



## **AGENDA MEMORANDUM**

First Reading Ordinance for September 21, 2021  
Second Reading Ordinance for October 12, 2021

**DATE:** August 10, 2021  
**TO:** Peter Zaroni, City Manager  
**FROM:** Al Raymond, Director, Development Services  
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Second Amendment to the Wastewater Lift Station Construction and Reimbursement Agreement with Peterson Properties, Ltd. to increase the total reimbursement amount in the agreement by \$33,921.16.

### **CAPTION:**

Ordinance authorizing a second amendment to the Wastewater Lift Station Construction and Reimbursement Agreement with Peterson Properties, Ltd. to construct the Wastewater Lift Station for the Greenwood Service Area 5 and according to the Wastewater Master Plan approved on July 6, 2020 and located at the intersection of Westpoint Rd. and S. Padre Island Drive (Highway 358 FWY); and appropriating \$33,921.16 from the Wastewater Trunk System Trust Fund to reimburse developer. (District 3)

### **SUMMARY:**

Peterson Properties, Ltd entered into a wastewater lift station construction and reimbursement agreement to provide wastewater service for Westpoint Crossing Unit 2, Block 2, Lot 1. The developer has requested a second amendment to the reimbursement agreement for reimbursement of additional costs associated with the project.

### **BACKGROUND AND FINDINGS:**

Peterson Properties, Ltd requested, and was approved for the Wastewater Lift Station Construction and Reimbursement Agreement for the construction wastewater lift station. The approved reimbursement amount for the agreement is \$712,412.82 under Ordinance 0322665 dated November 10, 2020.

Peterson Properties, Ltd is installing a lift station, 75 linear feet of 8-inch force main line, and 110 linear feet of 10-inch collection line in order to provide wastewater service to a planned commercial subdivision that will be constructed within City limits along Westpoint Road and Highway 358. The planned subdivision property encompasses approximately 6.91 acres with a proposed VA Community Based Outpatient Clinic to be constructed on the property. The lift station will extend wastewater service to approximately 483 acres of property in the surrounding area, is in accordance with the wastewater master plan, and is in the Greenwood Wastewater Service Area 5. The property in this service area is predominately Zoned IL and CG-2 and nearly

all the land is undeveloped. The project is currently under construction.

On April 20, 2021, City Council through Ordinance 032410 authorized an amendment request to the Wastewater Lift Station System Trust Fund for the construction and reimbursement agreement for the additional expense of \$44,057.00 due to increased costs to construction for this project.

This second amendment will allow for reimbursement of an increase in the cost of the project by \$33,921.16 for two change orders for SCADA and associated electrical conduit and piping improvements. The city wastewater staff requested the changes to ensure future compatibility with SCADA system upgrades.

**ALTERNATIVES:**

Deny the request and have the developer pay for the cost difference.

**FISCAL IMPACT:**

If approved, the additional funds requested would be added to the reimbursement associated with the agreement and would be a debt against the Wastewater Trunk System Trust Fund. The encumbered funds for this project would increase by \$33,921.16 and would raise the total reimbursable amount in the agreement to \$790,390.98. \$756,469.82 is encumbered in the Wastewater Trunk System Trust Fund for this agreement. Currently \$116,572.31 is available in the Wastewater Trunk System Trust Fund to cover this additional funding request.

**Funding Detail:**

<b>Fund:</b>	4220 Wastewater Trunk System Trust Fund
<b>Organization/Activity:</b>	21800 Wastewater Trunk System Trust Fund
<b>Mission Element:</b>	777
<b>Project # (CIP Only):</b>	N/A
<b>Account:</b>	540450 Reimbursement to Developers

**RECOMMENDATION:**

Staff recommends approval of the amendment request for this reimbursement agreement. These additional costs are reimbursable under UDC Section 8.5.2 Wastewater Trust Fund and Wastewater Master Plan.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance (with exhibit)  
Presentation  
Location Map