



**AGENDA MEMORANDUM**  
Resolution on May 17, 2022

**DATE:** April 27, 2022  
**TO:** Peter Zanoni, City Manager  
**FROM:** Heather Hurlbert, CPA, CGFO Director of Finance and Procurement  
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Resolution approving the principal forgiveness agreement from the Clean Water State Revolving Fund (CWSRF) funding through the Texas Water Development Board (TWDB) in the amount of \$1,190,000.

**CAPTION:**

Consideration and approval of a resolution approving the principal forgiveness agreement pertaining to the Clean Water State Revolving Fund (CWSRF) and an escrow agreement relating there to, authorizing any authorized official of the city to execute any and all documents related thereto: and other matters in connection therewith.

**SUMMARY:**

This resolution approves the principal forgiveness agreement with the CWSRF in the amount of \$1,190,000 from the Texas Water Development Board for planning and design for the Oso Creek Channel Bottom and Green Infrastructure project.

**BACKGROUND AND FINDINGS:**

The Clean Water State Revolving Fund (CWSRF), authorized by the Clean Water Act, provides low-cost financial assistance for planning, acquisition, design, and construction of wastewater, reuse, and stormwater infrastructure. Eligible applicants for the CWSRF include cities, counties, districts, river authorities, designated management agencies, authorized Indian tribal organizations, and public and private entities proposing nonpoint source or estuary management projects.

In March 2020, the City of Corpus Christi submitted a project information form (PIF) to request funding for the Oso Creek Channel Bottom Rectification and Green Infrastructure Project. This project will address a 12-mile section of Oso Creek channel from Greenwood Drive to Cayo del Oso including channel modifications to remove peaks and valleys, and implement bank stabilization, revegetation, and other green infrastructure techniques. It will advance long term resilience by enhancing capacity of stormwater system and improving water quality. The total project cost is estimated at \$44 million. This

includes \$4,751,000 for planning and design costs. The TWDB stated that the city could phase the project and could apply in a subsequent year for construction.

The TWDB added this project to the State's 2021 Intentional Use Plan (IUP) and issued an invitation to apply for financial assistance on January 22, 2021. The Oso Creek project was ranked as number one in the IPU under the category of Nonpoint Source Pollution, and \$17.5 million in financial assistance is available for the project along with an opportunity of \$4,250,000 in principal forgiveness.

In January 2022 the TWDB notified the City that that the project application was approved for \$4,751,000 in funding for the design phase. Of the total funding, \$1,190,000 of principal is forgivable since the service area of the project qualifies as a disadvantaged community under the CWSRF.

The resolution approves the principal forgiveness agreement for the \$1,190,000.

**ALTERNATIVES:**

City Council could choose to not approve the principal forgiveness agreement and the City would not be awarded the \$1,190,000 in forgivable principle.

**FISCAL IMPACT:**

The City will receive \$1,190,000 in forgivable principal for design of the Oso Creek Channel Bottom and Green Infrastructure project.

**FUNDING DETAIL:**

Fund:  
Organization/Activity:  
Mission Element:  
Project # **(CIP Only)**:  
Account:

**RECOMMENDATION:**

Staff recommends approval of the resolution for the principal forgiveness agreement.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution  
Corpus Christi Funding Determination Letter