Legislation Details (With Text)

File #:	19-1728	**Version:** 1	**Name:**	9/16/19 Avalon Reimbursement Agreement	
Type:	Resolution		**Status:**	Passed	
File created:	9/16/2019		**In control:**	City Council	
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Title:	Resolution to Approve an Agreement with Avalon Housing Inc. for Reimbursement of Services Related to the 1146 S. Maple Road Sanitary Sewer Extension (Estimated $115,000.00)				
Sponsors:	Christopher Taylor				
Indexes:					
Code sections:					
Attachments:	1. HICKORY WAY 8-1-19 Sheet 6.pdf				

Date	Ver.	Action By	Action	Result
9/16/2019	1	City Council	Approved	Pass

Resolution to Approve an Agreement with Avalon Housing Inc. for Reimbursement of Services Related to the 1146 S. Maple Road Sanitary Sewer Extension (Estimated $115,000.00)
This resolution authorizes an agreement to reimburse Avalon Housing for services related to the extension of a public sanitary sewer main through their Hickory Way affordable housing project to serve the adjacent property at 1146 S. Maple Rd.

Constructing this extension while Avalon constructs the sewer for Hickory Way is the most cost-effective way to extend sewer to 1146 S. Maple Rd., which currently has a failed septic system and is uninhabitable. Avalon Housing has requested approval of this agreement on September 16 in order to stay on their construction schedule for the Hickory Way project.

On June 17 and September 3, 2019, City Council approved #R-19-299 and R-19-388 respectively authorizing the execution of the Right of First Refusal to purchase 1146 South Maple Road and a revised purchase agreement. The property is adjacent to the Hickory Way affordable housing project being constructed by Avalon Housing. Avalon has indicated their desire to acquire the 1146 S. Maple property from the City in the future for the development of affordable housing. Currently, the property is located in Scio Township; however, it is planned to be annexed to the City.

Because Avalon's contractor will already be in the field constructing sanitary sewer, this project will result in a savings as opposed to constructing from scratch or extending a different sanitary sewer from farther away. Also, Avalon will provide an easement through their property for the sewer upon acceptance by the City. Staff therefore recommends approval.

Budget/Fiscal Impact: Based on the project's initial estimates, the incremental costs of the sanitary sewer main extension to serve 1146 S. Maple Rd. are approximately $115,000.00 for construction plus $17,500.00 for City testing and engineering and inspections costs, for a total of approximately $132,500.00, which is available in the approved Sewage Disposal Fund Capital Budget.
Prepared by: Marti Praschan, Public Services Area Chief of Staff

Reviewed by: Craig Hupy, Public Services Area Administrator
Approved by: Howard S. Lazarus, City Administrator

Whereas, Avalon received City approval of the Hickory Way Apartments Site Plan Administrative Amendment on January 23, 2019, which requires Avalon to construct a sanitary sewer main to serve the apartment complex;

Whereas, There is an opportunity for this sanitary sewer to be extended through the Hickory Way property to serve the adjacent property at 1146 S. Maple Road;

Whereas, Extending the sanitary sewer as part of Avalon's construction will be less costly to the City than extending another sanitary sewer later as part of a separate City project;

Whereas, Avalon has stated that it is willing to oversee and pay the costs for construction of the extended sanitary sewer main, and to transfer ownership of the completed sewer to the City, provided the City reimburses Avalon for the incremental cost of the extension;

Whereas, The estimated incremental construction cost is $115,000.00, which staff deems a competitive price and considerably less than it would cost to extend sanitary sewer from other locations;

Whereas, Sufficient funds for this project are available in the approved Sewage Disposal Fund Capital Budget;

Whereas, Avalon has stated that it is willing to grant the City an easement for the extended sanitary sewer; and

Whereas, Under City Code 1:316(4), the City Administrator has reviewed the proposal and has determined that requiring competitive bidding in this case is clearly not practical and no advantage would result to the City, and therefore recommends approval;

RESOLVED, That City Council approve a services reimbursement agreement with Avalon Housing, Inc. providing that:

1) Avalon will oversee construction of a sanitary sewer extension to 1146 S. Maple Road as part of the construction of sanitary sewer for the Hickory Way site plan;

2) Upon inspection and approval by the City, Avalon will transfer ownership of the sanitary sewer to the City and grant an easement therefor; and

3) The City will reimburse Avalon for its services reflecting the incremental cost of the extension.

RESOLVED, That, including a contingency amount of $11,500.00, the City Administrator is authorized to approve reimbursement of funds under the agreement up to $126,500.00;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the agreement after approval as to form and content by the City Attorney and approval as to substance by the City Administrator; and

RESOLVED, That the City Administrator be authorized to take all appropriate administrative actions to implement this resolution.

Sponsored by: Mayor Taylor