

Meeting Date: May 18, 2016 Staff Contact: Kristopher Cadena, Principal Engineer, Utility Development

TITLE: R-16-7 – Authorizing an Agreement with Rio Grande Realty and Investments, Inc. for Holly Estates for Water and Sewer Service

ACTION: Introduction – May 18, 2016 – Final Action June 22, 2016

SUMMARY:

The development is located between Paseo Del Norte and Holly Ave., just west of Eubank Blvd., within the City Limits. The project consists of 16 individual building lots.

The property will be served from Pressure Zone 6E of the Alameda trunk.

Water and wastewater service is contingent on the Developer constructing internal distribution and collector lines that tie to the existing infrastructure proximate to the property.

All services provided within the development will be subject to current Utility Expansion and Water Supply Charges.

Fiscal Impact:

None.

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. <u>R-16-7</u>

1	RESOLUTION
2	AUTHORIZING AN AGREEMENT WITH RIO GRANDE REALTY AND INVESTMENTS
3	INC. FOR HOLLY ESTATES FOR WATER AND SEWER SERVICE.
4	WHEREAS, Rio Grande Realty and Investments Inc. is the developer and owner
5	of approximately 16 residential lots located between Paseo Del Norte and Holly Ave.,
6	west of Eubank Blvd; and
7	WHEREAS, the property which is located outside the service area of the Water
8	Authority will require a development agreement for the extension and/or connection of
9	water and sewer lines to the Water Authority's water and sewer system; and
10	WHEREAS, the Water Authority's Water and Wastewater System Expansion
11	Ordinance requires that new service developed outside the Water Authority's service
12	area will incur no net expense to the Water Authority and be subject to provisions of
13	relevant updated planning documents as approved by the City and/or County; and
14	BE IT RESOLVED BY THE WATER AUTHORITY:
15	Section 1. The developer will obtain all permits, assurances, and approvals from
16	the Water Authority and the City of Albuquerque development/design review process.
17	Construction of water and/or sewer lines shall be in conformance with the plans
18	approved by the Water Authority and all applicable plans, specifications, requirements,
19	and standards of the Water Authority.
20	Section 2. The expansion of the System shall incur no net expense to the Water
21	Authority.
22	Section 3. The developer will be responsible for close coordination of the project
23	with the Water Authority during the design and construction phases, including the
24	review of the design details during the design process, and the approval of
25	specifications and contract documents.
26	Section 4. The Executive Director is authorized to enter into the agreement with
27	Rio Grande Realty and Investments Inc. for the provision of water and sewer service.

DEVELOPMENT AGREEMENT HOLLY ESTATES

Albuquerque Bernalillo County Water Utility Authority, a New Mexico political subdivision, ("Water Authority") and RIO GRANDE REALTY AND INVESTMENTS INC, a NEW MEXICO limited liability corporation, ("Developer") (together, "Parties"), agree as follows:

1. Recitals

- **A.** RIO GRANDE REALTY AND INVESTMENTS INC is the "Developer" and owner of certain real property located in LOTS 3, 4, 5, AND 6, BLOCK 20, TRACT 3, UNIT 1 OF NORTH ALBUQUERQUE ACRES (collectively, the "Property"). The Property is more particularly described and shown on **Exhibit A** attached hereto and incorporated herein by reference. The development consists of 16 subdivided lots to be built in one single phase of construction. The Property is located outside the Water Authority's currently adopted Water Service Area, but within City limits.
- **B.** The legal description of the Property is as follows: LOTS 3, 4, 5, AND 6, BLOCK 20, TRACT 3, and UNIT 1 OF NORTH ALBUQUERQUE ACRES.
- **C.** The majority of the Property traditionally lies within Pressure Zone 7E of the Alameda trunk with a small portion that lies within Pressure Zone 6E of the Alameda trunk. Based on approved grading, the entire development will be located and served from Pressure Zone 6E of the Alameda trunk.
- **D.** The Parties desire to agree upon terms and conditions pursuant to which the Water Authority will provide water and sanitary sewer service to the Property. The Developer desires to construct, or cause to be constructed, extensions of existing public water and sanitary sewer lines and appurtenant infrastructure (collectively, "Line Extensions") under all applicable plans, specifications, requirements, and standards of the Water Authority. The Serviceability Statement for the Property reflecting the line extensions and other matters referred to in this Agreement is attached hereto as **Exhibit B** and incorporated herein by reference and made a term of this agreement.
- **E.** The waterline and sewer line extensions referenced in this Agreement are not considered Master Plan lines by the Water Authority. As such, reimbursement of construction costs associated with these extensions will not be available through water and sewer UEC (defined below in Section 3.B) reimbursements.

2. Design and Construction of the Waterlines and Sanitary Sewer Line

- A. The Developer will cause definitive designs and plans of the Line Extensions to be produced which will include estimates of all costs and expenses. The Developer will not connect the extension lines to the existing water and sanitary sewer lines within the City of Albuquerque ("City") public right-of-way or within public easements until the Water Authority has approved the line extensions. The Developer will convey, at no expense to the Water Authority, all Line Extensions that have been approved and accepted by the Water Authority and all necessary easements for the Line Extensions at locations reasonably acceptable to the Developer, free and clear of all liens, claims, and encumbrances for the construction, operation, and maintenance of the line extension. The Developer will obtain all necessary permits, assurances, and approvals from the Water Authority and City of Albuquerque, and the Developer will deliver a copy of such permits, assurances, and approvals to the Water Authority prior to the start of construction. Construction will be handled through the City of Albuquerque work order process.
- **B.** The Developer will complete, or cause to be completed, construction of the Line Extensions as approved by the City of Albuquerque Design Review Committee and the Water Authority, and in conformance with all applicable plans, specifications, and standards of the City and the Water Authority.
- **C.** The Developer will be responsible for close coordination of the project with the Water Authority during the design and construction phases, including review of design details, during the design process, and the approval of specifications and contract documents. The Water Authority will review and approve in a timely manner the design plans for construction and estimated cost, to ensure the designs meet Water Authority standards and follow the guidance provided in the City's Development Process Manual ("DPM") and/or applicable Water Authority Design Manuals.
- **D.** To the extent relevant and applicable and to the extent there is no conflict with the terms of this Agreement, the usual procedures and documentation, including the Procedure "B", as defined in the Subdivision Ordinance and the DPM of the City, will be followed and used for the Line Extensions.

3. Service

A. The Developer shall comply with the Water Authority's Water and Sewer System Expansion Ordinance, as amended from time to time. Connection

for water service shall require the concurrent connection of sanitary sewer service to the Water Authority's wastewater system.

- **B.** The Developer or its successor shall pay Utility Expansion Charges (UEC) and the Water Supply Charges (WSCs) at the rates that are imposed at the time of a service connection, as provided in the Water Authority's Water and Sewer Rate Ordinance, as amended from time to time.
- **C.** Pursuant to Water Authority Resolution No. R-05-13, the Developer agrees that it will incorporate water conservation guidelines that will seek to achieve water usage of no more than 180 gallons per household which is equivalent to seventy-five (75) gallons per capita per day.
- **4. Termination.** If construction of the waterline extensions and sanitary sewer extensions by the Developer has not been completed and accepted by the Water Authority within seven years of the effective date of this Agreement, this Agreement shall automatically terminate, and the Water Authority and the Developer shall have no further rights, obligations, or liabilities with respect to this Agreement, unless otherwise agreed in writing.
- 5. Water for Construction. During the construction of the waterline extensions and sanitary sewer line extensions, water for construction may be obtained from a hydrant designated by the Water Authority as set forth on **Exhibit C** attached hereto and incorporated herein by reference. If economically feasible, the Contractor is encouraged to utilize alternative methods for dust abatement and control including compost from the Water Authority.
- 6. Indemnification. The Developer will defend, indemnify and hold harmless the Water Authority and its officials, agents, and employees on demand from any claims, actions, suits, or other proceedings arising from the acts or omissions of the Developer, its agents, representatives, contractors, or subcontractors, or arising from the failure of the Developer, its agents, representatives, contractors, or subcontractors to perform any act or duty required of the Developer in this Agreement. The indemnification by the developer will not extend to the negligent acts of the Water Authority.
- **7. Representations and Warranties of Developer.** The Developer represents and warrants that:
 - **A.** Developer is a validly existing limited liability company under the laws of the State of Nevada.
 - **B.** Developer has all the requisite power and authority to enter into this Agreement and bind the Developer under the terms of the Agreement; and
 - **C.** The undersigned officer of the Developer is fully authorized to execute this Agreement on behalf of the Developer.

8. Notices. Any notice to be given under this Agreement will be in writing and will be deemed to have been given when deposited with the United States Postal Service, postage prepaid and addressed as follows:

If to the Water Authority:

Mark S. Sanchez Executive Director Albuquerque Bernalillo County Water Utility Authority One Civic Plaza, Room 5012 Albuquerque, New Mexico 87102

If to Developer:

Todd Kruger Rio Grande Realty and Investments LLC P.O Box 999 Corrales, NM 87048

- **9. Assignment.** This Agreement will not be assigned without the prior written consent of the Water Authority and the Developer.
- **10. Miscellaneous.** This Agreement will be governed by and interpreted in accordance with the laws of the State of New Mexico. The headings used in this Agreement are for convenience only and shall be disregarded in interpreting the substantive provisions of the Agreement. This Agreement binds and benefits the Water Authority and their successors, assigns, and transferees and the Developer and their successors, assigns and transferees. Time is of the essence of each term of this Agreement. If any provision of this Agreement is determined by a court of competent jurisdiction to be void, invalid, illegal, or unenforceable, that portion will be severed from this Agreement and the remaining parts will remain in full force as though the invalid, illegal, or unenforceable portion had never been a part of this Agreement.
- **11. Integration; Interpretation.** This Agreement contains or expressly incorporates by reference the entire agreement of the parties with respect to the matters contemplated by this Agreement and supersedes all prior negotiations. This Agreement may only be modified in writing executed by both parties.
- **12. Approval.** This Agreement is subject to the approval of the Board of Directors of the Water Authority and will not become effective until approved by the Water Authority.
- **13. Effective Date.** The effective date of this Agreement is the date last entered below.

In Witness Whereof, the parties hereto have executed this Agreement on the dates entered below.

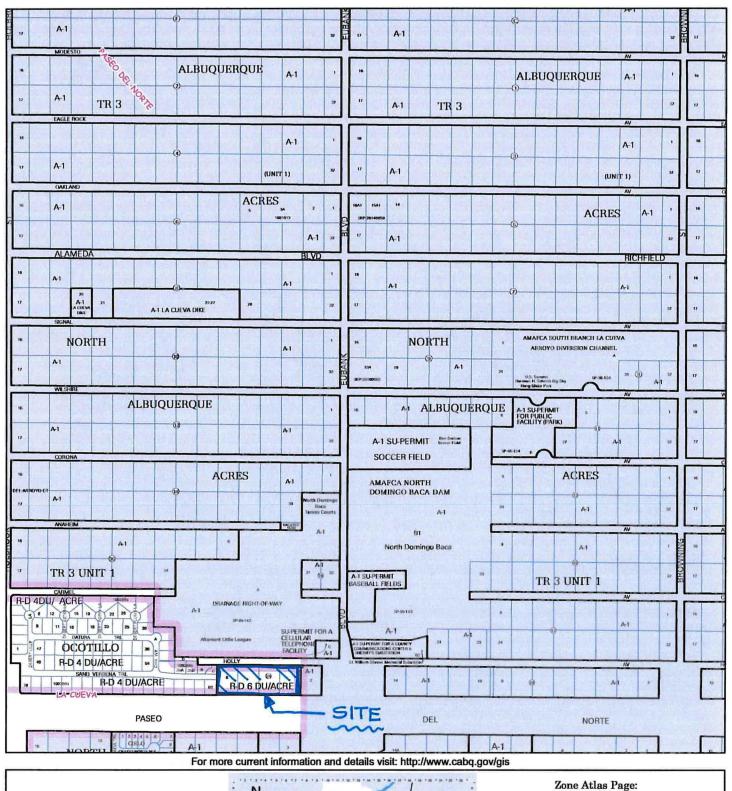
Albuquerque Bernalillo County Water Utility Authority By:	Developer Rio Grande Realty & Investments LLC, a New Mexico limited liability corporation By:
Mark S. Sanchez Executive Director Date:	Todd Kruger Owner
<u>ACK</u> STATE OF NEW MEXICO	<u>INOWLEDGEMENTS</u>
COUNTY OF BERNALILLO) ss)
,	of of a a
My Commission Expires:	Notary Public
STATE OF NEW MEXICO COUNTY OF BERNALILLO)) ss)
This instrument was acknowledge	ed before me on, 20 by Mark

This instrument was acknowledged before me on ______, 20__ by Mark S. Sanchez, Executive Director of the Albuquerque Bernalillo County Water Utility Authority, a New Mexico political subdivision.

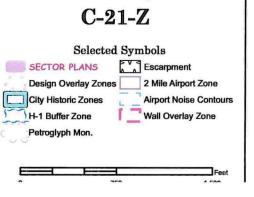
Notary Public

My Commission Expires:

Exhibit A







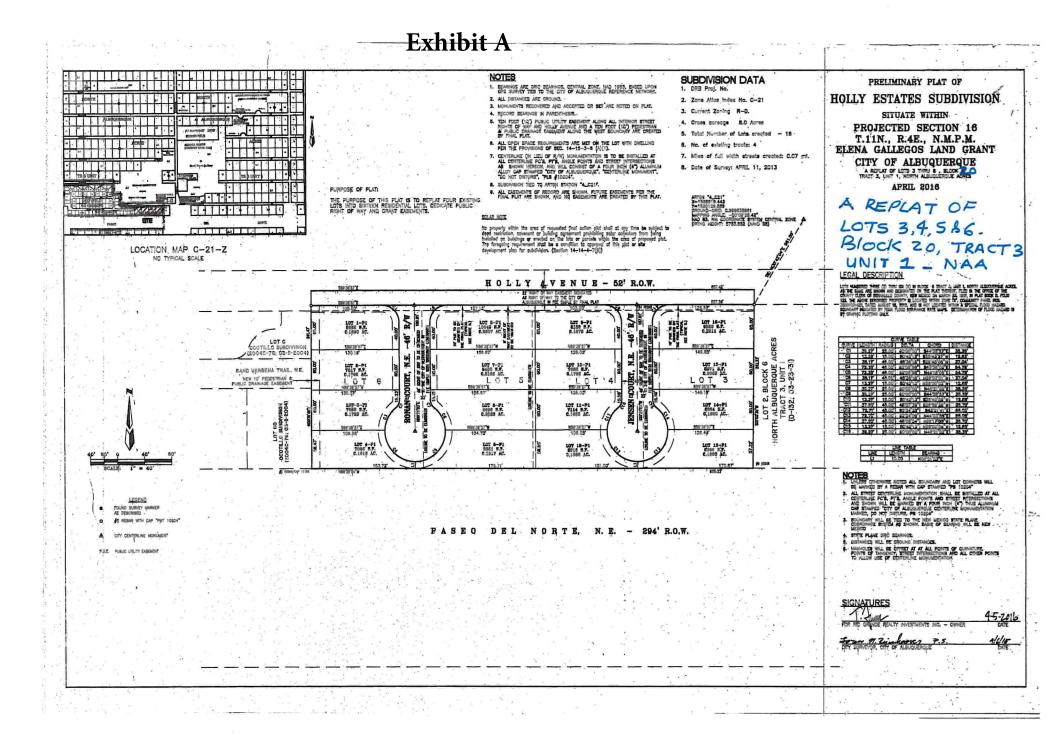




Exhibit B

October 5, 2015

<u>Chair</u> Maggie Hart Stebbins County of Bernalillo Commissioner, District 3

Vice Chair Trudy E. Jones City of Albuquerque Councilor, District 8

Richard J. Berry City of Albuquerque Mayor

Art De La Cruz County of Bernalillo Commissioner, District 2

Rey Garduño City of Albuquerque Councilor, District 6

Debbie O'Malley County of Bernalillo Commissioner, District 1

Ken Sanchez City of Albuquerque Councilor, District 1

Ex-Officio Member Pablo R. Rael Village of Los Ranchos Board Trustee

Executive Director Mark S. Sanchez

Website www.abcwua.org Ron Hensley THE Group 300 Branding Iron Rd. SE Rio Rancho, NM 87124

RE: Water and Sanitary Sewer Serviceability Statement #150815 Project Name: Holly Subdivision - Project Location: Holly Ave. and Eubank Blvd. - Zone Atlas Map: C-21

Dear Mr. Hensley:

Project Information: The subject site is located along the south side of Holly Ave. approximately 350 feet west of Eubank Blvd. within the City. The proposed development consists of approximately 1.8 acres and the property is currently zoned R-D (6DU/ACRE) for residential use. The property lies predominantly within the Pressure Zone 7E in the Alameda trunk, with a small portion located within Pressure Zone 6E. The request for availability indicates plans to create an eight lot subdivision from the existing lots 3 and 4 of block 20, tract 3, unit 1 of North Albuquerque Acres.

Development Agreement: Pursuant to the System Expansion Ordinance, this property is outside of the Water Authority service area and the Water Authority Board must approve a Development Agreement to serve this property and establish requirements as a condition of service. Contact Utility Development in regards to Development Agreements.

Existing Conditions: Water infrastructure in the area consists of the following:

• Eight inch PVC distribution main (project #26-7291.81-05) stubbed to Holly Ave. (6E pressure)

Sanitary sewer infrastructure in the area consists of the following:

• Eight inch PVC collector line (project #26-7291.81-05) stubbed into Holly Ave.

Water and Sewer Service: Per discussions with the engineer, the project intends to obtain service from pressure zone 6E via extension of the existing eight inch distribution main mentioned above. Pressure Zone 6E will only serve lots with finished floors between 5595 feet and 5710 feet. If the approved grading plan indicates finished floor elevations within these limits, new metered water service to the property can be provided contingent upon a developer funded project to extend the eight inch distribution main that is stubbed in Holly Ave. and extend it into the project site. If the site cannot meet the aforementioned finished floor elevations, service would not be readily available without significant developer funded improvements to develop a system which serves Pressure Zone 7E. Service is also contingent upon compliance with the Fire Marshal's instantaneous fire flow

requirements. Water service will not be sold without adequate fire protection. Water service will only be sold in conjunction with sanitary sewer service.

Sanitary sewer service can be provided dependent upon a developer funded project to extend the eight inch collector line stub along Holly Ave. to cover the frontage of the project location.

Cross Connection Prevention: Any residential premises having existing private wells and who desire to connect to the public water system shall have two options as follows: 1). Customers shall permanently abandon the use of private wells by plugging the wells as accepted by the Water Authority prior to connecting to the public water system; or 2) Customers who choose to maintain their private wells shall completely sever the private well from the premises' potable plumbing system and shall install a reduced pressure principle backflow prevention assembly approved by the Water Authority at the terminal end of the water service from the public water system (e.g., service connection).

Fire Protection: The instantaneous fire flow requirements for the subject property were not submitted in this request and will be required in the availability request prior to future construction. All new required hydrants as well as their exact locations must be determined through City of Albuquerque Fire Marshal's Office and verified through the Utility Development Office prior to sale of service.

Easements: Exclusive public water and sanitary sewer easements are required for all public lines that are to be constructed outside of any dedicated rights-of-way. A minimum width easement of 20 feet is required for a single utility and 25 feet for water and sewer both within the same easement. Easements for water meters need to be five feet by five feet and include the length of the water service if located on private property. Actual easement widths may vary depending on the depth of the lines to be installed. Acceptable easements must be documented prior to approval of service. Side yard easements are not acceptable for either water or sanitary sewer.

Pro Rata: As described in this statement, the extension of public water and sanitary sewer lines may be eligible for partial reimbursement through the Pro Rata process as detailed in the ABCWUA Water and Wastewater System Expansion Ordinance.

Pro Rata is not owed and the property can utilize the services available upon completion of the requirements of this statement to connect to water and sanitary sewer.

Design and Construction of all required improvements will be at the developer / property owner's expense. Improvements must be coordinated through the City of Albuquerque via the Work Order process. Designs must be by a licensed, New Mexico registered professional engineer. Construction must be by a licensed, bonded, public utility contractor.

Costs and Fees: In addition to installation and construction costs, any new metered water services will be subject to both water and sanitary sewer Utility

Mr. Ron Hensley THE Group October 5, 2015 Page 3

Expansion Charges (UEC) payable at the time of service application. All charges and rates collected will be based on the ordinances and policies in effect at the time service is actually requested and authorized.

Water Supply Charge: All developments located outside of the Water Authority's service area will be assessed a Water Supply Charge (WSC) as provided in the Water Authority's Water and Sewer Rate Ordinance for the development of new water resources, rights and supplies necessary to serve the development. The WSC shall not be used for reimbursement of master planned facilities.

Closure: This statement only provides details of infrastructure that is available and potential precursors to development for the proposed development. For service to be provided, a Board approved development agreement must supplement this serviceability, therefore causing this serviceability to be in effect for a period of one year upon approval of the development agreement. Under no circumstances does this serviceability commit to service without the above mentioned conditions. Changes in the proposed development may require reevaluation and should be brought to the attention of the Utility Development Section of the Water Authority as soon as possible.

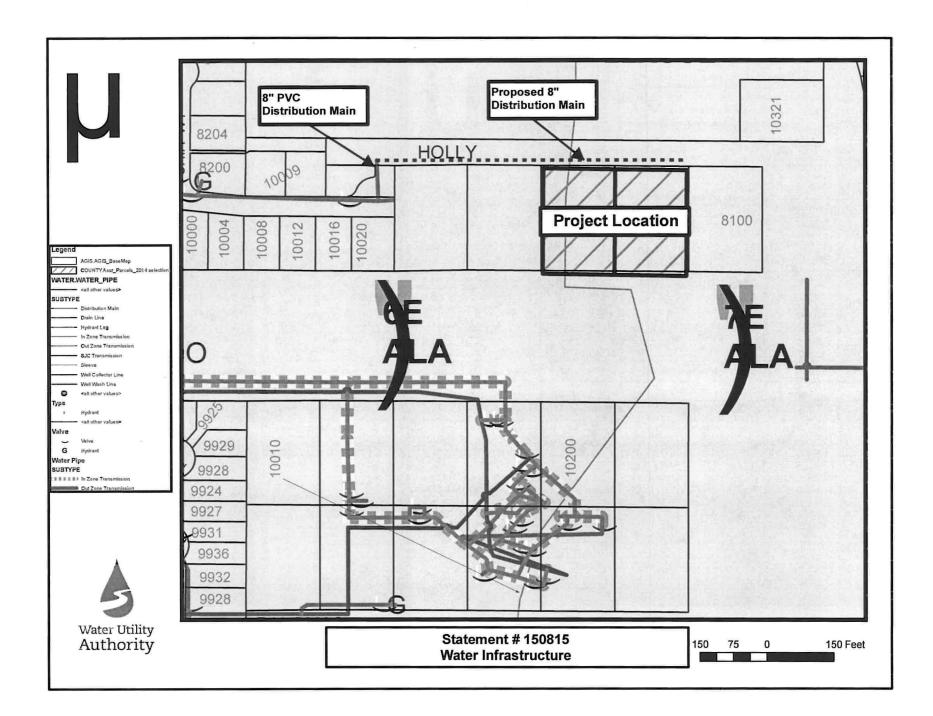
Please feel free to contact the Water Utility Development Office at (505) 289-3307, or by fax at (505) 289-3303 if you have questions regarding the information presented herein or need additional information.

Sincerely,

Mark S. Sanchez Executive Director

Enclosures: Infrastructure Maps (2)

f/ Serviceability C-21



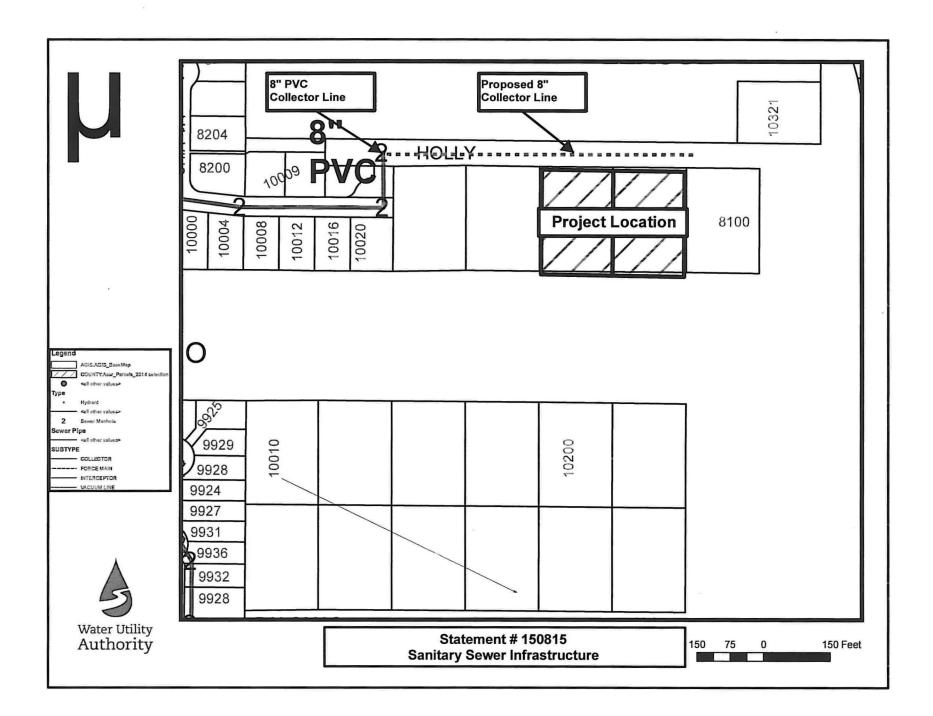


EXHIBIT C - HYDRANTS AVAILABLE FOR CONSTRUCTION WATER

