



## AGENDA MEMORANDUM

Public Hearing and First Reading Ordinance for City Council on 12/12/2023

**DATE:** December 12, 2023

**TO:** Peter Zaroni, City Manager

**FROM:** Al Raymond, Director Development Services  
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Water Arterial Transmission and Grid Main Construction and Reimbursement Agreement with MPM Development for water improvements for London Ranch Estates

### **CAPTION:**

One-reading ordinance authorizing a Water Arterial Transmission and Grid Main Construction and Reimbursement Agreement up to \$1,486,159.43 with LM & JM Investments, LLC to construct a 12-inch water arterial transmission grid main line for the proposed development located off CR 22 and CR 49, also known as London Ranch Estates Subdivision; and authorizing future transfer and appropriation of Water and Wastewater Trust Fund revenue up to \$1,486,159.43 to reimburse the developer in accordance with the agreement. (District 3).

### **SUMMARY:**

LM & JM Investments, LLC is developing 87.076 acres and is requesting funds to construct a new water arterial transmission and grid main improvements associated with the development. The estimated one-time cost of the improvements is **\$1,486,159.43**.

### **BACKGROUND AND FINDINGS:**

The Developer, LM & JM Investments, LLC, has requested reimbursement through a reimbursement agreement for the 87.076-acre subdivision named London Ranch Estates, located off CR 22 and CR 49.

London Ranch Estates plat was approved by the Planning Commission on December 14, 2022. The development, located off CR 22 and CR 49, plans on 87.076 acres including street dedications.

Construction consists of installing **8,314 liner feet of 12-inch PVC water line** to supply water to the proposed development. The term of the agreement is **24 months**. The project is consistent with the City's Water Arterial Transmission and Grid Main Trust Construction Standards.

Project is eligible for reimbursement from the Water Arterial Transmission and Grid Main Trust per UDC Section 8.5.1.C.

### **ALTERNATIVES:**

This project will improve and facilitate development of the new London Ranch Estates Subdivision. An alternative to utilizing trust funds to construct the water trunk 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 Water Arterial Transmission and Grid Main improvements is **\$1,486,159.43**. This agreement requires appropriating and transferring of future revenue from Water and Wastewater lot and acreage fees and pro-rata fees to the Water Arterial Transmission and Grid Main Construction 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 8.5.1.C.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance (with exhibits)  
Presentation  
Certification of Funds  
Location Map