 (B).[On completion of | |
| (A) The director of the Water and Wastewater Utility shall review each request for cost participation | | |
| or cost reimbursement. | recommendation for approval or disapproval to the Water and Wastewater Commission] | |
| | (<u>B</u>)[C] The director of the <u>Austin</u> Water [and <u>Wastewater</u>] Utility may recommend approval of a | |
| B) On completion of the review, the director of the Water and Wastewater Utility shall forward the equest and a recommendation for approval or disapproval to the Water and Wastewater Commission | | |
| | | |
| (C) The director of the Water and Wastewater Utility may recommend approval of a request for co participation or cost reimbursement only if the director of the Water and Wastewater Utility | | |
| determines that: | (1) the property to be served is in the service area of the <u>Austin</u> Water [and Wastewater] Utility; | |
| Jeermines unit. | (1) the property to be served is in the service area of the <u>Austin</u> water [and wastewater] Utility, | |
| | (2) the size of each proposed line or facility complies with the planning criteria of theAustin Water | |
| (1) the property to be served is in the service area of the Water and Wastewater Utility; | [and Wastewater] Utility and final design and routing will comply with the Utilities Criteria Manual; | |
| | | |
| (2) the size of each proposed line or facility complies with the planning criteria of the Water an | d (3) funds for City participation or reimbursement are available from an identified source or that | |
| Wastewater Utility and final design and routing will comply with the Utilities Criteria Manual; | funds will be available to meet the proposed payment schedule; and | |
| (3) funds for City participation or reimbursement are available from an identified source or the | | |
| funds will be available to meet the proposed payment schedule; and | utility system. | |
| | | |
| | (C) During the technical review the director, in consideration of a construction cost estimate | |
| | provided by the applicant's engineer, will establish the terms of the cost participation or cost | |
| | reimbursement. The director will provide a recommended not-to-exceed amount for either cost | |
| (4) the proposed line or facility is an appropriate extension or addition to the water and wastewate | | |
| utility system. | cost participation or cost reimbursement in Section 25-9-62 or Section 25-9-63. | |
| | | |
| D) The water and wastewater Commission shall recommend that the request for cost participation or cost reimbursement be approved or disapproved. | n (D) The Water and Wastewater Commission shall <u>make a recommendation on</u> [recommend that] the request for cost participation or cost reimbursement <u>be approved or disapproved</u>]. | |
| E) The director of the Water and Wastewater Utility shall forward the request and the Water and | | |
| Wastewater Commission recommendation to the council for final action. | Water and Wastewater Commission recommendation to the council for final action. | |
| Source: Section 13-3-17; Ord. 990225-70; Ord. 000406-87; Ord. 031211-11. | <i>Source: Section 13-3-17; Ord. 990225-70; Ord. 000406-87; Ord. 031211-11.</i> | |
| § 25-9-66 COST REIMBURSEMENT REQUIREMENTS. | § 25-9-66 COST PARTICIPATION AND COST REIMBURSEMENT REQUIREMENTS. | |
| | (A) An entity constructing a water or wastewater line or an associated facility that is eligible for cost | |
| (A) An entity constructing a water or wastewater line or an associated facility that is eligible for co | | |
| reimbursement may not receive cost reimbursement payment for the line or facility unless the entit | | |
| complies with each requirement or regulation of the City relating to: | relating <u>but not limited</u> to: | |
| | | |
| (1) the public advertising of the line or facility; | (1) the public advertising of the line or facility; | |
| (2) the bidding on the line or facility; | (2) the bidding on the line or facility; | |
| (3) a performance or payment bond for the line or facility; | (3) a performance or payment bond for the line or facility; | |
| | (4) posting of fiscal security as set forth in the development agreement required by Section 25-9-68 | |
| (4) a warranty on the line or facility; and | ; [a warranty on the line or facility; and] | |

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| (5) the maintenance of the line or facility. | (5) <u>completion and acceptance</u>; and [the maintenance of the line or facility.] (6) a warranty on the line or facility. | |
| (B) The entity constructing the line or facility is not entitled to receive a cost reimbursement payment until the entity submits documentation showing the entity's compliance with each requirement described by Subsection (A). | (B) The entity constructing the line or facility is not entitled to receive a <u>cost participation or</u> cost | |
| Source: Section 13-3-15(e); Ord. 990225-70; Ord. 031211-11. § 25-9-67 COST PARTICIPATION AND COST REIMBURSEMENT PAYMENT. | Source: Section 13-3-15(e); Ord. 990225-70; Ord. 031211-11. § 25-9-67 COST PARTICIPATION AND COST REIMBURSEMENT PAYMENT. | |
| (A) For cost participation or cost reimbursement relating to an improvement associated with a service extension in the desired development zone, the City shall pay its portion of the cost on March 1 of the second year after the year in which the City accepts the improvement. | | § 25-9-67 (A): This section is amended to shorten the time period for cost reimbursement payment for projects in the desired development zone to 90 days after the acceptance by the City. The current time period is on March 1 of the second year after the year in which the City accepts the improvement. |
| (B) For cost participation or cost reimbursement relating to an improvement associated with a service extension to a tract in the drinking water protection zone, the City shall: | (B) <u>Drinking Water Protection Zone</u> . For cost participation or cost reimbursement relating to <u>a water</u> [an] improvement associated with a <u>water</u> service extension <u>request</u> to a tract in the drinking water protection zone, the City shall[:(1)] pay its portion of the cost in four equal annual installments, without interest, with the first payment to be made on March 1 of the second year after the year in which the City accepts the improvement [- or (2) - if the total amount to be paid is \$25,000 or less, pay the total amount on the date the first payment is due under this subsection]. | |
| (1) pay its portion of the cost in four equal annual installments, without interest, with the first payment to be made on March 1 of the second year after the year in which the City accepts the improvement; or | | |
| (2) if the total amount to be paid is \$25,000 or less, pay the total amount on the date the first payment is due under this subsection. | | |
| Source: Ord. 000406-87; Ord. 031211-11. § 25-9-68 DEVELOPER AGREEMENT REQUIRED. | Source: Ord. 000406-87; Ord. 031211-11. § 25-9-68 DEVELOPER AGREEMENT [REQUIRED]. | |
| (A) An applicant for cost reimbursement or cost participation must enter into a developer agreement with the City before the City may make a cost reimbursement or cost participation payment. | participation payment. | |
| (B) The director of the Water and Wastewater Utility shall determine the terms of the developer agreement and may sign the agreement for the City. <i>Source: Ord. 000406-87; Ord. 031211-11.</i> § 25-9-69 SERVICE CONNECTIONS TO CERTAIN LOTS. | (B) The director of the <u>Austin</u> Water [and Wastewater] Utility shall determine the terms of the developer agreement and may sign the agreement for the City. <i>Source: Ord. 000406-87; Ord. 031211-11.</i> [§ 25 9 69 SERVICE CONNECTIONS TO CERTAIN LOTS. | |
| <u>§ 25-9-69 SERVICE CONNECTIONS TO CERTAIN LOTS.</u> | 13 23 9 69 SERVICE CONNECTIONS TO CERTAIN LOTS. | |
| The Water and Wastewater Utility shall install a water or wastewater service connection to a lot if (1) the applicant has a tap permit for the lot; and (2) the lot is: | The Water and Wastewater Utility shall install a water or wastewater service connection to a lot if: (1) the applicant has a tap permit for the lot; and (2) the lot is: | § 25-9-69: Service Connection to Certain Lots does not relate to SERs and therefore it is proposed to move this section to Division 3 (Tap Permits) of the City Code. |
| (a) part of a resubdivision consisting of not more than four lots for which the construction of a street, utility main, manhole, or hydrant is not required;(b) located in an urban watershed; and | (a) part of a resubdivision consisting of not more than four lots for which the construction of a street, utility main, manhole, or hydrant is not required; (b) located in an urban watershed; and | |
| (c) zoned SF-1, SF-2, or SF-3; and(3) the resubdivision is not in conflict with a neighborhood plan adopted by the city council. | -c) zoned SF 1, SF 2, or SF 3; and (3) the resubdivision is not in conflict with a neighborhood plan adopted by the city council. | |

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| Source: Ord. 990701-124; Ord. 031211-11. | -Source: Ord. 990701-124; Ord. 031211-11] | | |
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| | | Will Wynn | |
| | | Mayor | |
| | APPROVED: ATTEST: | | |
| | David Allen Smith | Shirley A. Gentry | |
| | City Attorney | City Clerk | |