

CITY COUNCIL MEMORANDUM

AGENDA ITEM

City/Owner Agreement-in-Principal to Construct Mohawk Drive as a Minor Arterial Street Through The Landing at Clear Creek Phase IV Subdivision

ORIGINATING DEPARTMENT

Public Works/Engineering

BACKGROUND INFORMATION

The developer of The Landing at Clear Creek Phase IV Subdivision has agreed to participate with the City of Killeen to increase the size of certain infrastructure for public benefit. In association with the plat application for the proposed subdivision, the developer has provided an agreement-in-principal and a formal cost proposal for a specific public improvement project. The Landing at Clear Creek Phase IV Subdivision abuts the Bridgewood Addition, Phase II subdivision to the north; agricultural and homestead property to the east; the Killeen ISD Elementary School 33 Subdivision to the south; and The Landing at Clear Creek Phase III subdivision to the east.

DISCUSSION/CONCLUSION

Process Summary

Section 26-85 of the Killeen Code of Ordinances defines the process wherein the City may enter into an agreement with a developer to construct public improvements, not including a building, related to land development. Under such an agreement, the developer constructs the improvements and the City participates in project costs within prescribed limits.

To begin the process, the developer submits a letter of intent seeking City cost participation - in this specific case, for the material over-sizing of interconnected local streets. The request for City cost participation must be in association with a proposed subdivision of land. Through review of appropriate documentation, City staff and the developer come to a mutual understanding of project scope and over-sizing (i.e., not infrastructure required to support the proposed development itself, but additional material and labor required to meet a defined public need or provide a regional benefit).

The developer performs the public improvement project under the terms and conditions of an agreement-in-form approved by the City Attorney. This standard form of agreement conforms to Local Government Code requirements for City participation and was adopted by City Council resolution (CCM/R 02-112R). In support of the proposed agreement, the developer must provide a detailed quantity take-off presenting the differential costs for over-sizing public infrastructure. This is accomplished by a standard form of cost tabulation requested by Public Works staff to evaluate whether the developer-proposed project costs are reasonable and reflect current industry standards.

The developer must clearly delineate public benefits and provide discrete over-sizing costs for the proposed project. A project evaluation is performed by Public Works/Engineering staff, which includes a vetting of all proposed unit costs and rates. The sources of construction cost data for review and comparison include other recent city-owner agreement project costs for similar work (among local developers), as well as bid tabulations from recent similar capital improvement projects advertised by the City. On occasion, staff evaluation of project costs includes a review of regional or national cost indices for infrequently-performed or unique construction. City staff may also pursue best-value negotiations with the developer that may include, but not necessarily be limited to, alternate utility alignments or alternate materials.

Once a mutual project understanding is achieved, the proposed project and cost participation summary is submitted to the developer for concurrence. Under past standing protocol, an owner-executed agreement is forwarded directly to the City Council for consideration. Agreements are often considered concurrent with a plat application for the subdivision in which the proposed project would be constructed; however, Killeen Code of Ordinances Section 26-85(b)(5) allows consideration of a city-owner agreement at any time during the development process.

Project Summary

The City's Thoroughfare Plan defines the necessary transportation network for the City of Killeen and establishes a framework for the orderly development of this network through desired roadway alignments, connections, and transportation system linkages. As the City grows, it becomes necessary to implement elements of the Thoroughfare Plan.

In accordance with the City's Development Code, a developer is required to provide (at the developer's sole cost) a 36-foot back-of-curb to back-of-curb pavement sections for all public streets within a subdivision. This pavement section represents the profile of a Local Residential Street.

Mohawk Drive appears as a Minor Arterial Street in the current approved Thoroughfare Plan for the City of Killeen. Mohawk Drive was constructed by the developer as a minor arterial street through Phase I and Phase II of The Landing at Clear Creek Subdivision (CCM/R 11-143R; CCM/R 12-023R). Mohawk Drive will also extend through Phase IV of the subdivision. In accordance with the City's Development Code, a developer is required to provide (at his sole cost) 36-foot back-of-curb to back-of-curb pavement sections for all public streets within a subdivision. This pavement section represents the profile of a Local Residential Street. A minor arterial street of 66-foot back-of-curb to back-of-curb width with associated storm drainage improvements and pavement markings is required to provide the desired level of service for Mohawk Drive.

In accordance with the City's Development Code, a developer is required to extend existing streets in accordance with the City's current approved Thoroughfare Plan at a level of service that preserves the continuity of the City's arterial street network. The proposed further extension of Mohawk Drive a Minor Arterial Street within The Landing at Clear Creek Phase IV Subdivision achieves this goal.

The attached City/Owner Agreement reflects the cost to widen 277 linear feet of Mohawk Drive to 66-foot width with associated storm drainage improvements and pavement markings (\$56,343.92). The proposed project costs were reviewed by staff. They are reasonable and reflect current industry construction costs.

FISCAL IMPACT

Funding in the amount of \$56,343.92 for the widening of Mohawk Drive, with associated storm drainage improvements and pavement markings, is available in the 2014 Certificates of Obligation Fund Account 347-349-800.58-85.

RECOMMENDATION

Recommend that the City Council agree in principal to construct Mohawk Drive as a minor arterial street through The Landing at Clear Creek Phase IV, and to authorize the City Manager to execute a City/Owner Agreement for these Public Improvements and that the City Manager is expressly authorized to execute any and all change orders within the amounts set by state and local law.