



AGENDA MEMORANDUM
Action Item for City Council Meeting 10/27/20

DATE: September 10, 2020

TO: Peter Zaroni, City Manager

FROM: Al Raymond III, CBO, AIA, Director, Development Services
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Amend Water Arterial Transmission and Grid Main Construction and Reimbursement Agreement and Developer Participation Agreement for Royal Creek Estates Unit 7 to extend the expiration date for MPM Development, LP.

CAPTION:

Resolution authorizing an extensions for a period not to exceed 12 months of a Water Arterial Transmission and Grid Main Construction and Reimbursement Agreement not to exceed \$109,354.20 for installation of a water arterial transmission and grid main line, and extension of a Developer Participation Agreement not to exceed \$207,386.85 for partial construction of Oso Parkway with MPM Development, LP for a planned residential development, Royal Creek Estates Unit 7, located south of Yorktown Boulevard and east of Cimarron Boulevard at 8399 Rock Crest Drive. (District 5)

SUMMARY:

MPM Development, LP is required to install a 12-inch water arterial grid main line extension in order to provide adequate water to a proposed residential subdivision development. The developer also is required to construct a portion of South Oso Parkway as part of the development of the subdivision. The developer has an approved reimbursement agreement and participation agreement to construct the required public improvements. Both agreements expire on November 7, 2020. This motion will extend the performance date for both agreements to November 7, 2021.

BACKGROUND AND FINDINGS:

MPM Development LP had requested, and was approved for, a Reimbursement Agreement for the extension of a 12-inch grid main waterline in order to provide adequate water to the property. The amount approved from the No. 4030 Water Arterial Transmission & Grid Main Trust Fund for reimbursement is \$109,354.20.

MPM Development, L.P, also has a Developer Participation Agreement to extend Oso Parkway, near the planned project. The developer is required to construct a larger street to meet UTP Street standards and the City is participating in the street construction for Oso Parkway. The participation agreement includes street improvements, curb and gutter, and sidewalk installation. The

developer will be reimbursed from funds available from fund No. 3701 Developer Participation BD12 for this portion of the street improvement, not to exceed \$207,386.85.

MPM Development, LP. is requesting a 12-month performance date extension on both the Water Arterial Transmission and Grid Main Construction and Reimbursement Agreement and the Developer Participation Agreement to November 7, 2021. This extension will allow for additional time to complete the improvements associated with Royal Creek Estates Unit 7.

ALTERNATIVES:

Deny the request and unencumber the funds to allow other developers with more mature projects access to the funds. MPM Homes LP can always reapply for participation and reimbursement agreements when this project is more mature and closer to the construction stage.

FISCAL IMPACT:

Water Distribution Main Trust Funds and Developer Participation Funds will not change with this addendum. The encumbered funds for these projects will remain encumbered and future public improvement projects should not be affected. The reimbursement agreement amount is for \$109,354.20 and is currently encumbered in the Water Arterial Transmission and Grid Main Trust Fund. The participation agreement amount is for \$207,386.85 and the funds are encumbered and are part of Bond 2012.

Funding Detail:

Fund:

Organization/Activity:

Mission Element:

Project # (CIP Only):

Account:

RECOMMENDATION:

Staff Recommends Approval of the extension of both agreements. The agreements are helping to facilitate the build out of a residential subdivision and associated infrastructure.

LIST OF SUPPORTING DOCUMENTS:

Resolution (with Amendment to Water Arterial Transmission and Grid Main Construction and Reimbursement Agreement and Amendment to Participation Agreement)

Presentation

Location map