



**Recommendation for
Water & Wastewater Commission**

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| Commission Meeting Date: | November 9, 2016 |
| Council Meeting Date: | December 1, 2016 |
| Department: | Austin Water |
| SUBJECT | |
| <p>Authorize the negotiation and execution of an amendment to the cost reimbursement agreement with Davey L. Buratti and John M. Buratti to increase the amount of City cost reimbursement by \$2,446,791.75 for an alternate wastewater service option and a total amount not to exceed \$3,207,082.05 for costs associated with the design and construction of oversized wastewater mains and appurtenances related to Service Extension Request No. 2286R4 that will provide wastewater service to a proposed single-family and multi-family development located south and west of Bradshaw Road and south of Country Down Drive.</p> | |
| AMOUNT AND SOURCE OF FUNDING | |
| <p>Funding is available in the Fiscal Year 2016-2017 Capital Budget of the Austin Water.</p> | |
| Purchasing Language: | N/A |
| Prior Council Action: | November 20, 2014 – Council approved the negotiation and execution of a cost reimbursement agreement. |
| For More Information: | Phillip Jaeger, 512-972-0232; Denise Avery, 512-972-0104 |
| Boards and Commission Action: | November 9, 2016- To be reviewed by the Water and Wastewater Commission. |
| MBE/WBE: | N/A |

The “Buratti Subdivision” project consists of approximately 157 acres of land generally located south and west of Bradshaw Road and south of Country Down Drive (the “Property”). The Property is located entirely within the City of Austin’s (the “City”) 2-mile Extra-Territorial Jurisdiction, Impact Fee Boundary, Austin Water’s service area for wastewater, the Desired Development Zone, and the Onion Creek Watershed. A map of the property location is attached.

Davey L. Buratti and John M. Buratti (“Applicant”) are proposing to develop approximately 401 single-family homes, 200 multi-family units, and 10,000 sq. ft. retail space. Service Extension Request Number 2286R2 (SER-2286R2) was submitted and approved to extend City wastewater utility service to the Property. City Council on November 20, 2014 authorized the negotiation and execution of a Cost Reimbursement Agreement (“Agreement”) between the City and the “Applicant”. On February 10, 2015 the Agreement was executed to allow for the reimbursement of \$760,290.30 for hard costs and soft costs for the oversized portion of the 18-inch gravity wastewater main and appurtenances as proposed in SER-2286R2.

Under the Agreement, the “Applicant” would construct approximately 5,440 feet of 18-inch gravity wastewater main and convey the wastewater improvements to the City for the City’s ownership, operation, and maintenance. In accordance with Chapter 25-9 of the City Code, the City had asked the “Applicant” to oversize the gravity wastewater main in order to serve additional properties within the Onion Creek and Rinard Creek drainage basins in accordance with the City’s long range planning goals for this area. Under the provisions of the executed Agreement, the City agreed to reimburse a percentage of the actual hard construction costs of the gravity wastewater main, including City-approved change orders associated with the approved plans, and 15% of the hard costs for soft costs.

The approximately 5,440 feet of oversized 18-inch gravity wastewater main proposed in SER-2286R2 requires the acquisition of a public wastewater easement across private property that is not in the control of the “Applicant”. The “Applicant” has attempted to purchase the easement; however, the private property owner has refused their offers to date. As such, the “Applicant” is requesting that they have an alternate wastewater service option to avoid obtaining the easement. The City is now proposing two wastewater service options, as outlined in SER-2286R4. The original option (“Option 1”) is the wastewater service plan as approved in SER-2286R2 and the executed Agreement. The alternate option (“Option 2”) proposes oversized gravity wastewater mains along existing right-of-way and existing easements. As with Option 1, Option 2 will serve additional properties within the Onion Creek and Rinard drainage basins consistent with the City’s long range planning goals for this area. If approved by City Council, the City will cost participate in the Option 2 construction project only to the extent of the City’s proportionate share of the oversized main.

Under Option 2, the proposed oversized improvements include construction of:

- Approximately 4,350 feet of 21-inch gravity wastewater main from the existing 30-inch gravity wastewater interceptor at Rinard Creek and generally extends south along Bradshaw Rd and future River Plantation Dr within the Property, and
- Approximately 1,750 feet of 18-inch gravity wastewater main from the proposed 21-inch gravity wastewater main and generally extends south along future River Plantation Dr through the Property.

Under Option 2, the City will reimburse the "Applicant" for an overall total amount not to exceed \$2,446,791.75 for hard costs and soft costs. Hard costs include, but are not limited to, construction and materials. Soft costs includes, but are not limited to, preliminary engineering reports, surveying, geotechnical studies, design, and project management. The City's cost participation by project component for Option 2 is as follows:

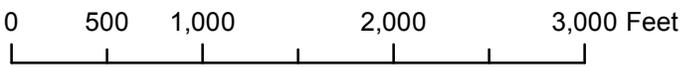
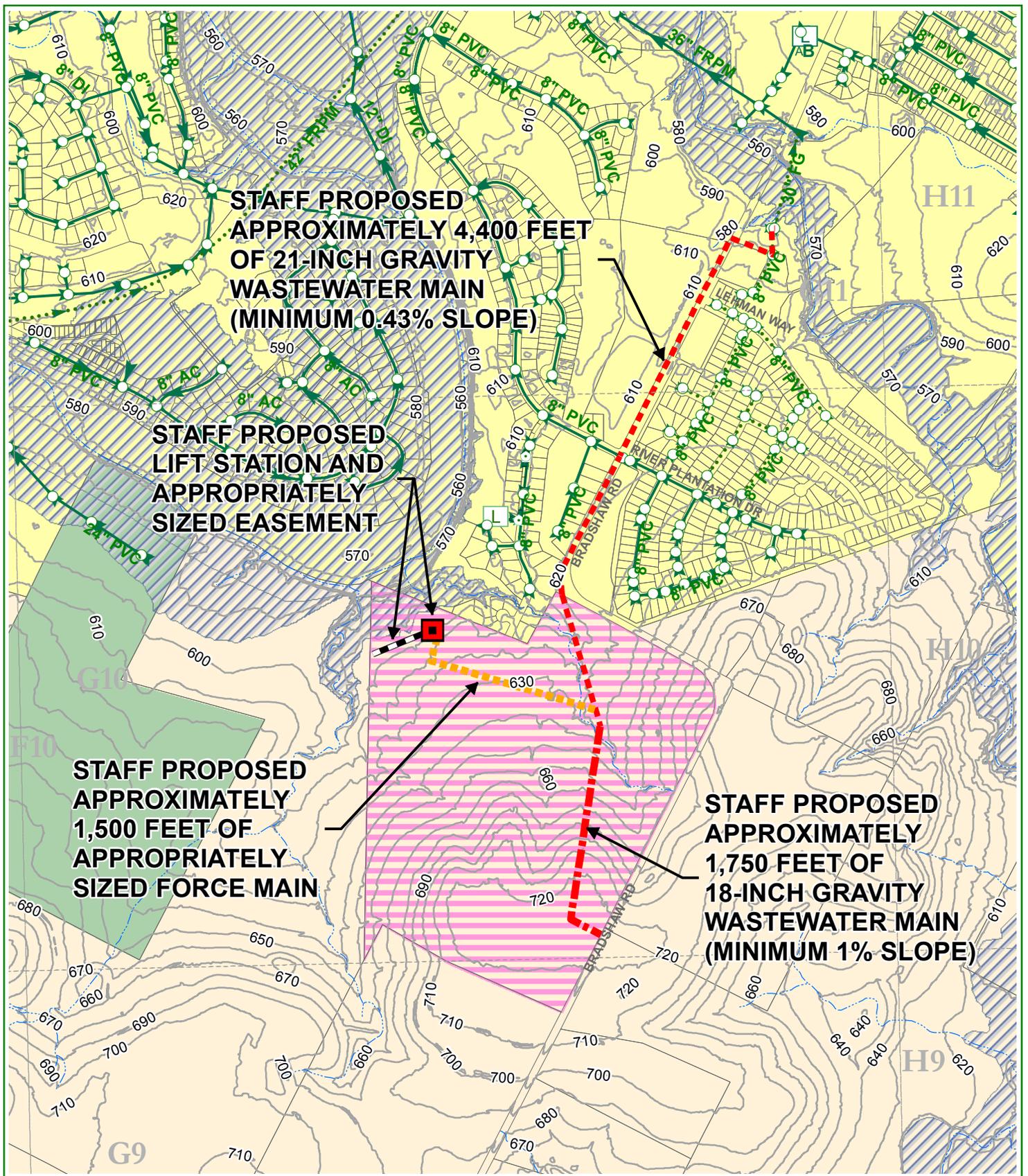
- For costs of the 21-inch wastewater main (the minimum pipe diameter of 12-inches required to serve the Property to an oversized 21-inch) and appurtenances, the City's maximum participation consists of: (1) hard costs, in an amount not to exceed 43% of the hard costs of the 21-inch wastewater main and appurtenances, and (2) soft costs, in an amount not to exceed 15% of the City's hard cost participation amount, and
- For costs of the 18-inch wastewater main (the minimum pipe diameter of 8-inches required to serve the Property to an oversized 18-inch) and appurtenances, the City's maximum participation consists of: (1) hard costs, in an amount not to exceed 56% of the hard costs of the 18-inch wastewater main and appurtenances, and (2) soft costs, in an amount not to exceed 15% of the City's hard cost participation amount.

Under Option 2, to serve the Property, the "Applicant" will additionally be required to construct, at their own cost:

- An appropriately sized lift station, and
- Approximately 1,500 feet of appropriately sized force main from the lift station to the proposed oversized 21-inch gravity wastewater main.

Under the proposed amendment to the Agreement, the City will reimburse an overall total amount not to exceed \$3,207,082.05 for the City's proportional share of the actual hard costs and soft costs associated with the construction of the oversized gravity wastewater mains for both Options. The amount for Option 2 is a \$2,446,791.75 increase from the City Council's previously approved proportional reimbursement amount.

The proposed project will be managed by Austin Water and is located in zip code 78747.



-  Subject Tract
-  100-yr FEMA Floodplain
-  Full-Purpose City Limit
-  2-Mile ETJ
-  Limited-Purpose City Limit

W.W. S.E.R. Name: Buratti Subdivision (Revision 4)

W.W. S.E.R. Number: 2286R4

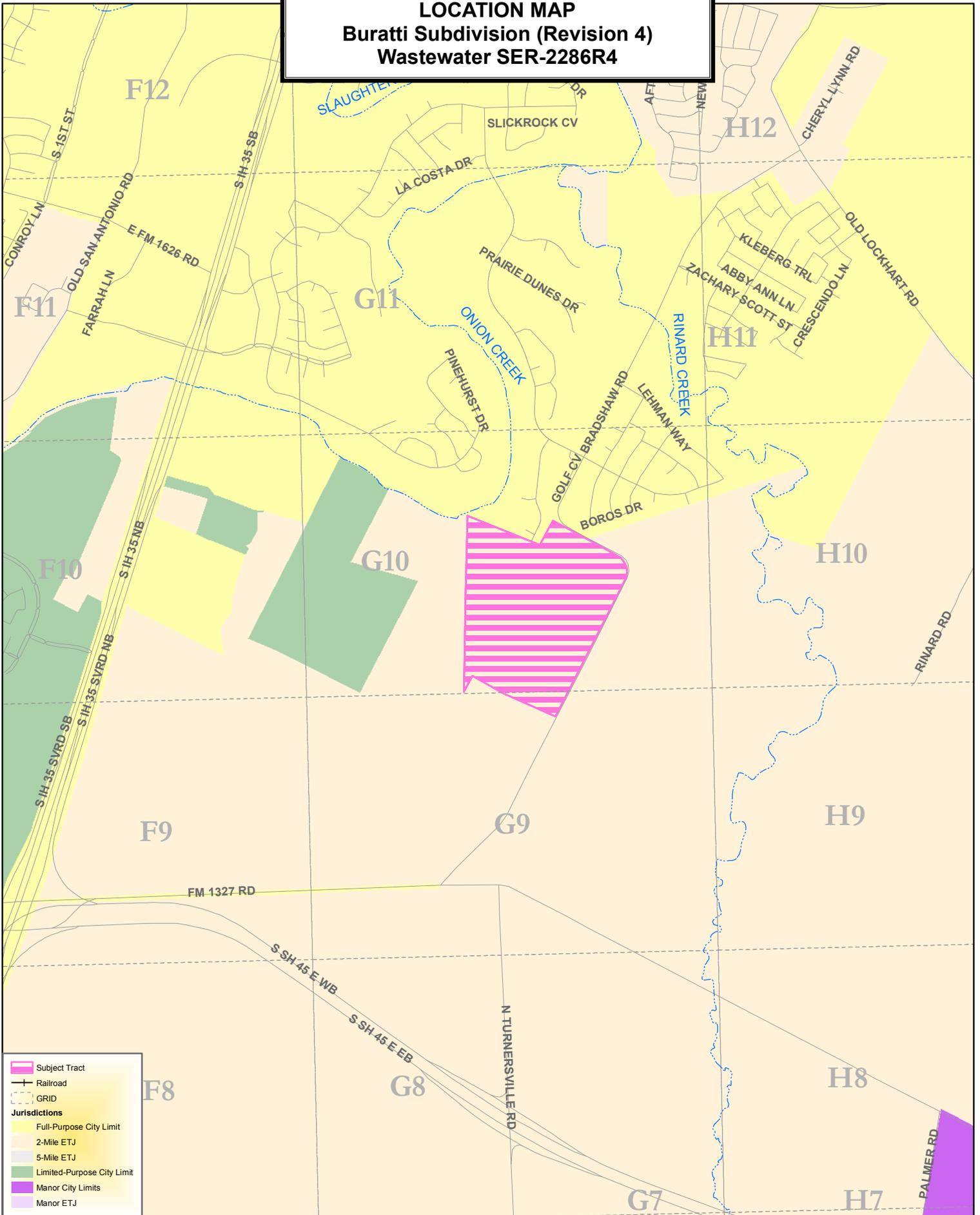
Option 2 Wastewater Improvements

DRAFT

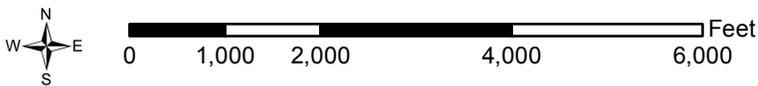
Utility Development Services Plotted 09/23/2016. Page 2 of 2

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of the property boundaries. This product has been produced by the City of Austin for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.

LOCATION MAP
Buratti Subdivision (Revision 4)
Wastewater SER-2286R4



| | |
|----------------------|----------------------------|
| | Subject Tract |
| | Railroad |
| | GRID |
| Jurisdictions | |
| | Full-Purpose City Limit |
| | 2-Mile ETJ |
| | 5-Mile ETJ |
| | Limited-Purpose City Limit |
| | Manor City Limits |
| | Manor ETJ |



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 09/23/2016