

AUSTIN CITY COUNCIL

AGENDA



Thursday, September 28, 2006

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Austin Water Utility RECOMMENDATION FOR COUNCIL ACTION

ITEM No. 4

Subject: Authorize negotiation and execution of an amendment to the existing Cost Reimbursement Agreement with SIVE Construction Company, a Texas corporation, to use \$146,190 of the cost reimbursement dollars originally approved for reimbursement of City of Austin fees applicable to the construction of the 24-inch water improvements; for a maximum ("hard") construction cost reimbursement amount not to exceed \$1,550,190, and for an overall maximum cost reimbursement amount not to exceed the originally approved \$1,934,800.

Amount and Source of Funding: No fiscal impact.

Fiscal Note: A fiscal note is not required.

Additional Backup Material

(click to open)

- ☐ SIVE EXHIBIT
- ☐ WWW Recommendation

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

Boards and Commission Action: Recommended by the Water and Wastewater Commission.

Prior Council Action: Originally approved by Council on 12-16-04, Ordinance No. 041216-5

The Austin Water Utility required certain water system improvements to the West University area to strengthen domestic and fire protection water services. SIVE Construction Company (SIVE) serving as ("Developer") for B&H Enterprises, Inc., Cobalt Partners, Ltd. and West Campus Limited Partnership, which proposed residential developments located within the University Neighborhood Overlay District, agreed to finance the design and construction of the necessary water improvements required to serve the needs of the proposed developments and the surrounding area. The original Council action authorized the negotiation and execution of a cost reimbursement agreement for the construction of 24-inch water main and appurtenances with SIVE, with not to exceed amounts of \$1,404,000.00 for the actual cost of construction (hard costs), with an additional \$250,000.00 to be used to reimburse all applicable City of Austin fees related to the construction of the water improvements, and an additional \$280,800.00 for the reimbursement of professional services costs (soft costs) for engineering, design and project management, for an overall maximum cost reimbursement amount not to exceed \$1,934,800.00. Council also waived numerous Sections of the City Code and other City Ordinances. The cost reimbursement agreement was executed on March 10, 2005.

The cost reimbursement agreement with SIVE required the construction of approximately 2,600 feet of 24-inch water main in the West University area to replace the existing undersized and aging infrastructure. During the construction of the water improvements, unforeseen conditions required changes to the scope of work that increased the hard costs by \$146,190.00 above the originally approved \$1,404,000.00 not to exceed cost reimbursement amount.

Because of the increased cost of construction, SIVE is requesting an amendment to the cost reimbursement agreement to allow an increase in the hard costs to be reimbursed by the City. A portion of the

\$250,000.00 to be used to reimburse all applicable City of Austin fees related to the construction of the water improvements has not been used. The amendment to the cost reimbursement agreement will allow \$146,190.00 of these unused dollars to be used for the hard costs. Therefore, the amended agreement will be for the hard cost of the water main and appurtenances within public right-of-way or easements for a new (hard) cost reimbursement amount not to exceed \$1,550,190.00

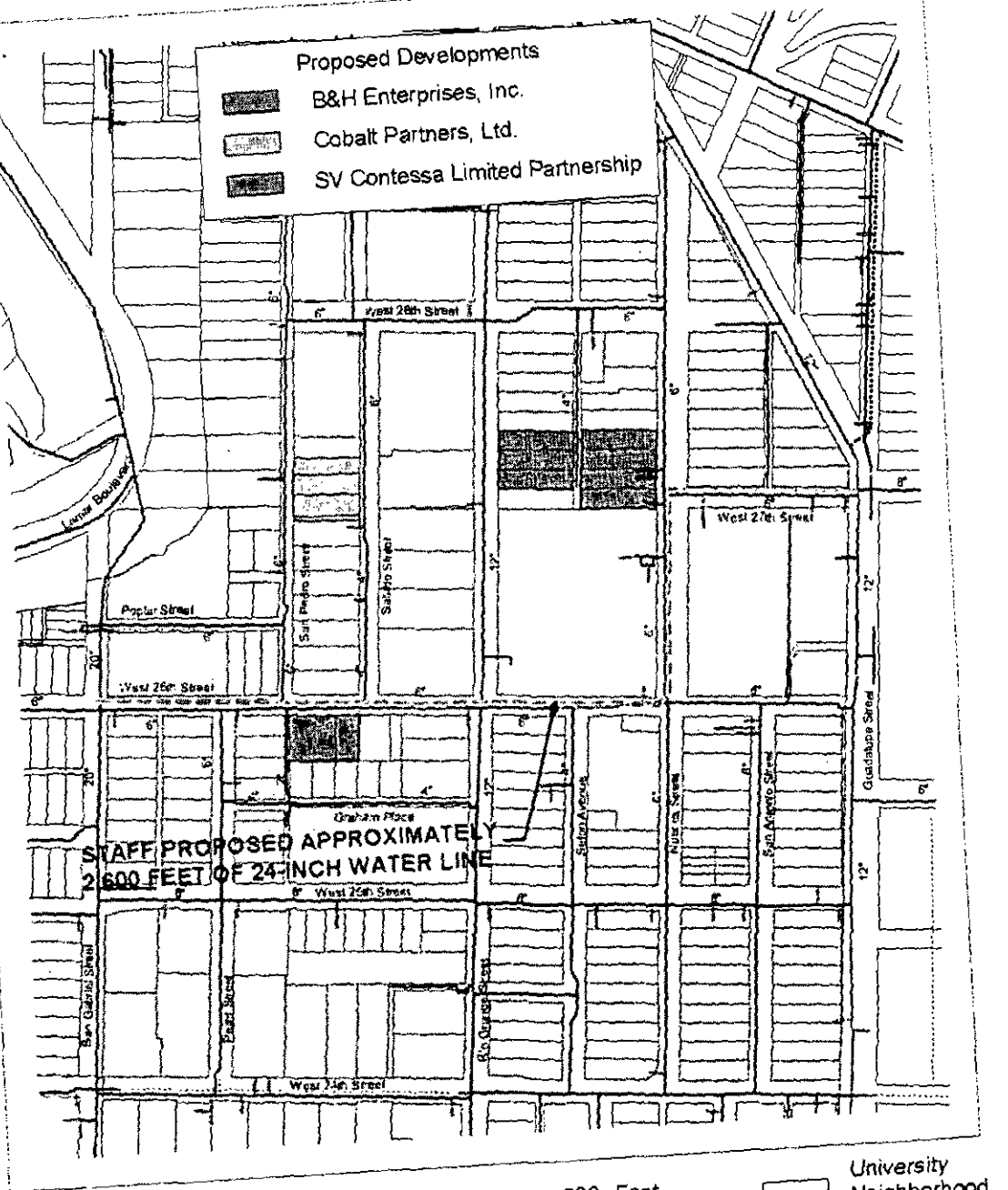


EXHIBIT "A"

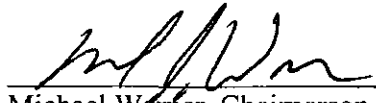
No. 090606-J

**RECOMMEND AUTHORIZATION TO NEGOTIATE AND EXECUTE AN AMENDMENT
TO THE EXISTING COST REIMBURSEMENT AGREEMENT WITH SIVE
CONSTRUCTION COMPANY, A TEXAS CORPORATION, TO USE \$146,190.00 OF
THE COST REIMBURSEMENT DOLLARS.**

September 6, 2006
REGULAR MEETING
VOTE 7-0-0-0

Motion	Commissioner's Vote				
	Made By	Consenting	Dissenting	Abstaining	Absent
Michael Warner (Chairperson)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chien Lee, P.E., (Vice Chair)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ronnie Jones	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leslie Pool	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Karen Friese, P.E.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laura Raun	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cheryl Scott-Ryan	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Water and Wastewater Commission recommend authorization to negotiate and execute an amendment to the existing Cost Reimbursement Agreement with SIVE Construction Company, a Texas corporation, to use \$146,190.00 of the cost reimbursement dollars originally approved for reimbursement of City of Austin fees applicable to the construction of the 24-inch water improvements; for a maximum "hard" construction cost reimbursement amount not to exceed \$1,550,190.00, and for an overall maximum cost reimbursement amount not to exceed the originally approved \$1,934,800.00.


Michael Warner, Chairperson
Water and Wastewater Commission


Date