

**ORDINANCE NO.**

**AN ORDINANCE AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AMENDMENT TO A COST REIMBURSEMENT AGREEMENT WITH QUALICO CR, L.P. RELATED TO THE PURCHASE OF WASTEWATER TREATMENT CAPACITY AND WAIVING CERTAIN REQUIREMENTS OF CITY CODE SECTIONS 25-9-62 AND 25-9-67 RELATING TO COST REIMBURSEMENT.**

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

**PART 1.** This ordinance applies to a request for an amendment to a cost reimbursement agreement approved by council in Ordinance No. 20090521-003 for wastewater treatment service to Sun Chase Subdivision located on the north and south side of Pearce Lane, west of Wolf Lane, south of Dry Creek and east of Navarro Creek Road.

**PART 2.** The council authorizes the city manager to negotiate and execute an amendment to the cost reimbursement agreement with Qualico CR, L.P. ("Owner") in accordance with the following requirements:

- (A) The City shall cost participate in Owner's wastewater treatment plants by purchasing a minimum of 20% of wastewater treatment capacity from any package plant constructed by the Owner subsequent to construction of the proposed Phase One Garfield Wastewater Treatment Plant, and if needed, 20% of the wastewater treatment capacity in the proposed Phase One Garfield Wastewater Treatment Plant.
  - (1) If the amount of capacity purchased is 20%, then cost participation to the Owner will be 18.5 % of the plant purchase price, and if the amount of capacity purchased is greater than 20%, then the actual reimbursement will be at the same ratio as 18.5% for 20% capacity, with purchases up to an overall maximum reimbursement amount of \$1,000,000 for all wastewater capacity.
  - (2) Cost participation will be made in one payment 90-days after final acceptance of each wastewater treatment capacity expansion or Phase One of the proposed Garfield Wastewater Treatment Plant.
  - (3) The City may sell back to the Owner any unused purchased wastewater treatment capacity.

