



## **AGENDA MEMORANDUM**

First Reading Ordinance for the City Council Meeting 8/13/19  
Second Reading Ordinance for the City Council Meeting 8/20/19

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**DATE:** July 15, 2019

**TO:** Peter Zaroni, City Manager

**FROM:** Nina Nixon-Mendez, Director, Development Services  
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Agreement and appropriating funds for Yasin Investment LLC. for the construction of a Wastewater Trunk Main Line Extension and Reimbursement Agreement

### **CAPTION:**

Ordinance authorizing a Wastewater Trunk Main Line Extension Construction and Reimbursement Agreement with Yasin Investment LLC to extend a line south of Whitecap Boulevard along Palmira Avenue for a commercial development for which the anchor store is IGA; appropriating \$899,786.39 from the Wastewater Trunk System Trust Fund to reimburse developer. (District 4)

### **PURPOSE:**

Yasin Investment LLC. is required to construct a 24-inch wastewater trunk main line extension to adequately service a planned commercial shopping center and extend a Wastewater Master Plan sanitary sewer trunk main line.

### **BACKGROUND AND FINDINGS:**

Yasin Investment LLC. plans to install 1595 linear feet of 24-inch wastewater trunk main line within city limits. The new wastewater trunk main line is required to provide adequate sanitary sewer service to a planned shopping center for which the anchor store is IGA (grocery) and to service existing and future properties in that area. The new wastewater trunk main line will connect to an existing wastewater trunk main line and manhole located on Whitecap Boulevard, will run south along Palmira Avenue, and stop at the southern end of the applicant's property. The trunk main will utilize the Padre Island Section 4 Lift Station and the Whitecap Wastewater Treatment Plant. The sanitary sewer trunk main line extension is in accordance with the wastewater master plan.

The new trunk main line will provide service to 1500 acres of total build out including existing and new properties. Additionally, the new trunk main has the capacity to support the upgrading and tie-in of existing sewer lines and will support the future development of the properties between Palmira Avenue and Park Road 22 extending south to Encantada Avenue. The construction of the line is anticipated to be completed within one year. The contract term expires on August 20, 2020.

**ALTERNATIVES:**

Deny the request and identify other alternatives to provide wastewater collection service for this property, such as capital improvement funding through bond revenues, or other funding mechanisms.

**OTHER CONSIDERATIONS:**

Sanitary Sewer Trunk Trust Funds will be diminished. Funding of future projects in other locations may be delayed until such time that this fund is replenished.

**CONFORMITY TO CITY POLICY:**

The developer will be installing a Wastewater Trunk Line Extension to serve a proposed shopping center and has requested a Reimbursement Agreement in accordance with UDC Section 8.5.2 Wastewater Trust Fund. The project is consistent with the Wastewater Master Plan.

**EMERGENCY / NON-EMERGENCY:**

Non-Emergency

**DEPARTMENTAL CLEARANCES:**

Finance  
Utilities

**FINANCIAL IMPACT:**

☐ Operating      ☐ Revenue      ☐ Capital      ☒ Not applicable

<b>Fiscal Year: 2018-2019</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget			
Encumbered / Expended Amount			
This item	\$899,786.39		\$899,786.39
BALANCE			

**Funding Detail:**

Fund: 4220 Sanitary Sewer Trust Fund  
Organization/Activity: 21800 Sanitary Sewer Trunk Line Trust  
Mission Element: 777  
Project # (CIP Only): N/A  
Account: 540450 Reimbursement to Developers

**RECOMMENDATION:**

Staff Recommends Approval.

**LIST OF SUPPORTING DOCUMENTS:**

Presentation  
Ordinance with exhibit

## Certification of funds