

**AGENDA**



**Recommendation for Council Action**

Austin City Council	Item ID	54610	Agenda Number	5.
<b>Meeting Date:</b>	2/25/2016		<b>Department:</b>	Austin Water Utility
<b>Subject</b>				
Authorize the negotiation and execution of an amendment to the cost reimbursement agreement with FIRST CONTINENTAL INVESTMENT COMPANY, LTD. to increase the amount of the City's cost reimbursement by \$13,580.10 for a total amount not to exceed \$291,512.10.				
<b>Amount and Source of Funding</b>				
Funding is available in the Fiscal Year 2015-2016 Capital Budget of Austin Water.				
<b>Fiscal Note</b>				
A fiscal note is attached.				
<b>Purchasing Language:</b>				
<b>Prior Council Action:</b>	June 28, 2012 – Council approved a cost reimbursement agreement with First Continental Investment Company.			
<b>For More Information:</b>	Phillip Jaeger, 512-972-0232; Denise Avery, 512- 972-0104			
<b>Council Committee, Boards and Commission Action:</b>	February 10, 2010- Recommended by the Water and Wastewater Commission on a 9-0-0-2 vote with Commissioners Turrieta and Blanding absent.			
<b>MBE / WBE:</b>				
<b>Related Items:</b>				

**Additional Backup Information**

The Bellingham Meadows Subdivision development consisting of approximately 183 acres of land (the "Property") is generally located west of SH-130, south of E. Parmer Lane, and east of the Harris Branch Subdivision. The Property is located within the City of Austin's 2-mile extra-territorial jurisdiction. The Property is proposed to consist of a 626-lot single-family subdivision. First Continental Investment Company, Ltd. (the "Owner") requested that Austin Water provide wastewater utility service to the Property as proposed in Service Extension Request No. 3007. The Property is located within the City's Impact Fee Boundary, Austin Water's Service Area, Austin Water's Certificate of Convenience and Necessity, the Desired Development Zone, and the Gilleland Creek Watershed.

As previously authorized by City Council, the 15-inch and 18-inch gravity wastewater mains described in SER-3007 will relieve the City's existing William Wallace Way Lift Station and are sized to meet the City's long-range planning goals for the watershed. This lift station relief main project is funded by Austin Water's Capital Improvement Program ("CIP") and the Owner has worked with the City to expedite the project schedule. As part of the cooperative arrangement to expedite this project, in the existing cost participation agreement, the Owner agreed to complete the associated engineering tasks and design plans, and the City agreed to fund and construct the gravity wastewater mains.

During the construction of the lift station relief main, numerous construction issues arose (such as conflicts with existing utilities) that resulted in additional engineering and design costs.

The original cost reimbursement amount, authorized by City Council, totaled \$277,932. The proposed increase of \$13,580.10 will result in a cost reimbursement amount not to exceed \$291,512.10.