

**Ordinance authorizing a Wastewater Trunk Line Construction and Reimbursement Agreement up to \$365,028.94 with MPM Development to construct a required wastewater trunk line for the proposed residential development related to Royal Oak South subdivision located south of the Chisolm Trail and Rand Morgan Rd intersection; and authorizing future transfer and appropriation of Water and Wastewater Trust Fund revenue up to \$365,028.94 to reimburse the developer in accordance with the agreement. (District 1).**

**WHEREAS**, the Developer/Owner, in compliance with the City's Unified Development Code ("UDC"), has a plat, approved by the Planning Commission on November 1, 2023, to develop a tract of land, approximately 20.26 acres known as Royal Oak South Subdivision;

**WHEREAS**, under the UDC, the Developer/Owner is responsible for construction of the 15-inch Wastewater Trunk Line ("Wastewater Improvements");

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

**WHEREAS**, it is in the best interests of the City to have the Wastewater 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 Wastewater Trunk System Trust Fund does not currently have sufficient funds to fully reimburse Developer/Owner for Wastewater 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 Wastewater Trunk System 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 Wastewater Trunk System 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 Wastewater Trunk System 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 City Manager, or designee, is authorized to execute a Sanitary Sewer Trunk Line Construction and Reimbursement Agreement ("Agreement"), attached hereto, with MPM Development ("Developer"), for the extension of a **18-inch wastewater line**, including all related appurtenances, for the development of Royal Oak South Subdivision,

Corpus Christi, Nueces County, Texas.

**SECTION 2.** 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 24 months.

**SECTION 3.** The City Manager or designee is authorized to transfer future revenue of the Water Arterial Transmission and Grid Main Trust Fund, Water Distribution Main Trust Fund, and Wastewater Collection Line Trust Fund to the No.4220-21800-777 Wastewater Trunk System Trust Fund, in accordance with the priority established by UDC 8.5.1.C.1.d, 8.5.1.C.2.d, 8.5.2.E.1.d, and 8.5.2.E.2.d, until \$365,028.94 is appropriated in accordance with this ordinance.

**SECTION 4.** The City Manager or designee is authorized to appropriate \$365,028.94 from the No.4220-21800-777 Wastewater Trunk System Trust Fund as funds become available to reimburse the Developer for the wastewater trunk system construction and improvements in accordance with the Agreement, this ordinance, and the UDC.

**SECTION 5.** This ordinance takes effect upon passage.

Introduced and voted on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

PASSED and APPROVED on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

ATTEST:

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

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Rebecca Huerta, City Secretary