

Posting Language

Recommend approval to negotiate and execute a cost participation agreement with Kellam Land Investments, LP for the City to reimburse the developer for an amount not to exceed \$3,415,500.00 for costs associated with the design and construction of an oversized water main and appurtenances related to Service Extension Request No. 4811R that will provide water service to a proposed multifamily development located at 4811 Kellam Road.

Lead Department

Austin Water

Client Department

Austin Water Director of Environmental, Planning & Development Services, Kevin Critendon

Fiscal Note

Funding is available in the Capital Budget of Austin Water.

Council Committee, Boards and Commission Action

April 19, 2023 - To be reviewed by the Water & Wastewater Commission

Additional Backup Information

The Kellam Road project consists of approximately 45 acres of land located at 4811 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 Creek East Watershed. A map of the property location is attached.

Kellam Land Investments, LP (the "Owner") is proposing to develop approximately 850 multi-family units. The Owner requested that the City provide water utility service to the Property as proposed in Service Extension Request (SER) No. 4811R. Austin Water will provide retail wastewater service to the Property as proposed in SER No. 4812R.

In accordance with Chapter 25-9 of the City Code, the City has asked the Owner to oversize the water main in order to serve additional properties within the Central water pressure zone 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 5,625 feet of 24-inch water main from State Highway 71 to a proposed 24-inch water main, which is currently in construction by others, located south of the Property in Kellam Road.

The City will reimburse the Owner for an overall total amount not to exceed \$3,415,500.00 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 water main (the minimum pipe diameter of 12-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 50% of the hard costs of the 24-inch water main and appurtenances, and (2) soft costs, in an amount not to exceed 15% of the City's hard cost participation amount.

Other terms of the agreement will require that the Owner:

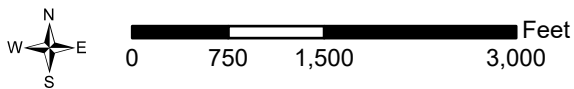
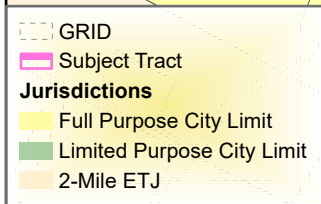
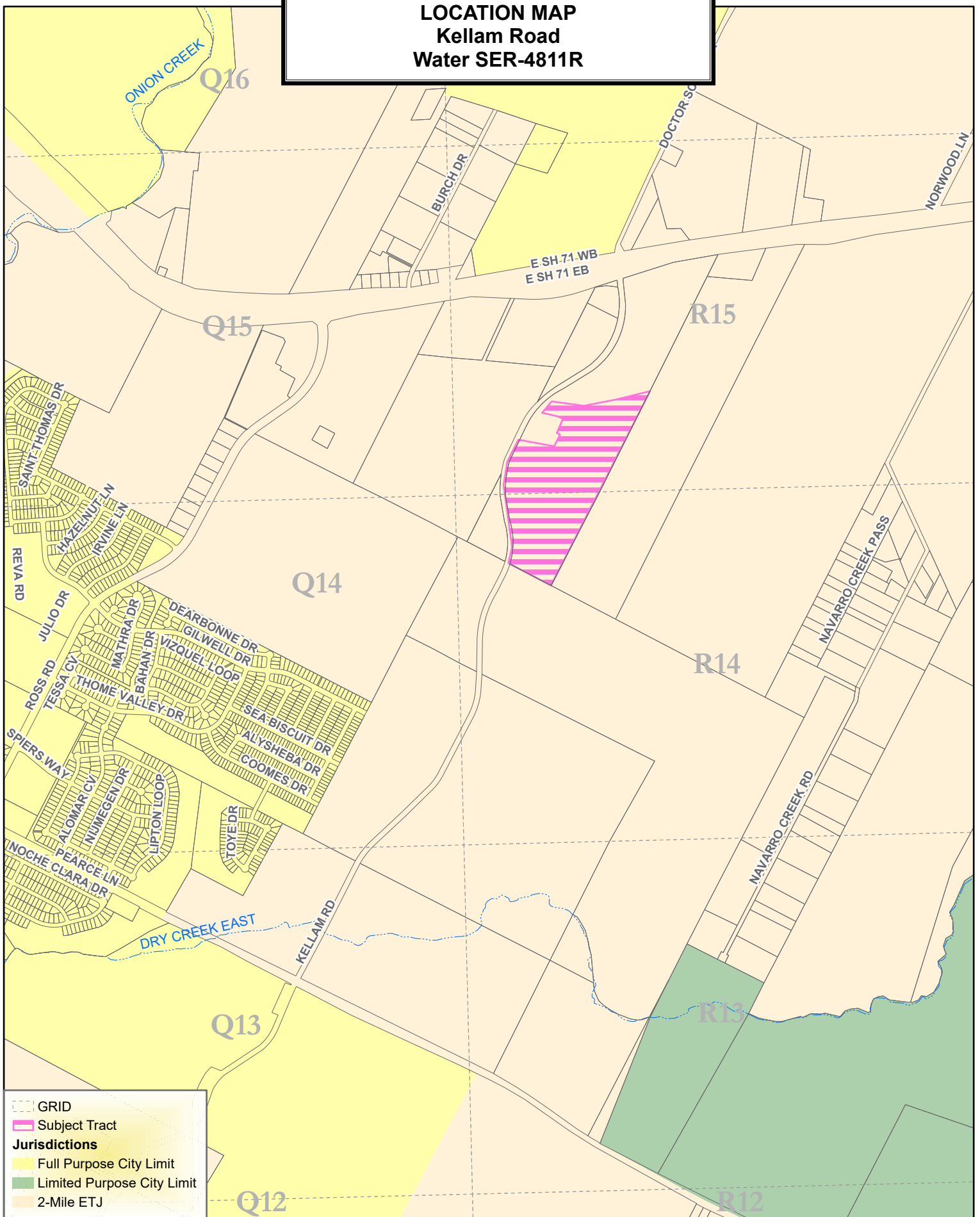
- Pay all costs for financing, interest, fiscal security, accounting, insurance, inspections, permitting, easement acquisition, legal services, and other non-reimbursable soft costs associated with the project;
- Conform to the City's design criteria and construction standards;
- Construct all improvements at their cost and, after the City's final approval of the construction, dedicate the facilities to the City for ownership, operation, and maintenance;
- Allow the City to use the project plans and specifications approved by the City to solicit and publish invitations for bids for the construction of the improvements; and
- Follow the City's standard bidding practices and procedures, including the minority-owned business enterprise procurement program found in Title 2 of the City Code, and Texas Local Government Code Chapters 212 and 252.

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

Strategic Outcome(s)

Government that Works for All

LOCATION MAP Kellam Road Water SER-4811R



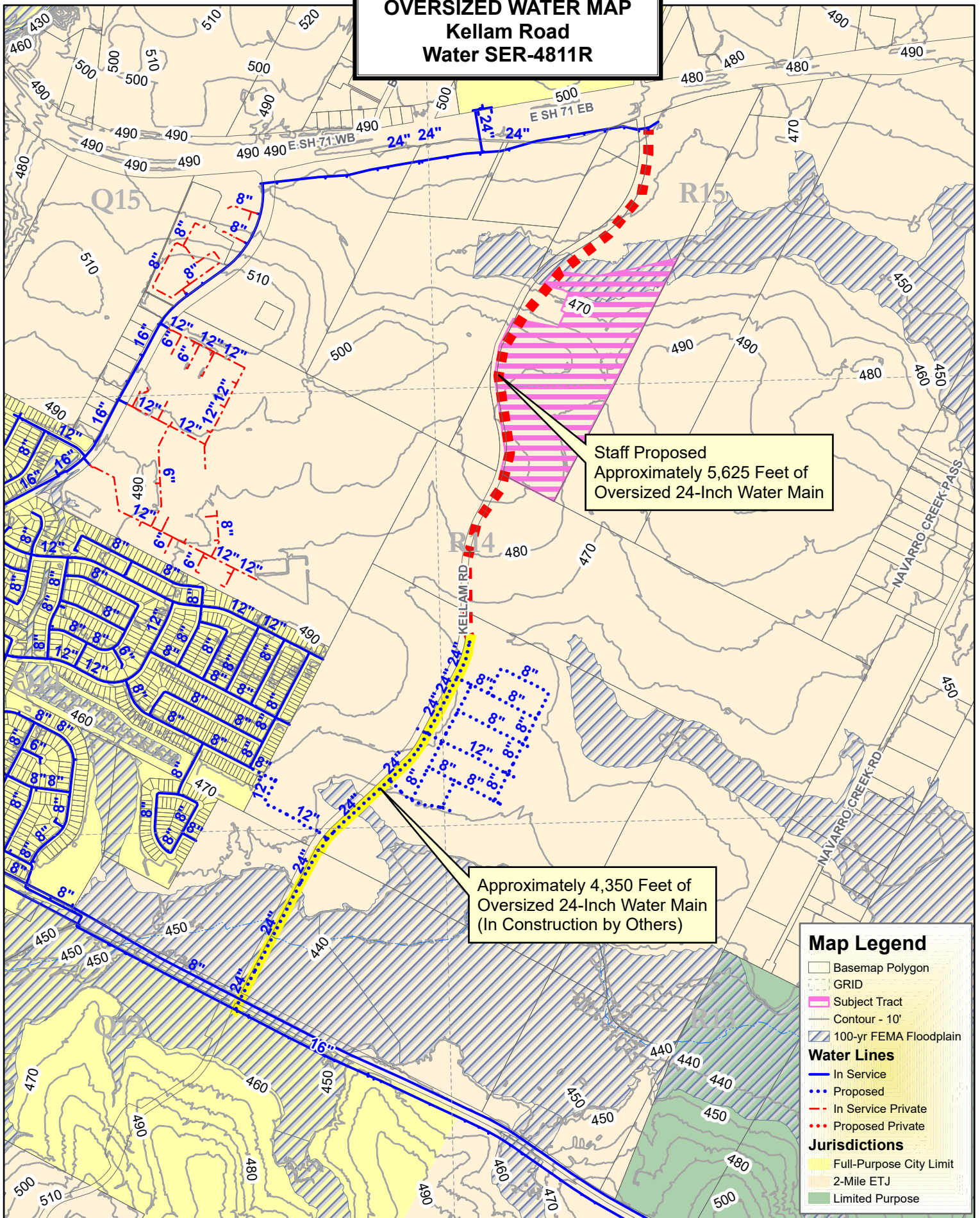
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. This product has been produced by the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

3/13/2023

OVERSIZED WATER MAP

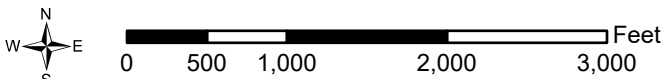
Kellam Road

Water SER-4811R



Map Legend

- Basemap Polygon
- GRID
- Subject Tract
- Contour - 10'
- 100-yr FEMA Floodplain
- Water Lines**
 - In Service
 - Proposed
 - In Service Private
 - Proposed Private
- Jurisdictions**
 - Full-Purpose City Limit
 - 2-Mile ETJ
 - Limited Purpose



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