

# **Recommendation for Council Action**

Austin City Council Item ID 60720 Agenda Number 8.

Meeting Date: 8/18/2016 Department: Austin Water Utility

## Subject

Authorize the negotiation and execution of an agreement with Ardent Residential for the City to reimburse the developer for an amount not to exceed \$434,253 for costs associated with the design and construction of an oversized wastewater main and appurtenances related to Service Extension Request No. 3486R that will provide wastewater service to a proposed development located at 3607 S. Lamar Boulevard. (District 5)

# Amount and Source of Funding

Funding is available in the Fiscal Year 2015-2016 Capital Budget of the Austin Water.

#### Fiscal Note

A fiscal note is attached.

| Purchasing Language:                                   |   |
|--|---|
| Prior Council Action:                                  |   |
| For More Information:                                  | Phillip Jaeger, 512-972-0232; Denise Avery, 512-972-0104  |
| Council Committee,<br>Boards and<br>Commission Action: | August 10, 2016-Recommended by the Water and Wastewater Commission on an 8-0 vote with Commissioners Castleberry and Parker absent. Commissioner Ho was off the dais. |
| MBE / WBE:   |   |
| Related Items:   |   |

## Additional Backup Information

The "Golden Corral Redevelopment" project consists of approximately 2.62 acres of land located at 3607 S. Lamar Boulevard (the "Property"). The Property is located entirely within the City of Austin's (the "City") full-purpose jurisdiction, Impact Fee Boundary, Austin Water's service area for wastewater, the Desired Development Zone, and the West Bouldin Watershed. A map of the Property's location is attached.

Ardent Residential (the "Owner") is proposing to develop approximately 300 multi-family units. The Owner requested that the City provide wastewater utility service to the Property as proposed in Service Extension Request (SER) No. 3486R.

To serve the Property, the Owner will construct:

• approximately 470 feet of 15-inch gravity wastewater main from the existing manhole ID no. 15955 to existing manhole ID no. 227096 in Del Curto Road.

In accordance with Chapter 25-9 of the City Code, the City has asked the Applicant to oversize the gravity wastewater main in order to serve additional properties within the West Bouldin drainage basin in accordance with the City's long range planning goals for this area. As such, staff recommends that the City cost participate in this construction project only to the extent of the City's proportionate share of the oversized main.

The City will reimburse the Owner for an overall total amount not to exceed \$434,253. The City's cost participation by project component is as follows:

• For costs of the 15-inch wastewater main (the minimum pipe diameter of 8-inches required to serve the Property to an oversized 15-inch) and appurtenances, the City's maximum participation consists of: (1) hard costs, in an amount not to exceed 47% of the hard costs of the 15-inch wastewater main and appurtenances, and (2) soft costs, in an amount not to exceed 15% of the City's hard cost participation amount.

Other terms of the agreement will require that the Owner:

- Pay all costs for financing, interest, fiscal security, accounting, insurance, inspections, permitting, easement
  acquisition, legal services, and other non-reimbursable soft costs associated with the project;
- Conform to the City's design criteria and construction standards;
- Construct all improvements at their cost and, after the City's final approval of the construction, dedicate the
  facilities to the City for ownership, operation, and maintenance;
- Meet applicable minority and women-owned business enterprise (M/WBE) goals and policies established by City Code Chapter 2-9A;
- Allow the City to use the project plans and specifications approved by the City to solicit and publish
  invitations for bids for the construction of the improvements; and
- Follow the City's standard bidding practices and procedures, including the minority-owned business enterprise procurement program found in Title 2 of the City Code, and Texas Local Government Code Chapters 212 and 252.

The proposed project will be managed by Austin Water and is located in zip code 78704, in City Council District 5.