



Water & Wastewater Commission Review and Recommendation

Commission Meeting Date:	January 10, 2018
Council Meeting Date:	February 1, 2018
Department:	Austin Water
Client:	Bart Jennings and Kevin Critendon
Agenda Item	
Authorize the negotiation and execution of a cost participation agreement with the Austin Community College District for the City to reimburse the Austin Community College District for an amount not to exceed \$2,528,230 for costs associated with the design and construction of an oversized wastewater main and appurtenances related to Service Extension Request No. 3145 that will provide wastewater service to a proposed mixed-use development located at 5900 Airport Boulevard. (District 4)	
Amount and Source of Funding	
Funding is available in the Fiscal Year 2017-2018 Capital Budget of Austin Water.	
Purchasing Language:	N/A
Prior Council Action:	October 17, 2017- Council postponed the negotiation and execution of a cost participation agreement with the Austin Community College District.
Boards and Commission Action:	January 10, 2018- To be reviewed by the Water and Wastewater Commission.
MBE/WBE:	N/A

The “Highland Mall - ACC” project consists of approximately 80 acres of land located at 5900 Airport Boulevard (the “Property”). The Property is located entirely within the City of Austin’s (the “City”) Full-Purpose Jurisdiction, Impact Fee Boundary, Austin Water’s service area for wastewater, the Desired Development Zone, and the Tannehill Upper Watershed. A map of the property location is attached.

The wastewater improvements identified for the Highland Mall - ACC project are driven by the Owner’s proposed level of development which were identified prior to the City’s interest of a City-owned office building on the Property. This proposed cost participation agreement is separate and not associated with or included in any financial arrangement for the City’s acquisition of an office building.

Austin Community College District (“Owner”) is proposing to develop approximately 1,340 multi-family units, 128,644 sq. ft. of retail space, 47,708 sq. ft. of restaurant space, and 450 hotel rooms. The “Owner” requested that the City provide wastewater utility service to the Property as identified in Service Extension Request (SER) No. 3145. Austin Water will also provide retail water service to the Property.

In accordance with Chapter 25-9 of the City Code, the City has asked the Owner to oversize the gravity wastewater main in order to serve additional properties within the Tannehill Upper drainage basin consistent with the City’s long-range planning goals for this area. If approved by City Council, the City will cost participate in this construction project only to the extent of the City’s proportionate share of the oversized main.

The proposed oversized improvements include construction of:

- approximately 3,000 feet of 30-inch gravity wastewater main from the existing 18-inch gravity wastewater main (Project no. 72-161; MH ID #64049) located in the N. IH-35 southbound service road, north along the N. IH-35 southbound service road, northwest to the existing 18-inch gravity wastewater main located in E. 53rd-1/2 Street, west-northwest along E. 53rd-1/2 Street to Airport Boulevard, and then north to the proposed 24-inch gravity wastewater main described below; and
- approximately 1,300 feet of 24-inch gravity wastewater main from the proposed 30-inch gravity wastewater main in Airport Boulevard described above, north along Airport Boulevard, and then northeast along E. Koenig Lane to the existing 16-inch gravity wastewater main located in the E. Koenig Lane eastbound service road.

The City will reimburse the Owner for an overall total amount not to exceed \$2,528,230 for hard costs and soft costs. Hard costs include, but are not limited to, construction and materials. Soft costs include, but are not limited to, preliminary engineering reports, surveying, geotechnical studies, design, and project management. The City’s cost participation by project component is as follows:

- For costs of the 24-inch gravity wastewater main (the minimum pipe diameter of 18-inches required to serve the Property to an oversized 24-inch) and appurtenances, the City’s maximum participation consists of: (1) hard costs, in an amount not to exceed 25% of the hard costs of the 24-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; and
- For costs of the 30-inch gravity wastewater main (the minimum pipe diameter of

18-inches required to serve the Property to an oversized 30-inch) and appurtenances, the City's maximum participation consists of: (1) hard costs, in an amount not to exceed 40% 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.

Additionally, to serve the Property, the Owner will be required to construct, at their own cost without City reimbursement:

- approximately 1,640 feet of 12-inch gravity wastewater main from the existing 12-inch gravity wastewater main (MH ID #64977) located on the southern end of the subject tract, west across the subject tract to Airport Boulevard, and then north-northwest along Airport Boulevard to the existing 12-inch gravity wastewater main (Project no. 2014-0548; MH ID #65665)

Other terms of the agreement will require that the Owner:

- Pay 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;
- Use the Plans and Specifications approved by the City to solicit and publish invitations for bids for the construction of the wastewater project as required by law for school districts and specifically as found in §44.031, Texas Education Code, as amended, §2252 et seq., Texas Government Code, as amended, and Chapter 271, Texas Local Government Code, as amended; and
- Award the Construction Contract for the wastewater project to a qualified construction contractor following procedures required by law for school districts and specifically as found in §44.031, Texas Education Code, as amended, §2252 et seq., Texas Government Code, as amended, and Chapter 271, Texas Local Government Code, as amended.

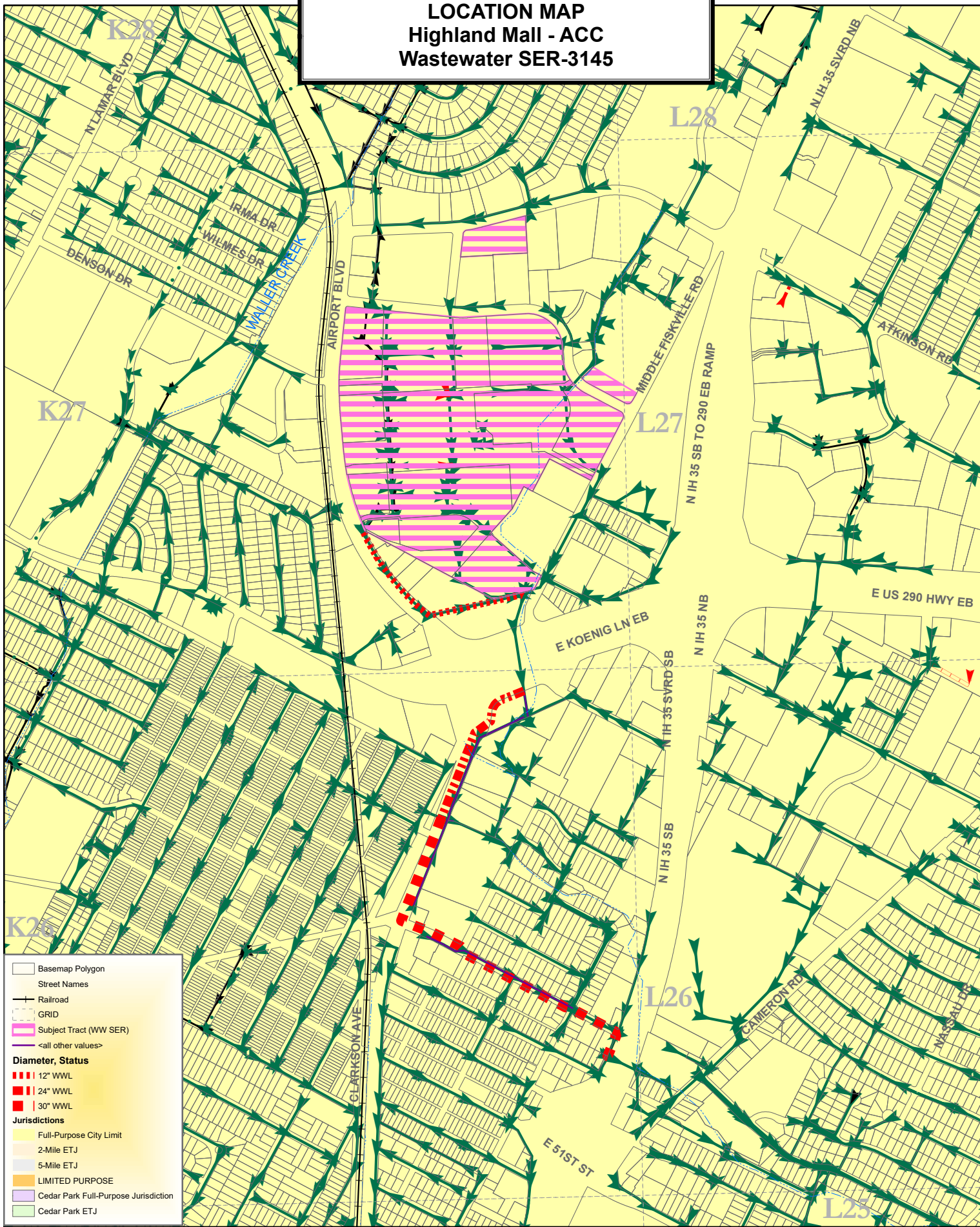
The proposed project will be managed through Austin Water and is located in zip code 78752, in City Council District 4.

At the September 13, 2017 Water and Wastewater Commission meeting and the October 19, 2017 City Council meeting, Austin Water staff presented this RCA for consideration. The Water and Wastewater Commission recommended the approval of the cost participation agreement. However, the item, upon the request by the Owner, was postponed by City Council. Since those meetings, the Owner has publicly bided this project and received bids from contractors on the construction plans. Based on those bids, the cost of the project has significantly increased. The reasons for the increases include:

- The higher cost of materials (manholes and the 30-inch wastewater pipe),
- Traffic control, and
- Driveway and sidewalk repair

This Request for Council Action is for the total amount of \$2,528,230, an increase of \$1,067,570 from the original Request for Council Action.

LOCATION MAP
Highland Mall - ACC
Wastewater SER-3145



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 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.
8/23/2017