



## Recommendation for Action

**File #: 23-2775, Agenda Item #: 5.**

9/21/2023

### **Posting Language**

Authorize negotiation and execution of a cost participation agreement with Urban Lofts XXIII, Ltd. for the City to reimburse the developer for an amount not to exceed \$408,480 for costs associated with the design and construction of an oversized wastewater main and appurtenances related to Service Extension Request No. 5332R that will provide wastewater service to a proposed townhome development located at 1512 Wheless Lane.

### **Lead Department**

Austin Water.

### **Fiscal Note**

Funding is available in the Fiscal Year 2022-2023 Capital Budget of Austin Water.

### **For More Information:**

Inquiries should be directed to Blanca Madriz, 512-972-0115, or Blanca.Madriz@austintexas.gov.

### **Council Committee, Boards and Commission Action:**

September 13, 2023 - To be reviewed by the Water and Wastewater Commission.

### **Additional Backup Information:**

The Wheless Townhomes project consists of approximately 1.89 acres of land located at 1512 Wheless Lane (the "Property"). The Property is located entirely within the City of Austin's (the "City") Full-Purpose, Impact Fee Boundary, Austin Water's service area for water and wastewater, the Desired Development Zone, and the Fort Branch Watershed. A map of the property location is attached.

Urban Lofts XXIII, LTD (the "Owner") is proposing to develop approximately 34 townhomes. The Owner requested that the City provide wastewater utility service to the Property as proposed in Service Extension Request (SER) No. 5332R. Austin Water will provide retail water service to the Property as approved in SER No. 5331.

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 Upper Fort Branch 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 wastewater interceptor.

The proposed oversized improvements include construction of approximately 725 feet of 24-inch wastewater interceptor to replace the existing 10-inch and 12-inch gravity wastewater mains along Brookside Dr. between Glencrest Dr. and Wheless Ln.

The City will reimburse the Owner for an overall total amount not to exceed \$408,480 for hard costs and soft costs. Hard costs include, but are not limited to, construction and materials. Soft costs include, but are not

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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 wastewater interceptor (the minimum pipe diameter of 15-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 37% of the hard costs of the 24-inch wastewater interceptor 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 78723, in City Council District 4.