

## A G E N D A



## Recommendation for Council Action

Austin City Council - Commissioner's Court Meeting	Item ID	34238	Agenda Number	13.
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Meeting Date:	8/7/2014	Department:	Austin Water Utility
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## Subject

Approve an ordinance authorizing negotiation and execution of an amended and restated cost reimbursement agreement with Club Deal 120 Whisper Valley, L.P., and Club Deal 116 Indian Hills Tx, L.P., for design and construction of water mains for an amount not to exceed \$21.2 million and for the design of a 250,000 gallons per day wastewater treatment plant for an amount not to exceed \$3.3 million.

## Amount and Source of Funding

Previously approved funding is available in the Capital Budget of the Austin Water Utility.

## Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	<p>May 27, 2010- Council approved the authorization of \$2.0 million for release of property from Manville Water Supply Corporation's certificate of convenience and necessity and water infrastructure soft costs.</p> <p>August 26, 2010- Council approved the authorization of \$22.5 million for water infrastructure and water and wastewater infrastructure soft costs.</p> <p>January 17, 2013- Council approved the reallocation of the \$24.5 million between water (\$22 million) and wastewater funding (\$2.5 million).</p>
For More Information:	Bart Jennings, 512-972-0118; Denise Avery, 512-972-0104
Boards and Commission Action:	July 9, 2014 - Recommended by Water and Wastewater Commission on a 5-1-0-1 vote with Commissioner Fishbeck voting against.
MBE / WBE:	
Related Items:	

## Additional Backup Information

Club Deal 120 Whisper Valley, Limited Partnership owns approximately 2,066 acres ("Whisper Valley") and Club Deal 116 Indian Hills Tx, Limited Partnership owns approximately 240 acres ("Indian Hills") (collectively, "Developer" and the "Property") generally located south of the City of Manor and north of FM 969 within the City's limited purpose annexation area and the City's Desired Development Zone as shown on the attached map. Developer plans to construct single-family, multi-family, and commercial development within the Property that will require an estimated 9,900 units of water service LUEs (Living Unit Equivalents).

The major points of this amended and restated cost reimbursement agreement includes requiring the Developer to:

- a. design and construct 19,700 linear feet of 48-inch water main;
- b. design and construct 7,620 linear feet of 24-inch water main;
- c. design and construct 18,100 linear feet of either 48-inch water main or 24-inch and 36-inch water mains;
- d. design a 250,000 gallons per day wastewater treatment plant; and
- e. pay Manville Water Supply Corporation for release of the Property from its water certificate of convenience and necessity.

City Council authorized the City and Developer to enter into a development agreement which created public improvement districts ("PIDs") for the Property, in accordance with the City Council's adoption of its PID policy of December 2008. PIDs are intended to assist the Developer in the financing of public improvements such as utilities, roads, and parks. Over time, the Developer will repay the City all costs reimbursed to the Developer that are not related to construction costs of the oversizing of water mains for purposes of serving other City customers (an estimated \$22.5 million of the \$24.5 million will be repaid to the City).

The proposed amendment does not increase the total amount of previously authorized funding by the City Council. The proposed amendment only reallocates \$800,000 from water funding to wastewater funding for the re-design of the wastewater treatment plant due to higher than expected bids. Additionally, the Developer agrees to not seek any future increase in City reimbursements for costs exceeding the existing total of \$24.5 million authorized by City Council.

City capital recovery fees are applicable and have not been waived.