



**Cost Reimbursement  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 3  
AGENDA DATE: Thu 08/18/2005  
PAGE: 1 of 2**

**SUBJECT:** Authorize negotiation and execution of an amendment to the existing Amended Wastewater Cost Reimbursement Agreement with WildHorse Investments, Ltd., to increase the amount of City cost reimbursement for construction of a 30, 27 and 24-inch wastewater main, and appurtenances to provide wastewater service within and near the proposed WildHorse Ranch development by \$1,035,550, for a new total actual "hard" construction costs for all wastewater improvements identified in the Amended Cost Reimbursement Agreement not to exceed \$10,740,030. WildHorse Ranch is located south of U.S. Highway 290 East, west of F.M. 973, and north of Lake Walter E. Long.

**AMOUNT & SOURCE OF FUNDING:** Funding in the amount of \$1,035,550 is included in the Fiscal Year 2004-2005 Capital Budget of the Water and Wastewater Utility.

**FISCAL NOTE:** A fiscal note is attached.

**REQUESTING** Austin Water Utility      **DIRECTOR'S**  
**DEPARTMENT:**      **AUTHORIZATION:** Chris Lippe

**FOR MORE INFORMATION CONTACT:** Reynaldo Cantu P.E., 972-0240; Laura Wiley, 972-0104

**PRIOR COUNCIL ACTION:** Originally approved by Council on 9/27/01, Ordinance No. 010927-11, Resolution No. 010927-82, Resolution No. 010927-83. Approved by Council on 6/12/03, Ordinance No. 030612-80. Approved by Council on 10/21/2004, Ordinance No. 041021-8.

**BOARD AND COMMISSION ACTION:** Recommended by Water and Wastewater Commission

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The WildHorse Ranch is approximately 2,000 acres of proposed mixed-use development located south of U.S. Highway 290 East, west of F.M. 973, and north of Lake Walter E. Long (the "Property"), inside the limited purpose jurisdiction of Austin. WildHorse Investments, Ltd., (the "Developer") previously submitted Service Extension Request Number 1941, requesting the extension of City wastewater utility service to the Property, which is within the Desired Development Zone and Gilleland Creek Watershed. The City Council approved the negotiation and execution of a cost reimbursement agreement with WildHorse Investments, Ltd., on June 12, 2003, with City cost reimbursement not to exceed \$7,940,000.00 for "hard" construction costs (costs of construction not including costs for project management, financing, accounting or legal services) for construction of an interim wastewater treatment plant (WWTP) and large wastewater interceptors to serve WildHorse Ranch and surrounding areas. The WWTP and one of the two wastewater interceptors are currently under construction and this amendment relates to the other wastewater interceptor. On October 21, 2004, Council approved an amendment to the original Wastewater Cost Reimbursement Agreement to add additional acreage and 3,500 linear feet of 27-inch gravity wastewater main from the 30 and 27-inch gravity wastewater mains to be constructed under the original Wastewater Cost Reimbursement Agreement and SER No. 1941, with additional City cost reimbursement for the hard construction costs of the 27-inch wastewater main in an amount not to exceed \$1,764,480.

The City opened bids for the 30 and 27-inch gravity wastewater mains on May 5, 2005, and the apparent low bidder was \$462,820 higher than the total Council approved hard construction cost reimbursements



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approved in 2003 and amended in 2004. Reimbursement for an additional 700 foot segment of 24-inch gravity wastewater main also is being included.

This proposed amendment to the Amended Wastewater Cost Reimbursement Agreement would include:

1. adding an additional 700 linear feet of 24-inch gravity wastewater main to extend the gravity wastewater improvements into the additional acreage added in the October 21, 2004 amendment to the original Wastewater Cost Reimbursement Agreement;
2. (a) adjusting the total hard construction costs for the 30 and 27-inch gravity mains by \$462,820. (b) including the 700 linear feet of 24-inch gravity wastewater main for \$160,000, and (c) adding ten percent (10%) of the lowest bid as a contingency factor of \$412,730, for a total additional amount of \$1,035,550 and for a total not to exceed hard construction cost amount of \$4,700,030 for the 30, 27 and 24-inch gravity wastewater mains; and
3. adjusting the description of the Wastewater Project to accord with the above.

# CIP FISCAL NOTE

**DATE OF COUNCIL CONSIDERATION:**  
**WHERE ON AGENDA:**  
**DEPARTMENT:**

07/28/05  
Resolution  
Austin Water Utility

**DESCRIPTION:**

Authorize negotiation and execution of an amendment to the existing Amended Wastewater Cost Reimbursement Agreement with WildHorse Investments, Ltd., to increase the amount of City cost reimbursement for construction of a 30 and 27-Inch wastewater main, and appurtenances to provide wastewater service within and near the proposed WildHorse Ranch development by \$1,035,550, for a new total actual "hard" construction costs (costs of construction not including costs for project management, financing, accounting or legal services) for all wastewater improvements identified in the Amended Cost Reimbursement Agreement not to exceed \$10,740,030. WildHorse Ranch is located south of U.S. Highway 290 East, west of F.M. 973, and north of Lake Walter E. Long.

**FINANCIAL INFORMATION:**

Parent Project Name:	Wastewater Unfunded Future
Project Authorization:	2004-05 Approved Capital Budget
Funding Source:	Commercial Paper
Number:	4570 237 2017

Current Appropriation	\$ 494,673,293.00
Unencumbered Balance	139,929,355.00 *
Amount of This Action	<u>(1,035,550.00)</u>
Remaining Balance	<u>\$ 138,893,805.00</u>
Current Available Balance	\$ 159,195,122.05
Less Outstanding Commitments	<u>(19,265,767.05)</u>
Estimated Unencumbered Balance	<u>\$ 139,929,355.00 *</u>

Utility Finance: \_\_\_\_\_

  
David Anders, Utilities Finance Manager

Date: \_\_\_\_\_

7/5/05

REF. # 4570 237 3023

No.080305-H

**WATER AND WASTEWATER COMMISSION RESOLUTION  
AN AMENDMENT TO THE EXISTING AMENDED WASTEWATER COST REIMBURSEMENT  
AGREEMENT WITH WILDHORSE INVESTMENTS, LTD., TO INCREASE THE AMOUNT OF CITY  
COST REIMBURSEMENT FOR CONSTRUCTION OF A 30, 27, AND 24-INCH WASTEWATER MAIN,  
AND APPURTENANCES TO PROVIDE WASTEWATER SERVICE WITHIN AND NEAR THE  
PROPOSED WILDHORSE RANCH DEVELOPMENT**

**August 3, 2005  
REGULAR MEETING  
VOTE: 9-0-0-0**

Motion made by:

Warner

Commissioners Consenting:

Coleman, Raun, Frieze, Chan, Lee, Scott-Ryan, Gonzalez, Pool

Commissioners Dissenting:

Commissioners Abstaining:

Commissioners Absent:

The Water and Wastewater Commission recommends the Council authorize the negotiation and authorization of an amendment to the existing Amended Wastewater Cost Reimbursement Agreement with WildHorse Investments, LTD., to increase the amount of City cost reimbursement for construction of a 30, 27, and 24-inch wastewater main, and appurtenances to provide wastewater service within and near the proposed WildHorse Ranch development by \$1,035,550, for a new total actual "hard" construction costs (costs of construction not including costs for project management, financing, accounting or legal services) for all wastewater improvements identified in the Amended Cost Reimbursement Agreement not to exceed \$10,740,030. WildHorse Ranch is located south of U.S. Highway 290 East, west of F.M. 973, and north of Lake Walter E. Long.

  
Michael Warner Chairperson  
Water and Wastewater Commission

8/3/05  
Date