



AGENDA MEMORANDUM

Public Hearing and First Reading Ordinance for the 07/16/24
Second Reading Ordinance for 07/23/24

DATE: July 16, 2024

TO: Peter Zaroni, City Manager

FROM: Al Raymond, Director Development Services
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Wastewater Trunk System Construction and Reimbursement Agreement
with Saratoga 400 Partners, LLC for wastewater improvements for Saratoga Ridge

CAPTION:

Ordinance authorizing a Wastewater Trunk System Construction and Reimbursement agreement up to \$4,131,000.00 with Saratoga 400 Partners, LLC to construct a wastewater trunk line related to the Saratoga Ridge subdivision located off Saratoga Blvd, between Old Brownsville Rd and Greenwood Rd; and authorizing future transfer and appropriation of Water and Wastewater Trust Fund revenue up to \$4,131,000.00 to reimburse the developer in accordance with the agreement. (District 3)

SUMMARY:

Saratoga 400 Partners, LLC is developing 257.69 acres of single-family residential homes with approximately 956 lots to be built in phases and is requesting funds to construct the wastewater trunk line improvements associated with the development. The estimated one-time reimbursable cost of the improvements is \$4,131,000.00.

BACKGROUND AND FINDINGS:

The Developer, has requested reimbursement through a reimbursement agreement for the 257.69 acres subdivision named Saratoga Ridge, located off Saratoga Blvd, between Old Brownsville Rd and Greenwood Rd. The preliminary plat was approved by the Planning Commission on September 7, 2022.

The wastewater improvements consist of 2,400 linear feet of 18" PVC pipe and 2,130

linear feet of 24" PVC pipe. The allowable wastewater improvement reimbursement amount is \$4,131,000.00. The term of the agreement is 24 months. The project is consistent with the City's Sanitary Sewer Trunk System Construction Standards.

The current trust fund balance is negative and will continue to be negative for the foreseeable future. Therefore, funding for this agreement is slated to come from future revenue sources.

The project is eligible for reimbursement from the Sanitary Sewer Trunk System Trust Fund per UDC Section 8.5.2.E.

ALTERNATIVES:

This project will improve and facilitate development of the new Saratoga Ridge development. An alternative to utilizing trust funds to construct the wastewater collection line improvements would be to construct them with a city-initiated CIP project. This option would most likely delay the construction until the required funding for the improvements could be programmed into the CIP budget and would most likely impact the developer's ability to build out his planned subdivision in a timely manner.

FINANCIAL IMPACT:

The total estimated project cost for the sanitary sewer trunk improvements is \$4,131,000.00. Agreement requires appropriating and transferring of future revenue from Water and Wastewater lot and acreage fees and pro-rata fees to the Sanitary Sewer Trunk Trust Fund to reimburse the developer per the agreement.

FUNDING DETAIL:

Fund:	4030 Water Arterial Transmission & Grid Main Trust Fund
Organization/Activity:	21805 Water Arterial Transmission and 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

Fund:	4220 Sewer Trunk System Trust Fund
Organization/Activity:	21800 Sewer Trunk System Trust
Mission Element:	777
Project # (CIP Only):	N/A
Account:	540450 Reimbursement to Developers

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

RECOMMENDATION:

Staff recommends approval. The project is in accordance with UDC Section 8.5.2.E.

LIST OF SUPPORTING DOCUMENTS:

Ordinance (with exhibit)
Summary of Trust Fund Balance
Presentation
Certification of Funds
Location Map