



AGENDA MEMORANDUM

Public Hearing and First Reading Ordinance for the 09/19/23
Second Reading Ordinance for 10/10/23

DATE: September 19, 2023
TO: Peter Zaroni, City Manager
FROM: Al Raymond, Director Development Services
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Wastewater Trunk Line Construction and Reimbursement Agreement
with Yasin Investments, LLC for wastewater improvements for Merida Plaza Shopping Center.

CAPTION:

Ordinance authorizing a Wastewater Trunk Line Construction and Reimbursement Agreement up to \$1,274,863.04 with Yasin Investments, LLC to construct a required wastewater trunk line for the proposed development located off South Padre Island Drive on the Island and South of Viento Del Mar Dr; and authorizing future transfer and appropriation of Water and Wastewater Trust Fund revenue up to \$1,274,863.04 to reimburse the developer in accordance with the agreement. (District 4)

SUMMARY:

Yasin Investments, LLC. is developing a new shopping center and is requesting funds to construct the wastewater trunk line improvements associated with the development. The estimated one-time cost of the improvements is **\$1,274,863.04**.

BACKGROUND AND FINDINGS:

The Developer, Yasin Investments, LLC has requested reimbursement through a reimbursement agreement for a shopping center named Merida Plaza Shopping Center, located on the Island and South of Viento Del Mar Dr.

Padre Island No. 1 plat was approved by the Planning Commission on June 29, 2022. The development, located on the Island.

The wastewater trunk line improvements consist of **668 linear feet of 24" PVC pipe**. The term of the agreement is **24** months. The project is consistent with the City's Wastewater Trunk Line Construction Standards.

The project is eligible for reimbursement from the Wastewater Trunk System Trust Fund per UDC Section 8.5.2.E.

ALTERNATIVES:

This project will improve and facilitate development of the new Merida Plaza Shopping Center. An alternative to utilizing trust funds to construct the wastewater trunk 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 Wastewater Trunk System improvements is **\$1,274,863.04**. Any available funds and any future funds from the Wastewater Trunk Line Trust will be appropriated to fund this project as well as any future funds from any of the other trust funds.

Funding Detail:

Fund: 4220 Wastewater Trunk Line Trust Fund
Organization/Activity: 21800
Mission Element: 777
Project # (CIP Only): **N/A**
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 Certificate
Location Map