



City of Austin

Recommendation for Action

File #: 25-0931, **Agenda Item #:** 13.

6/5/2025

Posting Language

Authorize negotiation and execution of a cost participation agreement with JCI Multifamily, LP, for the City to reimburse the developer in an amount not to exceed \$897,000 for costs associated with the design and construction of oversized wastewater mains and appurtenances related to Service Extension Request No. 5442R that will provide wastewater service to proposed multifamily developments located at 14709 Immanuel Road. Funding: \$897,000 is available in the Fiscal Year 2024-2025 Capital Budget of Austin Water.

Lead Department

Austin Water.

Fiscal Note

Funding in the amount of \$897,000 is available in the Fiscal Year 2024-2025 Capital Budget of Austin Water.

For More Information:

Austin Water Chief Administrative Officer Heather Cooke, 512-972-0083 or Heather.Cooke@austintexas.gov.

Council Committee, Boards and Commission Action:

May 21, 2025 - Recommended by the Water and Wastewater Commission on a vote of 8-0 with three vacancies.

Additional Backup Information:

The Weiss Tract Subdivision project consists of approximately 111 acres of land located at 14709 Immanuel Road (Property). The Property is located entirely within the City of Austin's two-mile Extraterritorial Jurisdiction, Impact Fee Boundary, Austin Water's service area for wastewater, the Desired Development Zone, and the Gilleland Creek Watershed. A map of the Property location is attached.

JCI Multifamily, LP (Applicant) is proposing to develop approximately 2,200 multi-family units. The Applicant requested that the City of Austin provide wastewater utility service to the Property as proposed in Service Extension Request (SER) No. 5442R. Austin Water will provide retail water service to the Property as proposed in SER No. 5441R.

In accordance with City Code Chapter 25-9, the City has asked the Applicant to oversize the gravity wastewater mains in order to serve additional properties within the Gilleland Creek drainage basin consistent with the City's long-range planning goals for this area. If approved by City Council, the City will cost participate in this construction project only to the extent of the City's proportionate share of the oversized mains.

The proposed oversized improvements include construction of approximately 1,135 feet of 24-inch gravity wastewater main along Crystal Bend Drive between Dessau Road and Immanuel Road.

The City will reimburse the Applicant for an overall total amount not to exceed \$897,000 for hard and soft costs. Hard costs include, but are not limited to, construction and materials. Soft costs include, but are not limited to, preliminary engineering reports, surveying, geotechnical studies, design, and project management.

The City's cost participation by project component is as follows:

- For costs of the 24-inch wastewater mains (the minimum pipe diameter of 18 inches required to serve the Property to an oversized 24 inches) and appurtenances, the City's maximum participation consists of: (1) hard costs in an amount not to exceed 25 percent of the hard costs of the 24-inch wastewater mains and appurtenances; and (2) soft costs in an amount not to exceed 15 percent of the City's hard cost participation amount.

To serve the Property, the Applicant will additionally be required to construct, at its own cost:

- 850-gpm pumping capacity lift station located east of the Property;
- Approximately 2,750 feet of appropriately sized gravity wastewater mains from the lift station to proposed lots within the Property; and
- Approximately 5,750 feet of appropriately sized wastewater force main from the lift station south through the Property and along Immanuel Road to Crystal Bend Drive.

Other terms of the agreement will require that the Applicant:

- Pay all costs for financing, interest, fiscal security, accounting, insurance, inspections, permitting, easement acquisition, legal services, and other non-reimbursable soft costs associated with the project;
- Conform to the City's design criteria and construction standards;
- Construct all improvements at its cost and, after the City's final approval of the construction, dedicate the facilities to the City for ownership, operation, and maintenance;
- Allow the City to use the project plans and specifications approved by the City to solicit and publish invitations for bids for the construction of the improvements; and
- Follow the City's standard bidding practices and procedures, including the minority-owned business enterprise procurement program set out in City Code Title 2 and Texas Local Government Code Chapters 212 and 252.

The project will be managed by Austin Water staff and is located in zip code 78660, near City Council District 1.