



CITY OF
CORPUS CHRISTI

AGENDA MEMORANDUM

Public Hearing and First Reading Ordinance for the 01/13/2026
Second Reading Ordinance for 01/27/2026

DATE: January 13, 2026
TO: Peter Zaroni, City Manager
FROM: Michael Dice, Director Development Services
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Water Arterial Transmission & Grid Main Line Construction and Reimbursement Agreement with MPM Development, LP for water improvements for King's Landing Unit 12

CAPTION:

Ordinance authorizing a Water Arterial Transmission & Grid Main Construction and Reimbursement Agreement up to \$252,720.00 with MPM Development, LP to construct a water arterial transmission & grid main related to King's Landing Unit 12 subdivision located north of the Lady Alexa Dr. and Lady Claudia St. intersection; and authorizing future transfer and appropriation of Water and Wastewater Trust Fund revenue up to \$252,720.00 to reimburse the developer in accordance with the agreement. (District 3).

SUMMARY:

MPM Development is developing 38.07 acres of single-family residential homes with approximately 155 lots to be built and is requesting funds to construct the water distribution line improvements associated with the development. The estimated one-time reimbursable cost of the improvements is \$252,720.00.

BACKGROUND AND FINDINGS:

The Developer, has requested reimbursement through a reimbursement agreement for the 38.07 acres subdivision named King's Landing Unit 12 subdivision located north of Lady Claudia Street and west of London Pirate Road. The plat was approved by the Planning Commission on July 23, 2025.

The water improvements consist of 1,140 linear feet of 12" PVC pipe. The allowable reimbursement amount is \$252,720.00. The term of the agreement is **24** months. The project is consistent with the City's Water Arterial Transmission and Grid Main Construction Standards.

The project is eligible for reimbursement from the Water Arterial and Grid Main Line Trust Fund per UDC Section 8.5.2.E.

ALTERNATIVES:

This project will improve and facilitate development of the new King's Landing Unit 12 subdivision development. An alternative to utilizing trust funds to construct the water arterial transmission & grid main line improvements would be to construct them with a city-initiated CIP project. This option would most likely delay the construction until the required funding for the improvements could be programmed into the CIP budget and would most likely impact the developer's ability to build out his planned subdivision in a timely manner.

FINANCIAL IMPACT:

The total estimated project cost for the water improvements is \$252,720.00. Agreement requires authorizing appropriation and transferring of future revenue from Water and Wastewater lot and acreage fees and additional fee from Water and Wastewater Utilities fund as presented by the City Manager for the FY2026 budget up to \$252,720.00 to reimburse the developer in accordance with the agreement.

CCW Transferred \$9,190,356.00 into the FY25 Trust Fund Budget to address the ongoing deficit Trust Fund balance. Since then, there have been 8 additional agreements with an additional commitment of \$1,991,301.60 to be paid out of the Trust Fund, thereby bringing the balance, as of November 30, 2025 to **-\$1,099,460.98**. There are (4) agreements scheduled for today, which include the following:

1. King's Landing Unit 12 (Water Arterial Transmission & Grid Main): \$252,720.00
2. King's Landing Unit 13 (Water Arterial Transmission & Grid Main): \$62,040.00
3. Oso Creek Corner Unit 3 (Water Arterial Transmission & Grid Main): \$380,460.00
4. Oso Creek Corner Unit 3 (Wastewater Collection Line): \$227,100.00

If all (4) are approved, that would be an additional \$922,320.00 to the previously approved obligations to developers with a new proposed Trust Fund balance of **-\$2,021,780.98**.

FUNDING DETAIL:

Fund: 4030 Water Arterial Transmission & Grid Main Trust Fund
Organization/Activity: 21805 Water Arterial Transmission and Grid Main Trust
Department: 45
Account: 540450 Reimbursement to Developers

Fund: 4030 Water Distribution Main Trust Fund
Organization/Activity: 21806 Water Distribution Main Trust
Department: 45
Account: 540450 Reimbursement to Developers

Fund: 4220 Sewer Trunk System Trust Fund
Organization/Activity: 21800 Sewer Trunk System Trust
Department: 46
Account: 540450 Reimbursement to Developers

Fund:	4220 Sewer Trunk System Trust Fund
Organization/Activity:	21801 Sewer Collection Line Trust
Department:	46
Account:	540450 Reimbursement to Developers

RECOMMENDATION:

Staff recommends approval. The project is in accordance with UDC Section 8.5.2.E.

LIST OF SUPPORTING DOCUMENTS:

Ordinance (with exhibit)
Presentation
Certification of Funds
Location Map