

**Ordinance authorizing a Water Arterial Transmission & Grid Main Construction and Reimbursement Agreement up to \$380,460.00 to construct a 12-inch water arterial transmission grid main line for a proposed Phase-II residential development located off Yorktown Boulevard, southeast of Starry Rd. also known as Oso Creek Corner Unit 3; and authorizing future transfer and appropriation of Water and Wastewater Trust Fund revenue up to \$380,460.00 to reimburse the developer in accordance with the agreement. (District 5).**

**WHEREAS**, the Developer/Owner, in compliance with the City's Unified Development Code ("UDC"), has a plat, approved by the Planning Commission on October 5, 2022, to develop a tract of land, approximately 269.95 acres known as Oso Creek Corner;

**WHEREAS**, under the UDC, the Developer/Owner is responsible for construction of the Water Arterial Transmission & Grid Main ("Water Improvements");

**WHEREAS**, under the UDC, the Developer/Owner is eligible for reimbursement of the Developer/Owner's costs for the construction of Water Improvements;

**WHEREAS**, it is in the best interests of the City to have the Water Improvements be constructed to its ultimate capacity under the City's applicable Master Plan; and

**WHEREAS**, the City's participation as Trustee does not create a loan of its credit because Texas Constitution Article 1.1, Section 3 prohibits the City from becoming a subscriber to the capital of any private corporation or association, or make any appropriation or donation to the same, or in anywise loan its credit;

**WHEREAS**, execution of the Agreement constitutes a promise to pay only to the extent that the assets and future assets of the trust are sufficient for such purpose and that any judgement will only be satisfied out of the assets of the trust and not out of the City's assets and the City is excluded from personal liability;

**WHEREAS**, the Water Arterial Transmission & Grid Main Trust Fund does not currently have sufficient funds to fully reimburse Developer/Owner for Water Improvements under the Agreement;

**WHEREAS**, a construction and reimbursement agreement must be approved by the City Council before the developer starts construction. Reimbursement only shall be made when monies are available in and appropriated from the Water Arterial Transmission & Grid Main Trust Fund. The order of the reimbursement will be determined according to the date construction and reimbursement agreement is approved by the City Council;

**WHEREAS**, the Agreement approved herein will be first in line in the order for reimbursement from the Water Arterial Transmission & Grid Main Trust Fund based on the date the agreement is approved by the City Council per UDC 8.5.3.E; and

**WHEREAS**, If the developer is owed funds from the Water Arterial Transmission & Grid Main Trust Fund reimbursement shall be made as funds are deposited into the trust fund from

other development and/or, the developer will be given credit for lot or acreage fees that are due on subsequent final plats filed with the County Clerk per UDC 8.5.3.E.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:**

**SECTION 1.** The findings and recitations set out in the preambles to this Ordinance are found to be true and correct, and they are hereby adopted by the City Council of the City of Corpus Christi and made a part of this Ordinance for all purposes.

**SECTION 2.** The City Manager, or designee, is authorized to execute a Water Arterial Transmission & Grid Main Construction and Reimbursement Agreement ("Agreement"), attached hereto, with MPM Development, LP ("Developer"), for the installation of a **12-inch water line**, including all related appurtenances, for the development of Oso Creek Corner Subdivision, Corpus Christi, Nueces County, Texas.

**SECTION 3.** In the event of a project delay, the City Manager or designee is authorized to execute an extension of the agreement for a period not to exceed a period of 12 months.

**SECTION 4.** Funding in the amount of **\$380,460.00** is appropriated from 4030-21805-45 Water Arterial Transmission & Grid Main Trust fund to reimburse the Developer for the construction of a water arterial transmission & grid main line, and improvements in accordance with the Agreement.

**SECTION 5.** The future revenue of the Water Distribution Main Trust Fund, Wastewater Trunk System Trust Fund and Wastewater Collection Line Trust Fund are transferred by way of water and wastewater lot and acreage fees and pro-rata fees to the 4030-21805-45 Water Arterial Transmission & Grid Main Trust Fund until **\$380,460.00** is appropriated in accordance with Section 3 of this ordinance.

**SECTION 6.** The City Manager or designee is authorized to appropriate **\$380,460.00** from the 4030-21805-45 Water Arterial Transmission & Grid Main Trust Fund as funds become available to reimburse the Developer for the water transmission line construction and improvements in accordance with the Agreement.

**SECTION 7.** This ordinance takes effect upon passage.

Introduced and voted on the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

PASSED and APPROVED on the \_\_\_\_\_ day of \_\_\_\_\_, 2026.

ATTEST:

\_\_\_\_\_  
Paulette Guajardo, Mayor

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Rebecca Huerta, City Secretary