

MEMORANDUM

To: Mayor and City Council Members
Steve Parker, City Manager

From: Timothy J. Howe, Director – Water / Wastewater Utilities

Through: Rick Cortes, Deputy City Manager

Subject: Professional Services Related to Real Estate Acquisition for the River Oak Interceptor and Pecan Orchard Lift Station Expansion Project

Date: May 7, 2024

On May 16, 2023 the Council approved final engineering design for the River Oak interceptor and Pecan Orchard lift station expansion project to accommodate the increased wastewater demand in the vicinity of FM 725 and SH 46 due to rapid residential and commercial growth in the project area. This project is immediately necessary to support any further development in this area.

The alignment of this new wastewater collection main requires permanent utility easements and temporary construction easements across approximately fifty parcels. At the request of the City, HDR Engineering, Inc. submitted a proposal for right-of-way services related to this project and consists of the following scope of work.

- Part A: Right of Way (ROW) Administration Services
- Part B: Title and Closing Services
- Part C: Negotiation Services
- Part D: Relocation Assistance

WATER / WASTEWATER UTILITIES

The approximate per-parcel fees for this project is shown in the table below.

COMPENSATION FOR SERVICES

Services	Rate			
ROW Administrative Services	\$ 3,830.00	Per Month	18 Months	\$68,940.00
Negotiations	\$ 4,500.00	Per Parcel	50 Parcels	\$225,000.00
Title and Closing Services	\$ 1,850.00	Per Parcel	50 Parcels	\$92,500.00
Personal Property Relocation Services	\$ 1,300.00	Per Parcel	5 Parcels	\$6,500.00
Final Offer Package	\$ 1,000.00	Per Parcel	10 Parcels	\$10,000.00
Estimated Direct Expenses				\$9,985.00
Total				\$ 402,925.00

Compensation to HDR for the right-of-way acquisition services shall not exceed \$402,925.00. Staff recommends acceptance of this proposal as stated above. Funding is provided through Utility Fund Capital Projects. I will be available to answer any questions at the City Council meeting on Tuesday, May 7, 2024.