

CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/18/2018

District C, District D

Item Creation Date: 4/3/2018

HPW - 20WR56 Cost Sharing Agreement – The Shadyside Trust

Agenda Item#: 50.

Summary:

ORDINANCE appropriating the sum of \$3,332,302.49 out of the Water and Sewer System Consolidated Construction Fund; approving and authorizing a cost sharing agreement between the City of Houston and **THE SHADYSIDE TRUST** for construction of water and wastewater lines for Shadyside Subdivision; containing provisions relating to the subject; and declaring an emergency.

Background:

SUBJECT: An ordinance approving a Cost Sharing Agreement between the City of Houston and The Shadyside Trust.

RECOMMENDATION: An ordinance approving a Cost Sharing Agreement between the City of Houston and The Shadyside Trust and approving the appropriation of funds.

SPECIFIC EXPLANATION:

The City owns and operates water and wastewater utilities that serve customers within the Shadyside Subdivision ("Shadyside"), which is located north of Sunset Boulevard, west of Main Street, south of Hermann Drive, and generally east of Remington Lane. In 2002, a portion of one of the two 8" water lines through which the City delivers water to Shadyside was removed during construction of the light rail project by the Harris County Metropolitan Transit Authority. To improve water circulation and increase water flows to customers within Shadyside, and to improve wastewater flows and reduce the City's maintenance costs caused by repeated incursions into aging wastewater lines, the City has proposed a project to install 5,100 linear feet of water lines and 3,900 linear feet of wastewater lines in four segments.

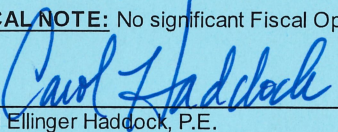
The Shadyside Trust has agreed to design and construct the project, and the City has agreed to participate in the project costs since the project will benefit the City's water and wastewater utilities. The City proposes to reimburse Shadyside 100% for completed design and construction work for Segments 1, 3, and 4. The City proposes to reimburse Shadyside 100% for completed design work and 70% for completed construction work for Segment 2 because Segment 2 includes a subsegment that is located wholly within Shadyside.

The project will require the owners of 17 lots within Shadyside and two lots outside Shadyside to disconnect from the existing water and/or wastewater lines and connect to the new lines at their sole cost and expense (referred to as "substituting service"). Failure of any lot owner to timely substitute service will result in additional expense to the City. Therefore, as an incentive to lot owners to timely substitute service, the City proposes to make available a credit in the amount of \$4,500.00 for water substitute service (9 lots) and \$6,500.00 for wastewater substitute service (18 lots) to each lot that connects to the new line within six months of the City's acceptance of the respective line. This credit, which totals \$157,500.00, is in addition to the City's project participation amount and is not included in the not-to-exceed amount listed in the Cost Sharing Agreement because it is not a payment obligation to The Shadyside Trust under the Cost Sharing Agreement.

The total requested amount of \$3,332,302.49 is to be appropriated for this agreement as follows: \$3,174,802.49 for the City's not-to-exceed participation and \$157,500.00 for the service substituting incentive credit.

It is recommended that City Council approve the Cost Sharing Agreement with The Shadyside Trust and appropriated funds.

FISCAL NOTE: No significant Fiscal Operating impact is anticipated as a result of this project.


Carol Ellinger Haddock, P.E.
Director
Houston Public Works

WBS Numbers R-002011-0098-7 and S-000035-0274-7

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Amount of Funding:

\$3,332,302.49 from Fund No. 8500 – Water and Sewer System Consolidated Construction Fund

Contact Information:

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ATTACHMENTS:

Description

Signed Coversheet
Maps
Form A Part 1
Form A Part 2
Draft Agreement
SAP Information
Ordinance

Type

Signed Cover sheet
Backup Material
Backup Material
Backup Material
Backup Material
Financial Information
Ordinance/Resolution/Motion