



AGENDA MEMORANDUM

First Reading for the City Council Meeting of **July 9, 2013**
Second Reading for the City Council Meeting of **November 19, 2013**

DATE: June 17, 2013
TO: Ronald L. Olson, City Manager
FROM: Wes Pierson, Assistant City Manager
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Ordinance – Amendment to LEASE AGREEMENT RE: Niña, between the City of Corpus Christi and the Columbus Sailing Association.

CAPTION:

Ordinance authorizing the City Manager or designee to execute an amendment to the Lease Agreement with the Columbus Sailing Association (“CSA”) for the lease of the Columbus ship, Niña; appropriating \$8,800 of revenue in the No. 1020 General Fund from the sale of lead ballast from the Santa Maria for payment to CSA for the cost associated with the repair and restoration of the Niña; changing the FY 2013-2014 operating budget adopted by Ordinance No. 029915 by increasing revenues and expenditures by \$8,800 each; providing an effective date; and providing for publication.

PURPOSE:

The purpose of this item is to amend LEASE AGREEMENT RE: Niña, between the City of Corpus Christi and Columbus Sailing Association.

BACKGROUND AND FINDINGS:

In 2001 the City of Corpus Christi undertook limited maintenance of replicas of the 15th Century Spanish sailing vessels, Niña, Pinta, and Santa Maria. In 2006, Spain gifted the ships to the City.

In 2009 the CSA contacted the City requesting to repair, restore and maintain the three Columbus Ships. After considerable community discussion, Council directed staff to prepare a lease agreement with the CSA.

In April 2010, Council approved LEASE AGREEMENT RE: Niña, with the CSA to repair, restore and maintain the Niña, as **Phase One** in a five phase plan. The lease agreement was for a term of 15 years.

The lease agreement also specified that requirements regarding **Phase Two** through **Phase Five** would be addressed in future agreements or amendments to LEASE AGREEMENT RE: Niña, at a later date. Upon completion of all five phases, the City would transfer ownership of ships to the CSA.

In March 2013, the CSA requested that the City amend the existing lease to remove CSA’s obligations associated with the Pinta and Santa Maria in order to allow them to focus on restoring the Nina.

The major elements of this amendment to LEASE AGREEMENT RE: Niña include:

- Providing additional funds and a completion deadline for **Phase One**.
- Providing specific rules, regulations and requirements for **Phase Two**.
- Eliminating the repair, restoration and maintenance of Pinta and Santa Maria, from **Phase Three**.
- Providing an opportunity for the CSA to salvage items from the Pinta and Santa Maria to be used in the restoration of the Niña.
- Providing for the allocation of funds from the sale of additional lead ballast from the Santa Maria to the CSA for costs associated with the repair and restoration of the Nina.
- Deleting **Phase Four** and **Phase Five**.

The ordinance has been changed between First Reading and Second Reading due to the fiscal year change.

ALTERNATIVES:

None that staff would recommend

OTHER CONSIDERATIONS:

Not applicable.

CONFORMITY TO CITY POLICY:

This item conforms with legal policies.

EMERGENCY / NON-EMERGENCY:

Non-emergency

Ordinance shall be read at two regular meetings of the council and shall not be finally acted upon until the twenty-eighth day after the first reading thereof. Ordinance shall become effective upon the expiration of sixty days following the date of its final adoption by the council.

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT:

X Operating Revenue Capital Not applicable

Fiscal Year: 2013-2014	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item		\$8,800		\$8,800
BALANCE		\$8,800		\$8,800

Fund(s): General Fund

RECOMMENDATION:

Staff recommends approval of the ordinance.

LIST OF SUPPORTING DOCUMENTS:

Ordinance - Amendment: LEASE AGREEMENT RE: Niña
 Amended Ordinance - Amendment: LEASE AGREEMENT RE: Niña
 Contract – Amendment: LEASE AGREEMENT RE: Niña