



AGENDA MEMORANDUM

First Reading Ordinance Item for the City Council Meeting of April 23, 2013
Second Reading/Action Item for the City Council Meeting of April 30, 2013

DATE: April 3, 2013

TO: Ronald L. Olson, City Manager

FROM: Mark E. Van Vleck, P.E., Director, Development Services
MarkVV@cctexas.com
(361) 826-3246

Reimburse Forestar (USA) Real Estate Group, Inc., for the construction of
Tortuga Dunes/Zahn Road/Packery Channel Wastewater Lift Station
and Force Main Improvements

CAPTION:

Ordinance appropriating \$450,000 from the No. 4220 Sanitary Sewer Trunk System Trust Fund to reimburse Forestar (USA) Real Estate Group, Inc. ("Developer") for the construction of the Tortuga Dunes/Zahn Road/Packery Channel wastewater lift station and force main improvements in accordance with the approved reimbursement agreement executed with the Developer.

PURPOSE:

Reimburse Forestar (USA) Real Estate Group, Inc., for the construction of the lift station and dual force mains.

BACKGROUND AND FINDINGS:

Under the Construction and Reimbursement Agreement Tortuga Dunes/Zahn Road/Packery Channel Development Area Wastewater Lift Station and Force Main Improvements and per the existing Platting Ordinance at the time the agreement was executed, Forestar (USA) Real Estate Group, Inc., is requesting a reimbursement per the Construction and Reimbursement Agreement Tortuga Dunes/Zahn Road/Packery Channel Development Area Wastewater Lift Station and Force Main Improvements. The City's Whitecap WWTP Service Area Master Plan required the construction of a lift station and dual force mains in order for the Packery Channel Development Area and The Preserve at Mustang Island, Unit 1, and adjacent areas in Whitecap WWTP Service Area 11 to have sanitary sewer service.

The reimbursement agreement amount approved is **\$2,457,890.25**. The total amount paid to date is **\$1,596,503**. The outstanding balance as of March 25, 2013 is **\$861,387.25**. The current appropriation request is **\$450,000**. The total amount due after appropriation is **\$411,387.25** (see table for detailed information).

Agreement Approved Amount \$2,457,890.25	
Date	Paid Amount
6/18/2009	\$ 432,503.00
12/16/2010	\$ 514,000.00
1/11/2012	\$ 432,503.00
1/18/2012	\$ 217,497.00
Total Paid Out	\$ 1,596,503.00
Outstanding Balance as of 3/25/2013	\$ 861,387.25
Current 5/2/2013 Appropriation Request	\$ 450,000.00
Outstanding Balance after Appropriation	\$ 411,387.25

ALTERNATIVES:

Denial of the ordinance appropriating \$450,000.00

OTHER CONSIDERATIONS:

Not applicable

CONFORMITY TO CITY POLICY:

The developer has constructed the Zahn Road Lift Station and Dual Force Mains per Construction and Reimbursement Agreement Tortuga Dunes/Zahn Road/Packery Channel Development Area Wastewater Lift Station and Force Main Improvements.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Legal
Finance

FINANCIAL IMPACT:

Operating Revenue Capital Sanitary Sewer Trunk System Trust Fund

Fiscal Year: 2012-2013	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$710,372.66		
Encumbered / Expended Amount		\$258,839.63		
This item		\$450,000.00		
BALANCE		\$1,533.03		

Fund(s):

Comments: The encumbered amount includes the reimbursement of Acreage fees to Jimmie & Barbara Moretich.

RECOMMENDATION:

Staff recommends approval of appropriation ordinance.

LIST OF SUPPORTING DOCUMENTS:

Ordinance

Reimbursement Agreement