



AGENDA MEMORANDUM
for the City Council Meeting of April 24, 2012

DATE: 3/23/2012

TO: Ronald L. Olson, City Manager

FROM: Mark Van Vleck, Interim Director of Development Services
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(361) 826-3246

Sanitary Sewer Line Construction and Reimbursement Agreement with Mostaghasi Enterprises, Inc., developer of Ranch Lake Unit 2 Subdivision

CAPTION:

Motion approving the Sanitary Sewer Collection Line Extension Construction and Reimbursement Agreement submitted by Mostaghasi Enterprises, Inc., owner and developer of Ranch Lake Unit 2, located south of Yorktown Boulevard between the Schanen Ditch and Lake Superior Drive, for the extension of an 8-inch collection line, including all related appurtenances.

BACKGROUND AND FINDINGS:

Mostaghasi Enterprises, Inc. is requesting a Sanitary Sewer Line Construction and Reimbursement Agreement for the platting and development of Ranch Lake Unit 2, as shown on the final plat (Exhibit B). The subdivision is located south of Yorktown Boulevard between the Schanen Ditch and Lake Superior Drive. The proposed improvements will provide adequate waste water to the proposed single-family residential development. A layout of existing and proposed improvements is included as Exhibit C.

The developer has submitted an Application for Sanitary Sewer Collection Line Credit (Exhibit D), an Application for Sanitary Sewer Collection Line Reimbursement (Exhibit E) and supporting documentation in compliance with provisions of the Unified Development Code, Section 8.5.2. A total of 248-feet of the proposed 8-inch sanitary sewer line is off-site and eligible for reimbursement. The total installation cost of off-site improvements submitted by the developer for the 8-inch Sanitary Sewer Collection Line is \$45,151.70. A total of \$7,777.52 shall be credited for the waste water acreage fee. The maximum developer reimbursement will be limited for such off-site extensions to 50% of the mathematical product obtained by multiplying the off-site average pipe diameter in inches by the acreage or lot fee value of the property. Therefore, the maximum reimbursable amount will be \$31,110.08. A detailed breakdown of the Engineer's cost estimate is included as Exhibit F.

A collection line extension construction and reimbursement agreement must be approved by the City Council before the developer starts construction. The reimbursement only shall be made when monies are fully available in and appropriated from the Collection Line Trust Fund. At this time, there is no available money in the Collection Line Trust Fund. The order of reimbursement will be determined according to the date the collection main construction and reimbursement agreement is approved by the City Council.

ALTERNATIVES:

Denial of the Sanitary Sewer Line Construction and Reimbursement Agreement

OTHER CONSIDERATIONS:

Not applicable

FINANCIAL IMPACT: Operating Expense

Fiscal Year: 2011-2012	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		(93,192.79)		
Encumbered / Expended Amount		0		
This item		(31,110.08)		
BALANCE		(124,302.87)		

Fund(s):

Comments: A collection line extension construction and reimbursement agreement must be approved by the City Council before the developer starts construction. The reimbursement only shall be made when monies are fully available in and appropriated from the Collection Line Trust Fund. At this time, there is no available money in the Collection Line Trust Fund. The order of reimbursement will be determined according to the date the collection main construction and reimbursement agreement is approved by the City Council.

CONFORMITY TO CITY POLICY:

The owner and developer will be extending off-site wastewater to serve the proposed development and has requested reimbursement of qualified construction costs, as provide in the Unified Development Code.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Legal
Finance

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Exhibit A	Location Map
Exhibit B	Final Plat
Exhibit C	Proposed Improvements Layout
Exhibit D	Application for Sanitary Sewer Line Credit
Exhibit E	Application for Sanitary Sewer Line Reimbursement
Exhibit F	Engineer's Cost Estimate
Exhibit G	Sanitary Sewer Collection Line Extension Construction and Reimbursement Agreement

Approvals: Deborah Brown, Assistant City Attorney
Constance P. Sanchez, Director of Financial Services
Eddie Houlihan, Assistant Director of Management and Budget
Toby Futrell, Interim Assistant City Manager