

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	37130	Agenda Number	2.
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Meeting Date:	10/23/2014	Department:	Austin Water Utility
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Subject

Authorize the negotiation and execution of a cost participation agreement with TRANSWESTERN to reimburse the developer in an amount not to exceed \$222,531 for costs associated with the design and construction of an oversized water main and appurtenances related to Service Extension Request No. 3393 to serve the East Sixth Street mixed-use development located at 1601 E. 6th Street.

Amount and Source of Funding

Funding is available in the Fiscal Year 2014-2015 Capital Budget of the Austin Water Utility.

Fiscal Note

A fiscal note is attached.

Purchasing Language:	
Prior Council Action:	
For More Information:	Phillip Jaeger, 972-0232; Denise Avery, 972-0104
Boards and Commission Action:	October 8, 2014 - Recommended by the Water and Wastewater Commission on a 6-0-0-1 vote with Commissioner Ohueri off the dais.
MBE / WBE:	
Related Items:	

Additional Backup Information

The East Sixth Street development, consisting of approximately 4.13 acres of land generally located along East 6th Street between Comal Street and Chalmers Avenue and entirely within the City of Austin's full-purpose jurisdiction is proposed to include approximately 348 multi-family units, 102,000 sq. ft. of office space, and 9,800 sq. ft. of retail uses. Transwestern (the "Applicant") requested that the City provide water utility service to the Property as proposed in Service Extension Request No. 3393. The Property is within the City's Impact Fee Boundary, Austin Water Utility's (AWU) service area, the Desired Development Zone, the Central North water pressure zone, and the Town Lake Watershed. AWU will provide retail water and wastewater service to new development within the Property.

In accordance with Chapter 25-9 of the City Code, the City has asked the Applicant to oversize the water main in order to serve additional properties within the Central North water pressure zone in accordance with the City's long range planning goals for this area. As such, the City will cost participate in this construction project only to the extent of the City's proportionate share.

The proposed oversized improvements include construction of approximately 700 feet of 12-inch water main from the existing 8-inch water main located in Comal Street to the existing 6-inch water main located in Chalmers Avenue.

The City will reimburse the Applicant for an overall total amount not to exceed \$222,531.00. The percentage breakdown of the cost participation by project component is as follows:

- For costs of the 12-inch water main (oversized pipe diameter from an 8-inch to 12-inch) and appurtenances, the City's maximum participation consists of: (1) hard costs, in an amount not to exceed 33% of the hard costs of the 12-inch water 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 Applicant:

- Bear 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 M/WBE goals and policies established by City Code Chapter 2-9A;
- Allow the City to use the project plans and specifications approved by AWU's Director 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.