



**Recommendation for
Water & Wastewater Commission**

Commission Meeting Date:	March 8, 2017
Council Meeting Date:	March 23, 2017
Department:	Austin Water
SUBJECT	
Approve Service Extension Request No. 3473 for water service to an 88.2 acre tract on FM 1626 Rd approximately 0.7 miles west of Bliss Spillar Rd within the City's 2-mile Extra-Territorial Jurisdiction, Austin Water's service area, and partially within the Desired Development Zone and Drinking Water Protection Zone.	
AMOUNT AND SOURCE OF FUNDING	
N/A	
Purchasing Language:	N/A
Prior Council Action:	N/A
For More Information:	Phillip Jaeger, 512- 972-0232; Denise Avery, 512-972-0104
Boards and Commission Action:	February 15, 2017- The Environmental Commission did not make a recommendation due to the lack of six votes. March 8, 2017- To be reviewed by the Water and Wastewater Commission.
MBE/WBE:	N/A

The “88.2-Acre Gragg Tract” project is located on FM 1626 Rd approximately 0.7 miles west of Bliss Spillar Rd (the “Property”). The Property is located entirely within the City of Austin’s (the “City”) 2-mile Extra-Territorial Jurisdiction, Impact Fee Boundary, Austin Water’s service area for water, and the Little Bear Creek Watershed. The Property is located partially within the City’s Desired Development Zone (18%) and partially within the Drinking Water Protection Zone (82%). The portion of the Property within the City’s Desired Development Zone (18%) is located in the City’s water certificate of convenience and necessity (CCN).

The Property is proposing to include approximately 475 multi-family units and 28,000 square feet of retail and restaurant space. Gragg Tract, LP (the “Applicant”) requested that the City provide water utility service to the Property as proposed in Service Extension Request (SER) No. 3473.

City Code § 25-9-35 requires City Council approval for this SER because a portion of the Property is located within the Drinking Water Protection Zone and outside the City’s full-purpose corporate limits. The City will not cost participate on this project.

To serve the Property, the Applicant will be required to construct:

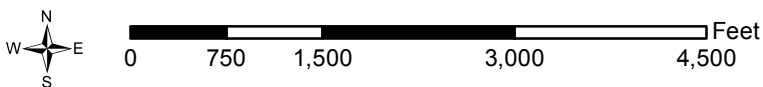
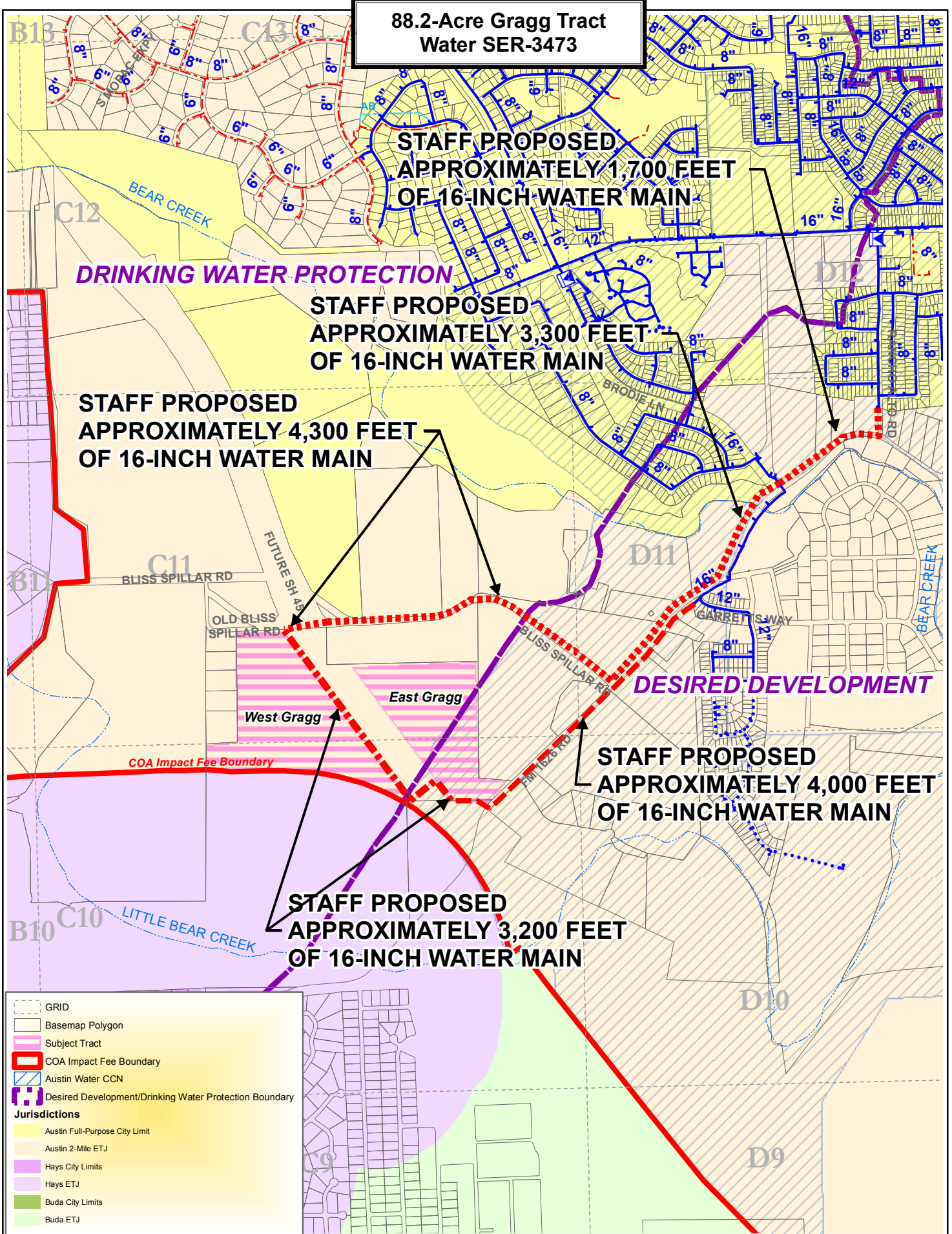
- approximately 4,000 feet of 16-inch water main along FM 1626 Rd from the existing 16-inch water main in FM 1626 Rd at Garretts Way to SH 45,
- approximately 3,200 feet of 16-inch water main along SH 45 between FM 1626 Rd and Bliss Spillar Rd.,
- approximately 1,700 feet of 16-inch water main along FM 1626 Rd from the existing 12-inch water main in Rancho Alto Rd to the existing 16-inch water main at Brodie Ln (to establish a dual fed water system to the Property),
- approximately 3,300 feet of 16-inch water main along FM 1626 Rd from Brodie Ln to Bliss Spillar Rd, and
- approximately 4,300 feet of 16-inch water main along Bliss Spillar Rd from FM 1626 Rd to SH 45.

The proposed water improvements are sized to serve the needs of the Property and will conform to all City Code requirements. These improvements will be designed in accordance with the City’s Environmental Criteria Manual and the Utilities Criteria Manual, and will be inspected by the City’s Development Services Department. The Applicant will construct all required improvements at its cost and dedicate the facilities to the City for ownership, operation and maintenance. All City fees are applicable to the provision of water service including capital recovery fees.

Austin Water has evaluated the Applicant’s request for City water service and can provide water service as proposed in SER-3473. Attached is a report provided by the Watershed Protection Department that addresses their environmental concerns with providing water service as proposed in SER-3473.

Contingent upon approval of SER-3743 for water service to the Property, approval of any development applications for the Property is subject to current City Code, including the SOS Ordinance and Watershed Protection Ordinance.

**88.2-Acre Gragg Tract
Water SER-3473**



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05/17/2016



MEMORANDUM

TO: Marisa Perales, Chair, and Environmental Commission Members

FROM: Chuck Lesniak, Environmental Officer
Watershed Protection Department

DATE: January 25, 2017

SUBJECT: 88.2 Acre Gragg Tract Water SER #3473 & Wastewater SER #3474
WK 281 Water SER #3530 & Wastewater SER #3531

Service Extension Requests (SERs) located in the Drinking Water Protection Zone (DWPZ) and outside of the City of Austin's Full Purpose Jurisdiction require Council approval and recommendation by the Environmental Commission. Watershed Protection Department (WPD) staff have completed the review for the 88.2 Acre Gragg Tract & WK 281 water and wastewater SERs and recommend against approval of all items.

Site Overview

This review evaluates potential impacts of water & wastewater SERs proposed to serve two sites: 88.2 Acre Gragg Tract and WK 281. The sites are located at the intersection of Bliss Spillar Road and the proposed right-of-way of SH 45. Combined, the sites total approximately 245 acres of undeveloped land in the City of Austin 2-Mile Extra-Territorial Jurisdiction (ETJ). The applicants are proposing to construct a mixed-use development on both sites, which extend into the City of Hays ETJ. The SER applications propose to provide service to a total of 685 multi-family units, 28,000 square feet of restaurant, and 187,000 square feet of retail, all of which is proposed new development. Development on the sites is subject to current City of Austin development regulations, including the SOS ordinance.

88.2 Acre Gragg Tract Site

The 88.2 Acre Gragg Tract site consists of 88.2 acres of undeveloped land in the Little Bear Creek watershed. The majority of the site (86%, or 75.6 acres) is located in the DWPZ and Edwards Aquifer Recharge Zone (EARZ), in the Barton Springs Zone. The site is located in an area where Critical Environmental Features (CEFs), particularly karst recharge features, are likely to occur. The applicant provided a preliminary City of Austin Environmental Resource Inventory that did not identify CEFs on site, however, WPD staff field observations have identified two potential wetland CEFs on the eastern portion of the site. WPD staff will evaluate

and require protective buffers for all identified CEFs during the development review process. A headwaters tributary to Little Bear creek is also located on the site.

The southeast portion of the site (14%, or 12.6 acres) is located in the Desired Development Zone (DDZ), Suburban watershed regulation area, and within the City of Austin Certificate of Convenience and Necessity (CCN) for water and wastewater where the City is obligated to provide water and wastewater service. The SERs require Council approval, however, as the applicant proposes to provide service beyond the capacity needs of the proposed development located within the DDZ & CCN. This WPD staff review evaluates potential impacts of the SER to serve the additional proposed development located in the DWPZ.

The property boundary extends into the City of Hays ETJ, but that portion of the property is not included in the SERs as it would not be eligible to receive City of Austin water or wastewater service.

WK 281 Site

The WK 281 site consists of 156.5 acres of undeveloped land in the Little Bear and Bear Creek watersheds. The entire site is located in the DWPZ, the Edwards Aquifer Recharge Zone (EARZ), and in the Barton Springs Zone. The site is located in a sensitive area where Critical Environmental Features (CEFs), particularly karst recharge features, are likely to occur. Fifteen acres on the northern portion of the site are permanently protected through a conservation easement as part of the City's Water Quality Protection Lands program. The applicant completed a preliminary Environmental Resource Inventory in 2015 that identified multiple potential CEFs, including recharge features and wetlands on or within 150 feet of the site. Several of the identified recharge features are located off-site, but have contributing drainage within the conservation easement. The other features (recharge features, wetlands) are located on site and outside of the conservation easement and could be impacted by future development. WPD staff will evaluate and require protective buffers for all identified CEFs during the development review process.

Water Analysis

This analysis applies to both sites. The alternate water source for the proposed development is a Lower Trinity Aquifer well. The applicant has received a permit to drill a Lower Trinity test well from the Barton Springs Edwards Aquifer Conservation District (BSEACD). The BSEACD has indicated that the Lower Trinity water source is an under-utilized water resource that might be appropriate for development in this location. No water production data was available at the time of this review; WPD staff believe that the water quality & quantity may not be sufficient for the level of development proposed and may limit the density of the proposed development. Therefore, providing centralized water service may facilitate increased development intensity and would not solve any known or potential environmental impacts associated with alternative water sources on site.

Wastewater Analysis

This analysis applies to both sites. The applicant has provided a decentralized wastewater report concluding that land application (via a Texas Land Application Permit (TLAP)) would not be feasible on site for the level of development proposed and that a direct discharge (via Texas Pollutant Discharge Elimination System (TPDES) permit) into Little Bear creek is the preferred

alternate wastewater treatment option. Direct discharge of wastewater over the Edwards Aquifer Recharge Zone is prohibited by current TCEQ rules. WPD staff has determined that direct discharge would not be feasible for the proposed development on these sites, as there is not sufficient access to Little Bear creek outside of the recharge zone. WPD staff therefore concludes that other on-site wastewater treatments, such as an on-site septic facility or land application, are the only viable decentralized wastewater treatment options and could significantly reduce the allowable impervious cover and/or density of the proposed development to accommodate room for wastewater treatment. Extending centralized wastewater service would therefore facilitate increased development intensity on this site.

Recommendation

Staff concludes that extending centralized water and wastewater to these sites would not solve known or potential environmental problems associated with on-site alternatives, but instead facilitates increased development intensity and associated potentially negative environmental impacts in a sensitive environmental area outside the City of Austin's Full Purpose jurisdiction. We recommend against approval for Service Extension Requests #3473, 3474, 3530, and 3531.

The attached information provides further detail on the applicant's request. Please feel free to contact me at 512-974-2699, or Kelly Gagnon at 512-974-9368 or Kelly.Gagnon@austintexas.gov, with your questions or comments.

cc: Phillip Jaeger, Austin Water Utility
Kelly Gagnon, Watershed Protection Department