



## **COUNCIL COMMITTEE REPORT**

### **Public Utilities Committee**

**Date:** September 16, 2015

**Agenda Item #:** 4

**Agenda Item:** Consider and develop recommendations relating to an amendment to the cost reimbursement agreement with RG ONION CREEK, LLC to increase the amount of the City's cost reimbursement by \$1,383,525.32 for a total amount not to exceed \$2,390,925.32. (District 2)

**Vote:** Approved unanimously by all 4 members.

**Original Sponsors/Department:** Austin Water

#### **Summary of Discussion:**

Bart Jennings, Manager of Business Strategy at Austin Water, delivered a brief presentation on the item. He explained that the proposed Legends Way development is one of single-family homes, located within the City's full-purpose jurisdiction, Desired Development Zone and Austin Water's Wastewater CCN (Certificate of Convenience and Necessity) area. He noted that the development is not a MUD, Municipal Utility District, or PID, Public Improvement District.

He explained that the City Council authorized a cost reimbursement agreement for the project in 2012 and that the agreement was executed in 2014. Since the execution of the agreement, construction costs have increased significantly due to a change in the scope of work. The previous plan included a boring method that had to be modified to more intensive tunneling work and involves a 54-inch casing for the 30-inch wastewater pipe.

Council Member Kitchen clarified the action being requested, which is to move forward to Council with the additions to the contract given the increased costs, which Mr. Jennings reiterated was due to the method of construction changing, and an increase in the cost of materials.

Council Member Kitchen moved that the item be forwarded to Council. Council Member Troxclair seconded the motion.

Council Member Troxclair posed a question to clarify that the action was not a change order, which she noted would be subject to the limit of 25% of the total accepted bid amount. Mr. Jennings confirmed that it was not a change order.

The item was then approved unanimously by the full Committee.

**Public Comments:** None

**Direction:** To move the item forward to Council with a recommendation of approval.

**Recommendation:** To move the item forward to Council with a recommendation of approval.