



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78602

Submitted By: Aaron Reed, Public Works Director

Council Meeting Date: 07/19/2022

Agenda Item Wording: **Discuss and Consider Approval of a Wastewater Utility Agreement for the Proposed New Growth Development.** *Applicant: Isaac Karpay*

Agenda Item Requestor: Mayor Foulds Jr.

Summary/Background: This Wastewater Service Agreement addresses wastewater service for the proposed New Growth Development.

The Owner is DS Propco, LP (“Owner”). The proposed agreement is based on our standard wastewater agreement and has provisions that provide for temporary facilities while we await court decisions on the Discharge Permit.

Unlike most Developments, except for the commercial portion (which will likely be sold to a third party in the future) a single owner contemplates holding ownership for the entire development and leasing the residences.

Salient points of the proposed Agreement are listed below.

- 1) LUEs made available to the development:
 - a. 244 LUEs for residential (including amenity center)
 - b. 30 LUEs for commercial
- 2) Facilities and easements
 - a. Owner pays all costs of building facilities (Onsite and Offsite) to connect.
 - b. Offsite Facilities will be conveyed to the City
This includes a Trunk Line from the West Interceptor to the intersection of Roger Hanks and Lake Lucy Loop.
 - c. Ownership of Onsite Facilities (including a lift station) will be retained by the Owner. Owner will pay for and maintain the Onsite collection system.

- d. Owner acquires all necessary easements (Onsite and Offsite) at Owner's cost. City may, but is not obligated to, help with acquisition of easements (to be fully funded by Owner).
- 3) Temporary facilities
- a. No pump & haul is authorized.
 - b. Owner may apply for a TLAP permit as a temporary facility. Owner pays all costs associated with the permit and the temporary facilities.
 - i. City will operate and maintain the plant. Owner will mow and maintain surface areas associated with the TLAP Permit.
 - c. When West Interceptor and Discharge plant are complete, flows will be diverted to the City System and Owner will pay the cost for removal of the temporary wastewater plant.
 - d. The rate charged will be sufficient to recoup City's costs of maintaining and operating plant (plus an administrative charge).
- 4) Owner will pay \$7,580 impact fee for each LUE when connecting to the City system.
- a. Prior to paying impact fees, two years after receiving notice that the City is beginning construction of the Discharge facilities, Owner shall begin paying to the City a Delayed Connection Fee of \$50/month for each LUE to reserve capacity in the System until the Impact Fee for that LUE is paid.
- 5) Owner pays for City inspection and review and legal fees.

**Commission
Recommendations:**

N/A

**Recommended
Council Actions:**

City staff recommends approval

Attachments:

Wastewater Agreement, Exhibits, PDD Ordinance, Offsite Road Agreement

Next Steps/Schedule: Send to City Secretary for execution