



AGENDA MEMORANDUM

First Reading Ordinance Item for the City Council Meeting of May 27, 2014
Second Reading Ordinance for the City Council Meeting of June 10, 2014

DATE: 4/25/14
TO: Ronald L. Olson, City Manager
FROM: Barney Williams, P.E., Interim Director, Development Services
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Approval of agreement and appropriating ordinance to reimburse Spear Consolidated, Ltd., for the construction of water arterial transmission and grid main line

CAPTION:

Ordinance authorizing city manager or designee to execute a water arterial transmission and grid main construction and reimbursement agreement ("Agreement") with Spear Consolidated, Ltd., ("Developer"), for the construction of a water arterial transmission and grid main line and appropriating \$84,536.35 from the No. 4030 Arterial Transmission and Grid Main Trust Fund to reimburse the Developer in accordance with the Agreement.

PURPOSE:

Spear Consolidated Ltd., is required to install 1,138 linear feet of 12-inch water arterial grid main extension in order to provide adequate water to a proposed development. The site is located north along Saratoga Boulevard (SH 357), east of Ayers Street.

BACKGROUND AND FINDINGS:

Per Section 8.5.1.C(1) Credits and Reimbursements of the Unified Development Code ("UDC"), Spear Consolidated Ltd., is requesting a Reimbursement Agreement for the development of Lot 1, Block 1 Spear Subdivision as shown on the final plat. The subdivision is located north along Saratoga Boulevard (SH 357), east of Ayers Street. The development requires the extension of 1,138 linear feet of 12-inch water arterial grid main in order to provide adequate water to the property. A layout of existing and proposed improvements is included as Exhibit 3. The 12-inch waterline is in the Water Master Plan and as such is eligible for full reimbursement from the Water Arterial Transmission and Grid Main Trust Fund.

The Water Master Plan calls for the construction of a 12-inch water arterial grid main north along Saratoga Boulevard (SH 357). If the actual costs for installation of such arterial transmission and mains are greater than the lot or acreage fee, the developer shall be reimbursed (less any lot or acreage fee credits) from funds available from the Water Arterial Transmission and Grid Main Trust Fund for that portion of the arterial transmission and grid main installed by the developer. In this case, the total construction cost of the 12-inch water arterial grid main is \$90,393.08 minus the lot/acreage fee of \$5,856.73 which equals \$84,536.35.

ALTERNATIVES:

Disapproval of the Reimbursement Agreement

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

The developer will be extending a water grid main to serve the proposed residential development and has requested a Reimbursement Agreement, as provided in the Unified Development Code.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Legal
Finance

FINANCIAL IMPACT:

Operating Revenue Capital X Water Arterial Transmission
Grid Main Trust Fund

Fiscal Year: 2013-2014	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$1,836,294.24		
Encumbered / Expended Amount		\$583,258.86		
This item		\$84,536.35		
BALANCE		\$ 1,168,499.03		

Fund(s):

Comments:

Balance reflects amount for Overland Meadows Unit 6 reimbursement agreement.

RECOMMENDATION:

Staff recommends approval of the ordinance.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Agreement - Water Arterial Transmission and Grid Main Construction and Reimbursement