

**AGENDA**



**Recommendation for Council Action**

Austin City Council - Commissioners Court Meeting	<b>Item ID</b>	37131	<b>Agenda Number</b>	3.
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<b>Meeting Date:</b>	10/23/2014	<b>Department:</b>	Austin Water Utility
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**Subject**

Authorize the negotiation and execution of a cost participation agreement with MARKETPLACE REAL ESTATE GROUP, LLC to reimburse the developer in an amount not to exceed \$302,661 for costs associated with the design and construction of an oversized wastewater main and appurtenances related to Service Extension Request No. 3429 to serve the Finspeed warehouse development located at 12801 FM 812.

**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.

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

**Additional Backup Information**

The Finspeed development, consisting of approximately 25.5 acres of land generally located along FM 812 east of S.H. 130 and entirely within the City of Austin's 2-mile extra-territorial jurisdiction, is proposed to include approximately 100,000 sq. ft. of warehouse. Marketplace Real Estate Group, LLC (the "Applicant") requested that the City provide wastewater utility service to the Property as proposed in Service Extension Request No. 3429. The Property is within the City's Impact Fee Boundary, Austin Water Utility's (AWU) service area, the Desired Development Zone, the Govalle-South Austin Regional wastewater basin, and the Dry South 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 gravity wastewater main in order to serve additional properties within the Dry South drainage basin 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 105 feet of 30-inch gravity wastewater main from the 30-inch wastewater main located in Circuit of the Americas Boulevard and extending south across FM 812.

The City will reimburse the Applicant for an overall total amount not to exceed \$302,661.00. The percentage breakdown of the cost participation by project component is:

- For costs of the 30-inch gravity wastewater main (oversized pipe diameter from an 8-inch to 30-inch) and appurtenances, the City's maximum participation consists of: (1) hard costs, in an amount not to exceed 73% of the hard costs of the 30-inch gravity 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 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.