

**ORDINANCE AMENDMENT REVIEW SHEET**C2  
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**Amendment:** C20-2012-023 Water and Wastewater Reimbursement and Cost Participation

**Description:** Consider and ordinance to amend Chapter 25-9 of the City Code with regard to the City's cost reimbursement and cost participation of certain water and wastewater infrastructure that is oversized at the request of the City.

**Proposed Language:** See attached draft ordinance.

**Staff Recommendation:** Staff recommends this amendment.

**Background:** Initiated by Austin Water Utility in August 2012

The amendment proposes the following changes to Chapter 25-9:

1. eliminate the City's 100% cost reimbursement of certain sizes of water and wastewater infrastructure,
2. expand City cost participation to include the water and wastewater infrastructure previously covered by the City's 100% cost reimbursement policy (the City would only cost participate for its proportionate share of the infrastructure),
3. clarify existing terms to be consistent with the City's Utilities Criteria Manual and City Standard Details,
4. create an expiration time period for inactive service extension request applications, and extend the approval period of a service extension request from 120 days to 180 days to match the approval period of a development application.

**Board and Commission Actions**

**Planning Commission Subcommittee on Codes and Ordinances** – Voted to send this item to full Planning Commission on December 18, 2012. Vote: 5-0.

**Planning Commission** – A public hearing at Planning Commission has been set for February 12, 2013.

**Council Action**

**City Council** – A public hearing at City Council has been set for February 28, 2013.

**Ordinance Number:** NA

**City Staff:** Bart Jennings

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# Proposed Revisions Service Extension Request Ordinance



December 1, 2012



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## What are Service Extension Requests?

- A request by a developer to extend water or wastewater utility service to a tract of land
- Used by developers to determine required infrastructure and the cost of that infrastructure for a proposed development
- Subject to City cost participation and cost reimbursement ordinances for repayment to a developer for infrastructure that has been oversized at the request of the City
  - The City does not request oversizing the majority of the time
  - Oversizing is generally requested to meet long range infrastructure plans or address capacity issues



## Purpose

- Review existing ordinance provisions related to service extension requests and the City's cost participation and reimbursement policies
- Discuss recommended changes to the ordinance
- Discuss next steps



## Cost Reimbursement - Current Code

### Current Cost Reimbursement

- Current City Code authorizes repayment for infrastructure if oversizing is requested by the City and certain criteria are met
- Repayment equates to 100% of the hard construction costs and up to 15% of that amount for soft costs
  - Eligible water mains (24" or more)
  - Eligible wastewater mains (18" or more)
- Cost reimbursement does not apply to other infrastructure



## Cost Reimbursement - Proposed Code

### PROPOSED Cost Reimbursement

- Eliminate Cost Reimbursement Program





# Cost Participation - Current Code

## Current Cost Participation

- Current City Code authorizes repayment for the oversized portion of infrastructure
- Repayment equates to a percentage of the hard construction costs and up to 15% of that percentage for certain soft costs
  - Water and wastewater mains - participation based upon percent of size differential
    - Eligible water mains (12" and 16")
    - Eligible wastewater mains (12" and 15")
  - Other infrastructure - participation based upon percent of capacity differential

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# Cost Participation - Current Code

## Cost Participation for Mains

### % City Will Reimburse

City→ Developer↓	8"	12"	16"
	0%	33%	50%
8"			
12"		0%	25%

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## Cost Participation - Proposed Code

### PROPOSED Cost Participation

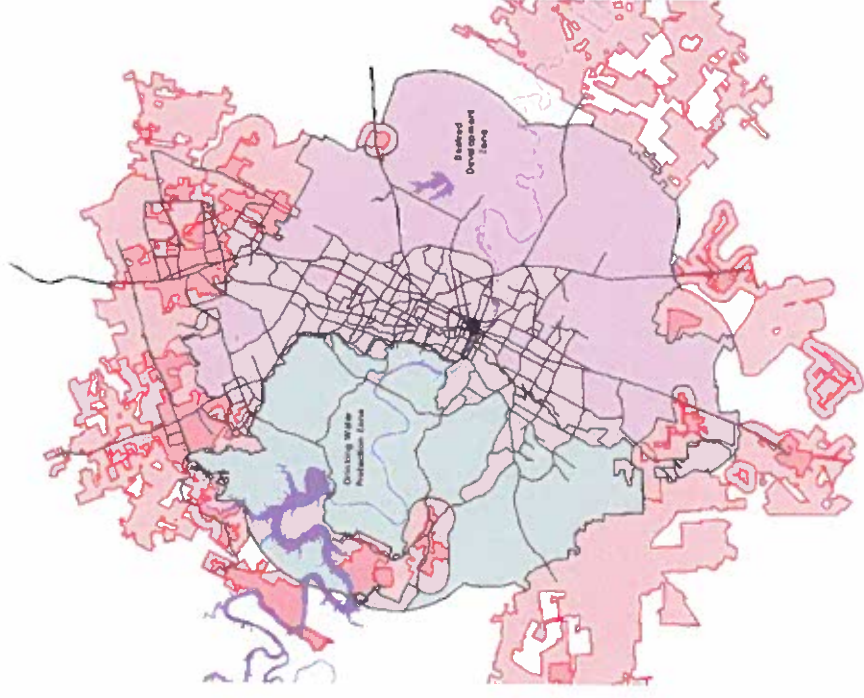
- Repayment equates to a percentage of the hard construction costs and up to 15% of that percentage for certain soft costs
  - Water and wastewater mains - participation based upon percent of size differential
    - Eligible water mains (12" and up)
    - Eligible wastewater mains (12" and up)
  - Other infrastructure - participation based upon percent of capacity differential

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## Geographical Limitations - Current Code

- No cost participation or cost reimbursement for wastewater infrastructure in DWPZ
- Water infrastructure in DWPZ repaid to developer over 4 year period
- Water and wastewater infrastructure in DDZ repaid to developer within 90 days



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## Other Proposed Changes

- Other Changes
  - Inclusion of reclaimed water for cost participation
  - Inclusion of a one-year expiration period for inactive service extension request applications
  - Extension of "life" of SER from 120 days to 180 days to more closely match development application processes (SER linked to development application made within the development application expiration window)
  - Clarification of terms and language to comport with existing City practice



## Current Condition (since 1993)

- 85 cost reimbursements, 11 cost participations, and 5 combinations of cost reimbursement and participation agreements authorized by Council
- \$207.4 million in authorized repayments
- 60 in DDZ and 8 in DWPZ since creation of the zones in 2000
- 59 projects have been reimbursed; 16 projects expired without reimbursement/participation
- 4 cost reimbursement/cost participation agreements are related to developments in which infrastructure was constructed but not used for a period greater than one year

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## Why the Change?

- Austin may be too aggressive with financial incentives for development regarding cost reimbursement
  - Eight Texas cities surveyed - eight have cost participation programs
  - Only one city currently reimburses in excess of oversized portion requested and is re-assessing the policy
- City assumes higher financial burden with cost reimbursement policy
- Cost reimbursement policy shifts a portion of growth costs to existing ratepayers

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## Next Steps

- Stakeholder Input - Presentations at HBA, RECA, and Public Meetings
- Land Development Code Amendment Process
  - Subcommittee of the Planning Commission
  - Planning Commission
  - Water & Wastewater Commission
  - Public Hearing at City Council
  - City Council Action

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Questions?



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Austin City Code

**CHAPTER 25-9. WATER AND WASTEWATER.**

**ARTICLE 1. UTILITY SERVICE.**

**Division 2. Extension of Service.**

**Subpart A. General Provisions.**

- § 25-9-31 Applicability
- § 25-9-32 Definitions
- § 25-9-33 Service Extension Application
- § 25-9-34 Review and Approval Process
- § 25-9-35 Approval of a Service Extension Request
- § 25-9-36 Environmental Assessments
- § 25-9-37 Approval of Improvements
- § 25-9-38 Construction of Improvements
- § 25-9-39 Expiration of Service Extension Request Approval
- § 25-9-40 Service Commitment Transfer Not Permitted
- § 25-9-41 Development Compliance

**Subpart B. Cost Participation and Cost Reimbursement.**

- § 25-9-61 Eligible Projects
- § 25-9-62 Amount of Cost Participation
- ~~§ 25-9-63 Amount of Cost Reimbursement~~
- ~~§ 25-9-64~~ 63 Application for Cost Participation ~~and Cost Reimbursement~~
- ~~§ 25-9-65~~ 64 Approval Process for Cost Participation ~~and Cost Reimbursement~~
- ~~§ 25-9-66~~ 65 Cost Participation ~~and Cost Reimbursement~~ Requirements
- ~~§ 25-9-67~~ 66 Cost Participation ~~and Cost Reimbursement~~ Payment
- ~~§ 25-9-68~~ 67 ~~Developer~~ Agreement

**Division 2. Extension of Service.**

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## Subpart A. General Provisions.

### § 25-9-31 APPLICABILITY.

This subpart applies to the approval and construction of a service extension other than a service extension that is constructed as part of a project serving a property for which:

~~— (1) — the nearest point on the property's boundary is 100 feet or less from an accessible water or wastewater system; and~~

(A2) the Director determines that the water and wastewater system that will serve the property can provide suitable and sufficient service in accordance with the Utilities Criteria Manual, and

~~— (1) — the nearest point on the property's boundary is 100 feet or less from an accessible water or wastewater system; and or~~

~~— (2) — the Director determines that a suitable service connection can be made in compliance with the Utilities Criteria Manual to a water or wastewater main on the opposite side of an undivided city or county roadway.~~

Clarifies Service Extension Request (SER) requirement for service lines in excess of 100-foot crossing roadways

Source: Section 13-3-9(a); Ord. 990225-70; Ord. 031211-11; Ord. 20090820-061.

### § 25-9-32 DEFINITIONS.

In this subpart:

(12) CONSTRUCTION, with reference to a facility, means only the actual physical construction of the facility. The term does not include the engineering and project management for a facility.

(92) COST PARTICIPATION means a calculated percentage, as set forth in Section 25-9-62, of hard costs, plus up to 15% of the calculated percentage of hard costs to reimburse soft costs. The City would pay the sum of these amounts to the entity executing the agreement identified in Section 25-9-67.

~~— (10) — COST REIMBURSEMENT means 100% of hard costs plus up to 15% of hard costs to reimburse soft costs.~~

(3) DECENTRALIZED WASTEWATER SYSTEM means a wastewater system other than one that is connected to a City wastewater treatment plant, and includes an on-site wastewater disposal system, a cluster wastewater system, or a small wastewater treatment plant.

(4) DIRECTOR means the director, or his designee, of the City's Austin Water department or successor department.

Decreases City's financial risk and increases alignment with policy of "growth paying for itself"

Clarifies term

(54) ~~ASSOCIATED~~ FACILITY means an apparatus or improvement that is used in conjunction with a water or wastewater line-main that provides water or wastewater service to a tract of land property, regardless of where the ~~associated~~ facility is

Replaces the terms "tract" or "tract of land" with the term "property" for consistency



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located. The term includes a lift station, force main, wastewater treatment plant, pump station, storage tank/reservoir, Pressure Reducing Valve station, a decentralized wastewater system component, alternative wastewater system, or an addition to an existing facility that increases the capability of the existing facility to provide water or wastewater service.

Replaces the term "line" with the term "main" throughout so the terminology is consistent with the Utilities Criteria Manual and City Standard Details

(76) HARD COSTS means the actual cost of construction and materials determined after completion and final acceptance of a project.

(74) OVERSIZE, with reference to a water or wastewater line-main or a-n- associated-facility, means an increase in the size or capacity of the line-main or associated-facility above the minimum size or capacity required by the Utilities Criteria Manual, including fire flow requirements, that is necessary to provide utility service to meet the projected demands of the tract-property to be served.

(85) SERVICE EXTENSION means a water or wastewater line-main or associated-facility that provides new or additional water or wastewater service to a property-tract-of-land.

(89) SOFT COSTS means the cost of preliminary engineering reports, surveying, geotechnical studies, design, and project and project management of the construction and installation of a main or facility. a facility. This term does not include nonhard costs such as financing, interest, fiscal security, permitting, accounting, insurance, governmental fees (including inspection fees), legal services, easements, and all other soft costs associated with the construction of a main or facility.

Clarifies term

(10) SUITABLE AND SUFFICIENT SERVICE means the ability of the existing water and wastewater system at the property to appropriately serve the property and meet the size and capacity criteria as defined in the Utilities Criteria Manual.

Clarifies term

(11) WATER means potable or reclaimed water as defined by the Texas Commission on Environmental Quality rules.

Clarifies term

(612) WATER OR WASTEWATER LINE-MAIN means an appurtenance to a water distribution or wastewater collection system. The term includes a valve, manhole, connection, air release, diversion, and other all components and equipment necessary to make the water distribution or wastewater collection system operable in compliance with the design criteria and standards in the -Utilities Criteria Manual, or the equivalent design criteria and standards as determined by the Ddirector-of-the Austin Water Utility.

Clarifies term

(13) WATER OR WASTEWATER SERVICE LINE means the branch of pipe extending from the water or wastewater main to the approximate location of the property or easement boundary intended to provide direct retail service to a property.

Clarifies term

(14) WASTEWATER INTERCEPTOR means a wastewater main generally considered to be 18-inches in diameter or larger and to which direct connections for retail service to a property are not allowed, unless an exception is approved by the Director.

Clarifies term

(15) WATER TRANSMISSION MAIN means a water main generally considered to be 24-inches in diameter or larger and to which direct connections for retail service to a property are not allowed, unless an exception is approved by the Director.

Clarifies term

Source: Section 13-3-9(b); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

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**§ 25-9-33 SERVICE EXTENSION APPLICATION.**

(A) A service extension request application is required to:

(1) connect a ~~tract of land property~~ to a City utility system if an accessible water and wastewater ~~service main~~ is more than ~~one hundred~~ 100 feet from the property's boundary;

(2) connect a property to a water transmission or wastewater interceptor within 100 feet of the property's boundary, unless an exception is approved by the Director;

Clarifies  
requirement

(3) provide utility service to a tract of land property if an existing line-main or associated facility is unsuitable or insufficient to provide service to the tract property as determined by the director in accordance with the Utilities Criteria Manual; or

(34) provide service from a decentralized wastewater system to a ~~tract of land property~~, where the ~~D~~director recommends the City operate and maintain that decentralized wastewater system.

(B) A person must submit an application for a service extension to the ~~D~~director ~~of the Austin Water Utility~~. The ~~D~~director ~~of the Austin Water Utility~~ may not accept an application ~~unless if~~ the application is not complete and the applicant has not paid the required non-refundable fee.

Clarifies  
requirement

(C) An application for approval of a service extension must:

(1) include a general description of the location, size, and capacity of the service extension;

(2) be accompanied by a request for annexation of the ~~tract property~~ by the City if the land is not covered by the ~~utility's~~ City's certificate of convenience and necessity; and

(3) include other information as required by the ~~D~~director ~~of the Austin Water Utility~~.

(D) If either water or wastewater service is to be provided by an entity other than the City, ~~the application must be accompanied by the applicant may be required to submit~~ evidence of a commitment from the other entity to provide the level of service required for the proposed land use. The evidence must be in the form of:

Clarifies  
requirement

(1) a contract with the entity;

(2) a letter from the entity; or

(3) the minutes of the relevant meeting of the governing body of the entity.

(E) Except as provided by Section 25-9-3 (*Service Outside Service Area Prohibited*), the ~~D~~director ~~of the Austin Water Utility~~ may not accept an application for a service extension if the ~~tract of land property~~ to be served by the service extension is not



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in the service area of ~~the~~ Austin Water ~~Utility~~.

Source: Sections 13-3-9(b), 13-3-10(a), (b), and (d), and 13-3-11(a), (d), and (e); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11; Ord. 20050929-077; Ord. 20090820-061.

#### § 25-9-34 REVIEW AND APPROVAL PROCESS.

(A) *Administrative Review.* An administrative review will be conducted to determine the completeness of ~~the~~ service extension applications. Within a time period established by state law, notification will be sent to an applicant indicating whether an application is administratively complete or if additional information is required.

(B) *Technical Review.* After an application is determined to be administratively complete, a technical review will be conducted. Technical review may include, but is not limited to, a determination of the service requirements for the subject ~~tract~~ property, the system capacity, cost participation ~~and cost reimbursement~~, and type of improvements necessary to provide service to the ~~site~~ property. Additional information may be required from the applicant for completion of technical review. During technical review a professional engineer employed by Austin Water ~~Utility~~ shall determine ~~at~~ the size of a water or wastewater ~~line~~ main or a capacity of an ~~associated~~ facility that is roughly proportionate to the size or capacity that is required to serve the proposed development in accordance with Section 212.904 of the Texas Local Government Code, as amended.

Clarifies legal  
reference

(C) *Notification of Approval.* Upon completion of the technical review, and subject to the approval requirements of Section 25-9-35 (*Approval of Service Extension Request*), notification of approval of the service extension request will be sent to the applicant.

(D) If an application is administratively incomplete, technically deficient, or has been placed on hold by the applicant, the application will expire one year from the last date of notice to the applicant by the Director.

Creates an  
expiration date  
for inactive  
applications

Source: 20090820-061.

#### § 25-9-35 APPROVAL OF A SERVICE EXTENSION REQUEST.

(A) Except as provided in Subsection (B), city council approval of a service extension request or substantial amendment of an unexpired, approved service extension request is required.

(B) The ~~D~~irector ~~of the Austin Water Utility~~ may approve an application for a service extension request or amendment of an unexpired service extension request if:

(1) the ~~D~~irector ~~of the Austin Water Utility~~ determines that sufficient capacity exists or will be available to meet the projected demands of the ~~tract~~ property to be served; and

(2) the property is located:

(a) in the desired development zone; or

(b) in the drinking water protection zone and within the full purpose corporate limits.



Source: Section 13-3-10(c) and (d); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

#### **§ 25-9-36 ENVIRONMENTAL ASSESSMENTS.**

(A) An applicant for a service extension request shall perform an environmental assessment if required ~~as part of the City's review of an application by the Director.~~

Clarifies  
requirement

(B) An applicant is responsible for the cost of the environmental assessment.

Source: Section 13-3-11(c); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

#### **§ 25-9-37 APPROVAL OF IMPROVEMENTS.**

(A) After a request for a service extension has been approved, an applicant must submit the construction plans for needed improvements and a copy of the approved service extension request to the ~~Director of the Austin Water Utility~~ for review and approval of the size, capacity, ~~and routing~~, and location of the improvements.

Clarifies  
requirement

(B) The ~~Director of the Austin Water Utility~~ may approve the size, capacity, routing, ~~or and~~ location of an improvement only if it complies with the Utilities Criteria Manual, or equivalent standards as determined by the ~~Director of the Austin Water Utility~~, and with each applicable City requirement.

Source: Section 13-3-11(b); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

#### **§ 25-9-38 CONSTRUCTION OF IMPROVEMENTS.**

An applicant for a service extension request shall provide information determined by the ~~Director of the Austin Water Utility~~ to be necessary to demonstrate that construction of the service extension complies with the requirements of the City.

Source: Section 13-3-11(c); Ord. 990225-70; Ord. 031211-11; Ord. 20090820-061.

#### **§ 25-9-39 EXPIRATION OF SERVICE EXTENSION REQUEST APPROVAL.**

(A) This subsection applies to a service extension request approved before April 17, 2000.

(1) Unless extended under this subsection or Subsection (C), the approval of a service extension request remains in effect until the latest of:

(a) the date on which the preliminary plan expires for the property to be served by the service extension;

(b) the second anniversary of the date on which the service extension request was approved; ~~if~~ on or before that date:

(i) a preliminary plan for the property to be served has not been approved; and

(ii) construction of the service extension has not begun; or

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(c) the third anniversary of the date on which the service extension request was approved, if:

(i) on or before that date a preliminary plan for the property to be served has not been approved; and

(ii) construction of the service extension began before the second anniversary of the date on which the service extension request was approved, but, on or before the third anniversary of that date, construction of the service extension has not been completed and accepted for operation and maintenance by the City.

(2) If construction of a service extension begins while the approval is in effect under Paragraph (1), the ~~D~~irector ~~of the Austin Water Utility~~ may extend the approval of a service extension request for the period of time estimated to be necessary to complete construction of the service extension.

(B) This subsection applies to a service extension request approved after April 17, 2000, and before December 31, 2012.

Defines period  
for SERs  
approved prior to  
ordinance  
revision

(1) Except as set forth in Paragraph (2) of this subsection, an approved service extension request expires on the latest of:

(a) 120 days after the date of its approval;

(b) for a project with a pending development application, the date the application expires; or

(c) for a project with an approved development application, the date the approval expires.

(2) For a project with a recorded plat, the service extension request does not expire.

(3) If a project's intensity, proposed land uses, or anticipated water or wastewater demands change, any such change must be reported to the ~~D~~irector and there must be an application for the amended service extension request unless the ~~D~~irector determines the change is not so substantial as to require an amendment.

(C) This subsection applies to a service extension request approved after December 31, 2012.

(1) Except as set forth in Paragraph (2) of this subsection, an approved service extension request expires on the latest of:

(a) 180 days after the date of its approval;

(b) for a project with a pending development application, the date the application expires; or

(c) for a project with an approved development application, the date the approval expires.

(2) For a project with a recorded plat, the service extension request does not

Extends the life  
of an approved  
SER from 120  
days to 180 days

Clarifies SER  
expiration for  
unplatted portion  
of properties

Clarifies trigger  
for amending  
SERs

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expire for the portion of the property that was platted.

(3) If a project's intensity, proposed land uses, lot configuration, or anticipated water or wastewater demands change, any such change must be reported to the Director and there must be an application for the amended service extension request unless the Director determines the change is not so substantial as to require an amendment.

(GD) Under this section, if the approval of a service extension request requires cost participation ~~or cost reimbursement~~ from the City under a cost participation ~~or cost reimbursement~~ contract ~~or a community facilities contract~~ approved by the council:

Clarifies  
requirement

(1) construction of the service extension begins on the date that fiscal security is posted or money is deposited in compliance with the contract; and

(2) the service extension request approval is extended until construction of the service extension is complete and the City accepts the lines mains and ~~associated~~ facilities constructed under the contract.

Source: Section 13-3-12(b), (d), and (e); Ord. 990225-70; Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

#### § 25-9-40 SERVICE COMMITMENT TRANSFER NOT PERMITTED.

A service commitment may not be transferred from one ~~tract of land~~property to another.

Source: Ord. 000406-87; Ord. 031211-11.

#### § 25-9-41 DEVELOPMENT COMPLIANCE.

Development of a project for which a service extension request is approved must comply with the terms of the approved service extension request and all City requirements pertaining to water conservation.

Source: Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

#### Subpart B. Cost Participation ~~and Cost Reimbursement~~.

#### § 25-9-61 ELIGIBLE PROJECTS.

(A) An entity that agrees to construct a water or wastewater line-main or ~~an-associated-a~~ facility that on acceptance will become part of the City water and wastewater system may apply to the City for cost participation ~~or cost reimbursement~~ in a water or wastewater line-main or ~~a an-associated~~ facility if the line-main or facility is oversized at the request of the City to serve additional property. Cost participation ~~and cost reimbursement are is~~ not permitted for a wastewater main or facility that provides service within the drinking water protection zone.

Clarifies  
requirement

(B) Under this ~~S~~section cost participation will apply:

(1) if the improvement is a water line-main and has a diameter of more than 8 inches ~~but less than 24 inches~~;

Expands cost  
participation  
eligibility



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(2) if the improvement is a wastewater ~~line-main~~ and has a diameter of more than 8 inches ~~but less than 18 inches~~; or

(3) if the improvement is ~~a pump station, reservoir, storage tank, lift station, force main or wastewater treatment plant that is oversized at the request of the City.~~

~~— (C) Under this Section cost reimbursement will apply:~~

~~— (1) if the improvement is a water line and has a diameter of 24 inches or greater; or~~

~~— (2) if the improvement is a wastewater line and has a diameter of 18 inches or greater.~~

Deletes  
redundant term  
and clarifies  
requirement

(C) Under this subpart, if the property is included in a proposed creation of a district such as a municipal utility district, public improvement district, water control and improvement district, or other type of district, cost participation by the City will not apply.

Allows the  
foregoing of City  
cost participation  
to be considered  
as an extra-  
ordinary benefit  
in exchange for  
the creation of a  
district

Source: Section 13-3-15(b), (c), and Table 2; Ord. 990225-70; Ord. 000309-39; Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

#### § 25-9-62 AMOUNT OF COST PARTICIPATION.

Tables 1 and 2 below set forth the percentage of cost participation in the hard costs of an oversized water or wastewater ~~line-main~~. The percentage of cost participation is based ~~upon~~ the increased percentage in pipe diameter due to oversizing established under Section 25-9-~~6463~~. Cost participation is determined by multiplying the percentage set forth in Table 1 and Table 2 by the hard costs of an oversized line.

(A) The following table sets forth the amount of cost participation for the hard costs associated with an oversized water ~~line-main~~:

Table 1: Amount of Cost Participation (Water)

Minimum Required Pipe Diameter (inches)	Percentage of Cost Participation Based On Oversized Pipe Diameter		
	8	12	16
8	0%	33%	50%
12	-	0%	25%
16	-	-	0%

Expands tables  
to include larger  
diameters and  
associated of  
cost participation  
percentages

<u>Minimum Required Pipe</u>	<u>Percentage of Cost Participation Based On Oversized Pipe Diameter</u>
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<u>Diameter for the Property (inches)</u>								
	<u>8</u>	<u>12</u>	<u>16</u>	<u>24</u>	<u>30</u>	<u>36</u>	<u>42</u>	<u>48</u>
<u>8</u>	<u>0%</u>	<u>33%</u>	<u>50%</u>	<u>66%</u>	<u>73%</u>	<u>78%</u>	<u>81%</u>	<u>83%</u>
<u>12</u>	=	<u>0%</u>	<u>25%</u>	<u>50%</u>	<u>60%</u>	<u>66%</u>	<u>71%</u>	<u>75%</u>
<u>16</u>	=	=	<u>0%</u>	<u>33%</u>	<u>47%</u>	<u>56%</u>	<u>62%</u>	<u>66%</u>
<u>24</u>	=	=	=	<u>0%</u>	<u>20%</u>	<u>33%</u>	<u>43%</u>	<u>50%</u>
<u>30</u>	=	=	=	=	<u>0%</u>	<u>17%</u>	<u>29%</u>	<u>37%</u>
<u>36</u>	=	=	=	=	=	<u>0%</u>	<u>14%</u>	<u>25%</u>
<u>42</u>	=	=	=	=	=	=	<u>0%</u>	<u>12%</u>
<u>48</u>	=	=	=	=	=	=	=	<u>0%</u>

(B) The following table sets forth the amount of cost participation for the hard costs associated with an oversized wastewater linemain:

**Table 2: Amount of Cost Participation (Wastewater)**

<u>Minimum Required Pipe Diameter (inches)</u>	<u>Percentage of Cost Participation Based On Oversized Pipe Diameter</u>		
	<u>8</u>	<u>12</u>	<u>15</u>
<u>8</u>	<u>0%</u>	<u>33%</u>	<u>47%</u>
<u>12</u>	=	<u>0%</u>	<u>20%</u>
<u>15</u>	=	=	<u>0%</u>

<u>Minimum Required Pipe Diameter for the Property (inches)</u>	<u>Percentage of Cost Participation Based On Oversized Pipe Diameter</u>									
	<u>8</u>	<u>12</u>	<u>15</u>	<u>18</u>	<u>21</u>	<u>24</u>	<u>30</u>	<u>36</u>	<u>42</u>	<u>48</u>
<u>8</u>	<u>0%</u>	<u>33%</u>	<u>47%</u>	<u>56%</u>	<u>62%</u>	<u>66%</u>	<u>73%</u>	<u>78%</u>	<u>81%</u>	<u>83%</u>

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<u>12</u>	=	<u>0%</u>	<u>20%</u>	<u>33%</u>	<u>43%</u>	<u>50%</u>	<u>60%</u>	<u>66%</u>	<u>71%</u>	<u>75%</u>
<u>15</u>	=	=	<u>0%</u>	<u>17%</u>	<u>29%</u>	<u>37%</u>	<u>50%</u>	<u>58%</u>	<u>64%</u>	<u>69%</u>
<u>18</u>	=	=	=	<u>0%</u>	<u>14%</u>	<u>25%</u>	<u>40%</u>	<u>50%</u>	<u>57%</u>	<u>62%</u>
<u>21</u>	=	=	=	=	<u>0%</u>	<u>12%</u>	<u>30%</u>	<u>42%</u>	<u>50%</u>	<u>56%</u>
<u>24</u>	=	=	=	=	=	<u>0%</u>	<u>20%</u>	<u>33%</u>	<u>43%</u>	<u>50%</u>
<u>30</u>	=	=	=	=	=	=	<u>0%</u>	<u>17%</u>	<u>29%</u>	<u>37%</u>
<u>36</u>	=	=	=	=	=	=	=	<u>0%</u>	<u>14%</u>	<u>25%</u>
<u>42</u>	=	=	=	=	=	=	=	=	<u>0%</u>	<u>12%</u>
<u>48</u>	=	=	=	=	=	=	=	=	=	<u>0%</u>

(C) The amount of cost participation for hard costs for pump stations, reservoirs, ~~storage tanks~~, wastewater treatment plants, lift stations, force mains and other ~~associated~~ facilities will be calculated on the percentage of oversizing of the treatment capacity or pumping capacity.

(D) The amount of cost participation for soft costs may not exceed 15% of the hard costs calculated under subsections (A), (B) and (C) of this ~~S~~section.

(E) Notwithstanding the above, under no circumstance shall cost participation under this section exceed the amount authorized by council, unless council provides authorization for additional cost participation.

Source: Section 13-3-15(d); Ord. 990225-70; Ord. 031211-11; Ord. 20090820-061.

#### ~~§ 25-9-63 AMOUNT OF COST REIMBURSEMENT.~~

~~—The amount of the cost reimbursement for an improvement is based on 100% of hard costs plus up to 15% of hard costs to reimburse soft costs, except that under no circumstance shall reimbursement exceed the amount authorized by council, unless council provides authorization for additional reimbursement.~~

~~Source: Section 13-3-15(e) and (f); Ord. 990225-70; Ord. 031211-11; Ord. 20090820-061.~~

#### ~~§ 25-9-64-63 APPLICATION REQUEST FOR COST PARTICIPATION AND COST REIMBURSEMENT.~~

During the technical review of the application, a determination by the City will be made on whether oversizing of water or wastewater ~~lines-mains~~ or ~~associated~~ facilities serving additional property in the area will be necessary. If oversizing of any water or wastewater ~~lines-mains~~ or ~~any associated~~ facilities is necessary, the applicant for approval of a service extension request must will be required to submit a written request for City cost participation to the Director prior to approval of a service extension request indicate

Clarifies  
requirements



on a form provided by the director whether they are requesting cost participation or cost reimbursement.

Source: Section 13-3-17(a); Ord. 990225-70; Ord. 031211-11; Ord. 20090820-061.

**§ 25-9-65-64 APPROVAL PROCESS FOR COST PARTICIPATION OR COST REIMBURSEMENT.**

(A) The ~~Director of the Austin Water Utility~~ shall review each request for cost participation ~~or cost reimbursement~~. ~~The cost participation and cost reimbursement review is incorporated in the technical review process as described in Section 25-9-34(B).~~

Removes  
redundant  
reference

(B) The ~~Director of the Austin Water Utility~~ may recommend approval of a request for cost participation ~~or cost reimbursement~~ only if the ~~Director of the Austin Water Utility~~ determines that:

- (1) the property to be served is in the service area of ~~the Austin Water Utility~~;
- (2) the size of each proposed ~~line-main~~ or facility complies with the planning criteria of ~~the Austin Water Utility~~ and final design and routing will comply with the Utilities Criteria Manual;
- (3) funds for ~~City cost~~ participation ~~or reimbursement~~ are available from an identified source or that funds will be available to meet the proposed payment schedule; and
- (4) the proposed ~~line-main~~ or facility is an appropriate extension or addition to the water and wastewater utility system.

(C) During the technical review the ~~Director~~, in consideration of a construction cost estimate provided by the applicant's engineer, will establish the terms of the cost participation ~~or cost reimbursement~~. The ~~Director~~ will provide a recommended not-to-exceed amount for ~~either cost participation or cost reimbursement~~, which amount will be an estimate based on the percentages for cost participation ~~or cost reimbursement~~ in Section 25-9-62 ~~or Section 25-9-63~~.

(D) The Water and Wastewater Commission shall ~~make a recommendation on the request for cost participation or cost reimbursement~~.

(E) The ~~Director of the Austin Water Utility~~ shall forward the request and the Water and Wastewater Commission recommendation to the council for final action.

Source: Section 13-3-17; Ord. 990225-70; Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

**§ 25-9-66-65 COST PARTICIPATION AND COST REIMBURSEMENT REQUIREMENTS.**

(A) An entity constructing a water or wastewater ~~line-main~~ or ~~an associated~~ facility that is eligible for cost participation ~~or cost reimbursement~~ may not receive ~~a cost participation or cost reimbursement~~ payment for the ~~line-main~~ or facility unless the entity complies with each requirement or regulation of the City, including but not limited to requirements relating to:

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- (1) the public advertising of the ~~line-main~~ or facility;
- (2) the bidding on the ~~line-main~~ or facility;
- (3) a performance or payment bond for the ~~line-main~~ or facility;
- (4) posting of fiscal security as set forth in the developer agreement required by Section 25-9-~~6867~~;
- (5) completion and acceptance; and
- (6) a warranty on the ~~line-main~~ or facility.

(B) The entity constructing the ~~line-main~~ or facility is not entitled to receive a cost participation ~~or cost reimbursement~~ payment until the entity submits documentation showing the entity's compliance with each requirement described by Subsection (A).

Source: Section 13-3-15(e); Ord. 990225-70; Ord. 031211-11; Ord. 20090820-061.

#### **§ 25-9-~~667~~ COST PARTICIPATION AND COST REIMBURSEMENT PAYMENT.**

(A) *Desired Development Zone.* For cost participation ~~or cost reimbursement~~ relating to an improvement associated with a service extension request in the desired development zone, the City shall pay its portion of the cost 90 days after the date the City accepts the improvement.

(B) *Drinking Water Protection Zone.* For cost participation ~~or cost reimbursement~~ relating to a water improvement associated with a water service extension request to a tract in the drinking water protection zone, the City shall pay its portion of the cost in four equal annual installments, without interest, with the first payment to be made on March 1 of the second year after the year in which the City accepts the improvement.

Source: Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

#### **§ 25-9-~~68-67~~ DEVELOPER AGREEMENT.**

(A) An applicant for cost participation ~~or cost reimbursement~~ must enter into an ~~developer~~ agreement with the City before the City may make a ~~cost reimbursement or~~ cost participation payment.

(B) The ~~De~~irector of the ~~Austin Water Utility~~ shall determine the terms of the developer agreement ~~and may sign the agreement for the City.~~

Source: Ord. 000406-87; Ord. 031211-11; Ord. 20090820-061.

City policy for  
signature  
authority will  
guide

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