



AGENDA MEMORANDUM

Public Hearing & First Reading Ordinance for May 11, 2021
Second Reading Ordinance for May 18, 2021

DATE: April 14, 2021
TO: Peter Zanoni, City Manager
FROM: Al Raymond, Director Development Services
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**Reimbursement Agreement with Mostaghasi Investment Trust
Wastewater Lift Station – River Ridge Unit 4**

CAPTION:

Ordinance authorizing a Wastewater Lift Station, Gravity and Force Main Line Construction and Reimbursement Agreement for up to \$2,041,201.17 with Mostaghasi Investment Trust to construct a new Wastewater Lift Station, Gravity and Force Main for a proposed residential and commercial development located west of the U.S. Highway 77 (I-69) and County Road 52 Intersection with a completion date of within 24 months; transferring \$372,704.89 from the Water Arterial Transmission and Grid Main Trust Fund, \$83,339.25 from the Water Distribution Main Trust Fund, and \$101,793.65 from the Wastewater Collection Line Trust Fund to the Wastewater Trunk System Trust Fund; appropriating \$1,772,500.78 from the Wastewater Trunk System Trust Fund; transferring of future revenue of \$268,700.39 collectively from Water and Wastewater lot and acreage fees and pro rate fees to the Wastewater Trunk System Trust Fund; authorizing appropriation of \$268,700.39 from the Wastewater Trunk System Trust Fund to reimburse the Developer per the agreement. (District 1)

SUMMARY:

Mostaghasi Investment Trust purposes to construct sanitary sewer infrastructure to serve and develop a new planned residential subdivision and proposed apartment complex which requires construction of a new Wastewater Lift Station. The developer has requested a developer reimbursement agreement to service approximately 256 acres of land with various uses and build out rates that include low density residential, high density residential and commercial development and allow the developer to continue with the planned residential subdivision's development. The lift station will replace the Hwy 77 Lift Station.

BACKGROUND AND FINDINGS:

The Developer, Mostaghasi Investment Trust, has requested reimbursement through a developer reimbursement agreement to construct a duplex lift station with pumps, accessories, wet well,

discharge piping and valves along with ventilation, flow meter, order controls and site improvements, 200 linear feet of 15 diameter gravity sanitary sewer, 1,900 linear feet of 12" diameter gravity sanitary sewer, and 600 linear feet of 8" diameter gravity sanitary sewer to be built at master plan depths (City of Corpus Christi Wastewater Collection Master plan, Allison WWTP Service Area), Force Main, Manholes at a maximum of 500 feet apart, 1500 SF of 7" thick concrete driveway, with all required pumps, meters and other site improvements. The lift station will have 6" diameter discharge header piping and will pump into the existing 6" diameter force main. Approximately 100 feet of new 6" force main will be installed in order to tie into the existing force main. The developer is required to construct the Wastewater Lift Station in accordance to the criteria established by TCEQ in TAC 30 Chapter 217, and pipe embedment and trench backfill will conform to applicable City of Corpus Christi standards.

This project will serve 256 acres located at US HWY 77 and CR 52. The River Ridge Unit 4 Subdivision consists of 38.75 acres is zoned RS-6 and proposes 136 single family homes. North of CR 52 along US HWY 77 is the Nemece Towne Center. The commercial preliminary plat consists of 26.318 acres and a portion was rezoned from FR to CG-2 to construct a Hobby Lobby & Shopping Center. 16.137 acres at the southeast corner of US HWY 77 and CR 52 is proposed for annexation and consists of 1.572 commercial acres and 14.62 acres of multi-family development.

Currently there is no gravity sanitary sewer in this area to serve the proposed developments. Wastewater Lift Stations and Force Main Lines that are required and comply with the wastewater master plan are eligible for reimbursement under UDC Sections 8.5.2.E.3 and 8.5.2.E.4 respectively. The Sanitary Sewer Trunk System Trust Fund is used to reimburse developers for the construction of these types of improvements.

ALTERNATIVES:

Denying or amend the request. The Wastewater Trunk System Trust Fund could fund the project in two years without any transfers, which is in line when the project would be finalized.

FINANCIAL IMPACT:

The total cost of the project is \$2,061,200.00. Less the \$19,998.83 lot/acreage fee credit, the reimbursable amount is \$2,041,201.17. The available balance of the Sanitary Sewer Trunk System Trust Fund of \$1,214,662.99 will be appropriated. \$372,704.89 will be transferred to the Water Arterial Transmission and Grid Main Trust Fund, \$83,339.25 from the Water Distribution Main Trust Fund, and \$101,793.65 from the Wastewater Collection Line Trust Fund to the Wastewater Trunk System Trust Fund; appropriating \$1,772,500.78 from the Wastewater Trunk System Trust Fund; the remaining \$268,700.39 will be appropriated and would be paid out as funds become available. Per UDC 8.5.2.E.4.a "Reimbursement only shall be made when monies are available in and appropriated from the Wastewater Trunk System Trust Fund. The order of reimbursement will be determined according to the date the wastewater lift station construction and reimbursement agreement is approved by City Council. This action will leave the total trust funds at a zero balance. It is anticipated that the funds will be replenished to cover the refundable amount within three months. This request is a one-time cost associated with the development of the project.

Funding Detail:

Fund: 4220 Sanitary Sewer Trunk System Trust Fund
Organization/Activity: 21800 Sanitary Sewer Trunk System Trust

Mission Element: 777
Project # (CIP Only): N/A
Account: 540450 Reimbursement to Developers

Fund: 4220 Sanitary Sewer Collection Line Trust Fund
Organization/Activity: 21801 Sanitary Sewer Collection Line Trust
Mission Element: 777
Project # (CIP Only): N/A
Account: 540450 Reimbursement to Developers

Fund: 4030 Water Distribution Main Trust Fund
Organization/Activity: 21806 Water Distribution Main Trust
Mission Element: 777
Project # (CIP Only): N/A
Account: 540450 Reimbursement to Developers

Fund: 4030 Water Arterial Transmission & Grid Main Trust Fund
Organization/Activity: 21805 Water Arterial Transmission & Grid Main Trust
Mission Element: 777
Project # (CIP Only): N/A
Account: 540450 Reimbursement to Developers

RECOMMENDATION:

Staff recommends approval of the River Ridge Unit 4, Wastewater Lift Station, Gravity and Force Main lines; this agreement will facilitate the installation of wastewater service to this proposed development and will provide adequate wastewater services to the proposed construction of new residential and commercial subdivisions in this surrounding area. The request is in accordance with UDC Section 8.5.2.E Wastewater Trunk Force Main Extensions and 8.5.2.E.4 Wastewater Lift station Installation. River Ridge Unit 4 Lift Station and related improvements will provide capacity and greater access to Sanitary Sewer for 256 acres near US HWY 77 and CR 52.

LIST OF SUPPORTING DOCUMENTS:

Ordinance (with exhibits)
Presentation
Location Map