

AGENDA



Thursday, April 29, 2010

**Austin Water Utility
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 9

Subject: Authorize the negotiation and execution of an amendment to the existing developer agreement with Wandering Creek Investments, L.P., related to Service Extension Request No. 2502 to extend the expiration date of the developer agreement for cost reimbursement in wastewater system improvements to serve the Wandering Creek Subdivision.

Amount and Source of Funding: No additional fiscal impact to the Fiscal Year 2009-2010 Capital Budget of the Austin Water Utility.

Fiscal Note: A fiscal note is not required.

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: May 8, 2008, - first amendment approved by Council, Ordinance 20080508-003; January 17, 2008 - Council approved Ordinance 20080117-003.

The Wandering Creek Subdivision, consisting of approximately 648 acres of land south and west of Elroy Road and east of McAngus Road (the "Property") outside the full-purpose city limits, is proposed to include single-family development. The Wandering Creek Investments, (the "Developer") previously requested that the Austin water Utility ("AWU") provide wastewater utility to the property as proposed in Service Extension Request No. 2502. The property is within the Council approved Impact Fee Boundary, Utility Service Area, City of Austin Wastewater Certificate of Convenience and Necessity (CCN) area, the Desired Development Zone and the Dry Creek Watershed.

City Council approved the negotiation and execution of a developer agreement for cost reimbursement with the Developer on January 17, 2008, for an overall total amount not to exceed \$5,818,500 for actual hard costs associated with the construction of a 36-inch gravity wastewater main and \$872,775, or 15% of the actual hard costs of the 36-inch gravity wastewater main and appurtenances, whichever is less, for the engineering, design and project management of the 36-inch gravity wastewater main and appurtenances. The Developer Agreement was executed on August 15, 2008.

City Council approved the negotiation and execution of an amendment to the developer agreement on May 8, 2008, to allow a change to the schedule for cost reimbursement payments for the proposed wastewater improvements.

The Developer is now requesting the extension of the agreement for another two years. The current developer agreement will expire on August 15, 2010, if actual construction has not begun. The Developer has the proposed gravity wastewater improvements under design and is anticipated to receive a site development permit for the proposed gravity wastewater improvements by the August expiration date. However, the Developer will not have the gravity wastewater improvements under construction until after the required water improvements, which are anticipated to be completed in late 2011. Therefore, the extension of the expiration dates within the developer Agreement is for the gravity wastewater improvements.