



ACTION ITEM REPORT

Item Title: Consideration and ACTION to approve the CDC approval of increasing in the assistance to infrastructure improvements at State Highway 100 and FM 1575.

Recommendation:

This was considered by the CDC Board on Monday June 1.

In January 2026, the CDC Board approved to provide assistance in the amount of \$129,375 to Coastal King in bringing water and wastewater to the site of the southwest corner of State Highway 100 and FM 1575. The Council approved this in January 2026 as well. The area is serviced by Olmito Water Supply. When that was approved, the approval was in a best case scenario if the sewer line was shallow and with the idea Olmito had shared that there was no need to do anything with the water since water was along the front of the property.

The final plans have been made and the sewer line has to be deeper than anticipated which requires dewatering and shoring that costs extra. Additionally, Olmito Water Supply is requiring the water line be extended along the east side of the property from Highway 100 to south of the irrigation canal, including going under the irrigation canal. This also adds to the expense. The new cost is \$297,000 or an additional \$167,625. This property will serve 3 commercial properties, a Wendy's, Stripes and another yet to be determined business.

The CDC approved to fund the additional costs at 50% or \$83,812.50. The total assistance for this infrastructure would now be \$213,187.50. Coastal King, Wendy's would be responsible for \$83,812.50.

I recommend approval of the CDC Board action.