



Water & Wastewater Commission Review and Recommendation

Commission Meeting Date:	March 9, 2022	COA Strategic Direction:	Government that Works for All
Council Meeting Date:	March 24, 2022		
Department:	Austin Water		
Client:	Kevin Critendon		
Agenda Item			
Recommend approval to negotiate and execute an amendment to the cost reimbursement agreement with William Lyon Homes to increase the amount of the City’s cost reimbursement by \$973,340.00 for a total amount not to exceed \$1,500,000.00 for costs associated with the design and construction of an oversized water main and appurtenances related to Service Extension Request No. 4116R3 that will provide water service to a proposed single-family development located at 6001 Kellam Road.			
Amount and Source of Funding			
Funding is available in the Fiscal Year 2021-2022 Capital Budget of Austin Water.			
Purchasing Language:	N/A		
Prior Council Action:	May 23, 2019 - Council authorized the negotiation and execution of a cost reimbursement agreement for an amount not to exceed \$526,660.00.		
Boards and Commission Action:	March 9, 2022 – To be reviewed by the Water and Wastewater Commission.		
MBE/WBE:	N/A		

The “71 East – 428 Acre Tract” project is located at 6001 Kellam Road (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 water and wastewater, the Desired Development Zone, and the Dry South Watershed. A map showing the property location is attached. William Lyon Homes (the “Applicant”) is proposing to develop approximately 1,550 single-family homes.

Service Extension Request No. 4116R2 (SER-4116R2) was submitted and approved to extend City water utility service to the Property. As authorized by City Council on May 23, 2019, the City and the Applicant executed a Cost Reimbursement Agreement (the “Agreement”) on March 26, 2021 for \$526,660.00 of total project costs for the construction of an oversized 24-inch water main and appurtenances as proposed in SER-4116R2.

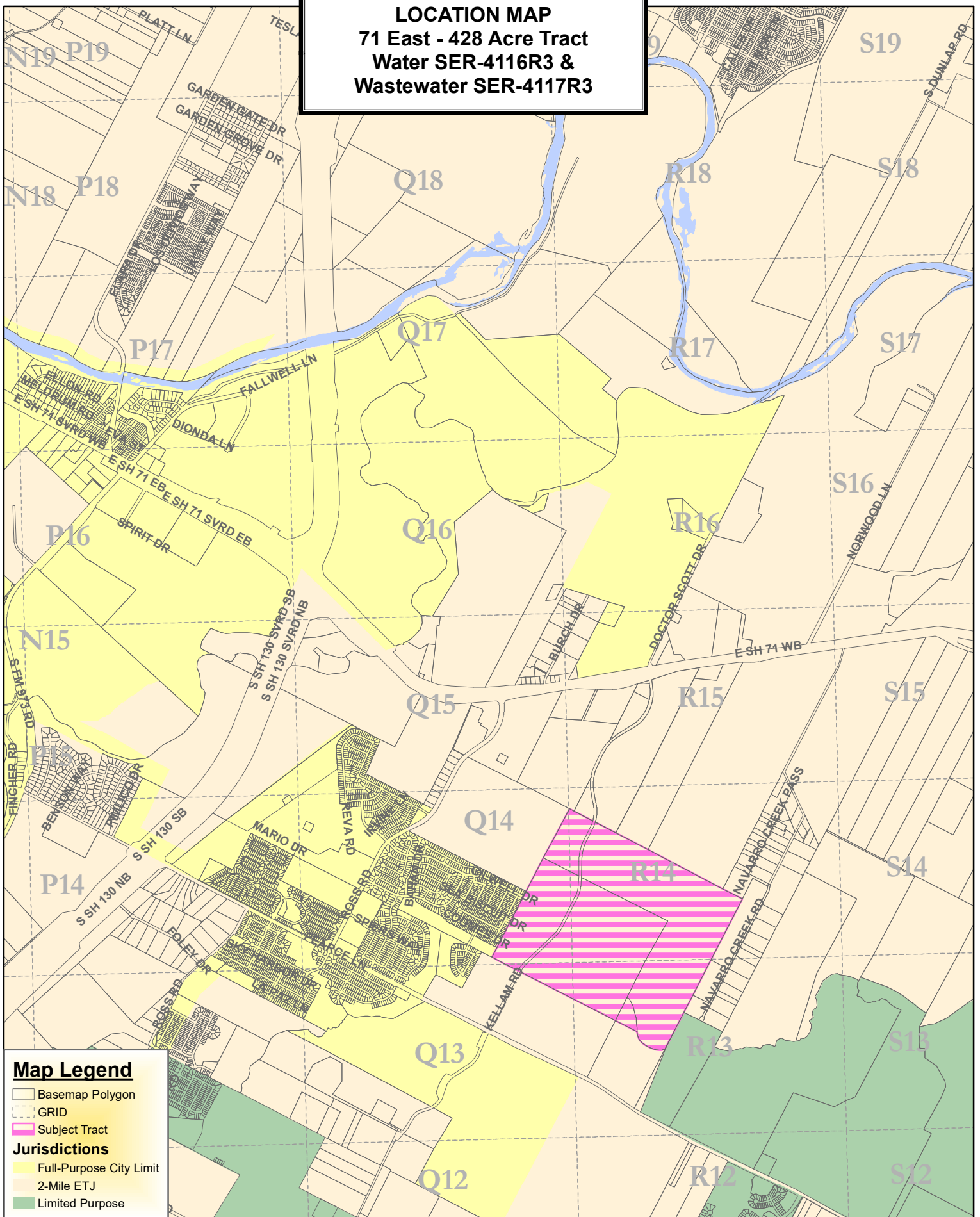
Under the agreement, the Applicant will construct approximately 5,615 feet of 24-inch water main and convey the water improvements to the City for the City’s ownership, operation, and maintenance. The Applicant will construct the project in two phases, with Phase 1 including approximately 4,350 feet of 24-inch water main. These water improvements were oversized and required by the City in order to serve additional properties within the Central South water pressure zone consistent with the City’s long range planning goals for this area. The City agreed to reimburse a percentage of the actual project costs associated with the construction of the water main.

The certified low bid for construction of Phase 1 of the oversized water improvements was received by the City on October 21, 2021, and the City’s proportionate share is in excess of the Council approved reimbursement amount. The bids received exceeded the original cost estimate primarily due to an increase in material and construction costs as a result of the COVID-19 pandemic. The original cost estimate was prepared at a preliminary phase of the Project prior to the onset of the COVID-19 pandemic and was based on material and construction costs at that time.

Under the proposed amendment to the Agreement, the City will reimburse an overall total amount not to exceed \$1,500,000.00 for the actual project costs associated with the construction of Phase 1 and future Phase 2 of the oversized water main. This amount is a \$973,340.00 increase from the City Council’s previously approved reimbursement amount.

The proposed project will be managed through Austin Water staff and is located in zip code 78617, adjacent to City Council District 2.

LOCATION MAP **71 East - 428 Acre Tract** **Water SER-4116R3 &** **Wastewater SER-4117R3**



Map Legend

Basemap Polygon

GRID

Subject Tract

Jurisdictions

Full-Purpose City Limit

2-Mile ETJ

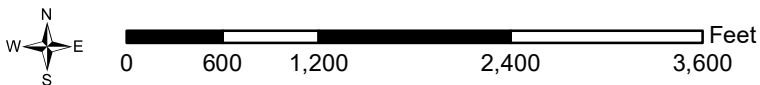
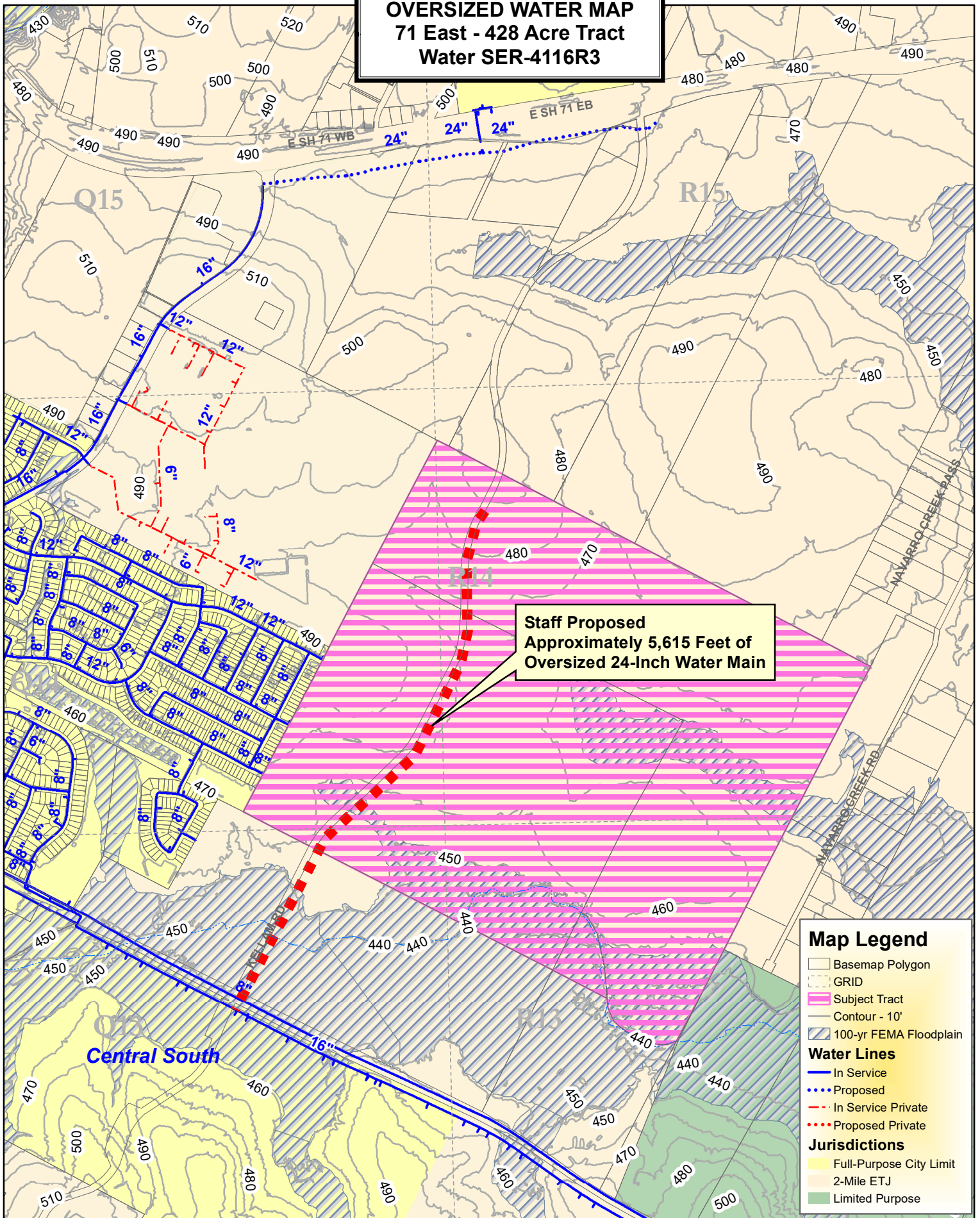
Limited Purpose



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.

2/9/2022

OVERSIZED WATER MAP 71 East - 428 Acre Tract Water SER-4116R3



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