

CIP EXPENSE DETAIL

CONTACT DEPARTMENT(S):

Austin Water Utility

SUBJECT: Authorize the negotiation and execution of a cost participation agreement with TRANSWESTERN for the City to reimburse the developer for 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, that will provide water service to the East Sixth Street mixed-use development located at 1601 E. 6th Street.

CURRENT YEAR IMPACT:

Department:	Austin Water Utility
Project Name:	East Sixth Street SER 3393
Fund/Department/Unit:	3960 2207 6486
Funding Source:	Commercial Paper
Current Appropriation:	222,531.00
Unencumbered Balance:	222,531.00
Amount of This Action:	<u>(222,531.00)</u>
Remaining Balance:	<u>0.00</u>
 Total Amount of this Action	 <u><u>222,531.00</u></u>

ANALYSIS / ADDITIONAL 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.