



AGENDA MEMORANDUM

Public Hearing and First Reading Ordinance for September 24, 2019
Second Reading Ordinance for October 1, 2019

DATE: August 14, 2019
TO: Peter Zaroni, City Manager
FROM: Al Raymond, Director, Development Services
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Agreement and appropriating funds for Dorsal Development LLC. for the construction of a Water Arterial and Grid Main, Water Distribution Main, Wastewater Trunk Main Line and Wastewater Collection Line Extension Construction and Reimbursement Agreement

CAPTION:

Ordinance authorizing a Water Arterial Transmission and Grid Main Construction Reimbursement Agreement, a Water Distribution Main Line Construction Reimbursement Agreement, and a Wastewater Collection Line Extension Construction Reimbursement Agreement with Dorsal Development LLC to extend a grid main line along Yorktown Boulevard, extend a wastewater collection line from lift station number 13 located near Master Channel 31 and Slough Road, and install offsite water distribution and wastewater collection lines for a planned residential subdivision with completion dates of October 30, 2020; appropriating \$147,999.99 from the Water Arterial Transmission & Grid Main Trust Fund, \$43,010.00 from the Water Distribution Main Trust Fund, and \$139,341.76 from the Sanitary Sewer Collection Line Trust Fund to reimburse developer per agreements. (District 5)

SUMMARY:

Dorsal Development LLC. is required to construct a 12-inch master planned water arterial transmission and grid main line fronting the development property along Yorktown Boulevard, an offsite 8-inch water distribution main line, a 15-inch master planned wastewater collection line connecting to Lift Station 13, and an offsite 12-inch wastewater collection line extension to provide water, wastewater, and fire suppression service to the planned residential subdivision. The installation of the new utilities will extend service to the surrounding undeveloped properties. The developer has requested a reimbursement agreement in accordance with UDC Sections 8.5.1 Water Trust Fund and 8.5.2 Wastewater Trust Fund.

BACKGROUND AND FINDINGS:

Dorsal Development LLC plans to install 1502 linear feet of 15-inch wastewater collection line, per the wastewater master plan, and 901 linear feet of offsite 12-inch wastewater collection line to service a planned residential subdivision within city limits located at near the intersection of Starry Road and Yorktown Boulevard. The property encompasses 43.19 acres zoned "RS-4.5", "RM-2", "RM-1", "RS-TF" and "CG-2" with 90 planned single-family home sites. The new 15-inch

wastewater collection line and the 12-inch wastewater collection line are required to provide adequate sanitary sewer service to the planned subdivision and expand sanitary sewer service to the surrounding properties per the master plan. The 15-inch collection line will connect to Lift Station Number 13 located in the Oso W.R.P sub basin on the north side of Master Channel 31. A Wastewater Master Plan amendment to identify both the collection line locations was approved by City Council on April 23, 2019.

Collection Lines are lines of 15 inches inside diameter, or smaller, connecting to the wastewater collection system. The Sanitary Sewer Collection Line Trust Fund is used to reimburse developers for constructing wastewater collection lines off-site.

The developer is also required to install 1548 linear feet of 12-inch grid main line that will connect to the existing 12-inch grid main line that is installed along the south side of Yorktown Boulevard. The line will extend east along the front of the subdivision to the eastern boundary of the subdivision property. To implement the Water Master Plan, this line will extend a master planned water grid main line and will provide water and fire suppression service to properties east of the planned subdivision. Additionally, the developer plans on installing offsite 130 linear feet of 8-inch water distribution main line to provide water and fire suppression service to the planned subdivision. The distribution main is consistent with the water distribution standards.

Arterial Transmission and Grid Mains are lines that are used to supply the water grid system up to one square mile and are 12-inches of inside diameter, or larger. Distribution Mains are mains of 12-inches of inside diameter, or smaller, connected to the supply mains that provide fire protection and domestic service. The Water Arterial Transmission and Grid Main Trust Fund and the Distribution Main Trust Fund are used to reimburse developers for constructing grid and distribution mains and oversizing distribution mains off-site.

City Council gave direction to staff at the August 13, 2019 meeting to reexamine the trust funds and to provide recommendations on policies that govern the priority, order, reimbursement rate and fees charged by the trust funds. City Council directed staff return within 75 days and present their recommendations.

ALTERNATIVES:

Per UDC Sections 8.5.1 Water Trust Fund and 8.5.2 Wastewater Trust Fund the developer requested reimbursement for the installation of a water grid main line, water distribution line, and wastewater collection lines that that will serve the planned subdivision. If the request were to be denied and the developer had to assume the costs associated with the installation of the water and wastewater lines to serve the property, the project may become cost prohibitive. Another alternative is to identify the project as a capital improvement to be constructed by the City, which would also delay the project.

FISCAL IMPACT:

The Water Arterial Grid Main Trust (4030-21805) has a balance available of \$1,544,549.47, the Water Distribution Main Trust (4030-21806) has a balance of 617,285.00, the Sanitary Sewer Collection Line Trust (4220-21801) has a balance of \$1,122,747.52. The three trust funds have a combined available balance of \$3,284,581.99. Approval of this reimbursement agreement for a total of \$330,351.75 will leave the trust funds with a combined unencumbered balance of \$2,954,230.24. The expenditures for this project are a one-time cost and are not associated with any other projects. The Utility Trust Funds receive monthly deposits generated from lot or acreage, prorata and surcharge fees that are charged during the platting process.

Funding Detail:

Fund: 4220 Sanitary Sewer Collection Line Trust Fund
Organization/Activity: 21801 Sanitary Sewer Collection Line Trust
Mission Element: 777
Project # (CIP Only): N/A
Account: 540450 Reimbursement to Developers

Fund: 4030 Water Arterial Transmission & Grid Main Trust Fund
Organization/Activity: 21805 Water Arterial Transmission & Grid Main Trust
Mission Element: 777
Project # (CIP Only): N/A
Account: 540450 Reimbursement to Developers

Fund: 4030 Water Distribution Main Trust Fund
Organization/Activity: 21806 Water Distribution Main Trust
Mission Element: 777
Project # (CIP Only): N/A
Account: 540450 Reimbursement to Developers

RECOMMENDATION:

Staff Recommends Approval of the Water Arterial Transmission and Grid Main Construction Reimbursement Agreement, the Water Distribution Main Line Construction Reimbursement Agreement, and the Wastewater Collection Line Extension Construction Reimbursement Agreement with Dorsal Development LLC.

LIST OF SUPPORTING DOCUMENTS:

Ordinance (with exhibit)
Presentation
Location Map