



AGENDA MEMORANDUM

First Reading of Ordinance September 11, 2012
Second Reading of Ordinance October 9, 2012

DATE: August 20, 2012
TO: Ronald L. Olson, City Manager
FROM: Gustavo Gonzalez, Director of Water Operations
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361-826-1874

Extension of lease agreement with Texas Parks and Wildlife Department

CAPTION:

Ordinance authorizing the City Manager, or designee, to execute an extension of the Lease Agreement with Texas Parks and Wildlife Department for the use of an approximately 14,106 acre tract adjacent to Lake Corpus Christi through December 31, 2052; providing for severance; providing for publication; and providing an effective date

PURPOSE:

To extend the lease agreement between the City of Corpus Christi and Texas Parks and Wildlife Department (TPWD) until December 31, 2052 unless extended or terminated by agreement of the parties.

BACKGROUND AND FINDINGS:

The original 99-year lease between the City of Corpus Christi and a predecessor agency to TPWD was authorized by City Council in Ordinance No. 457, and entered into on February 13, 1934, and is currently scheduled to expire in 2033.

This lease was clarified and amended by agreements between the City of Corpus Christi and TPWD dated October 26, 1944, April 30, 1958, October 20, 1977, and May 11, 1981.

On October 26, 1944, authorized by City Ordinance No. 1742, the City of Corpus Christi, TPWD, and the Gulf Coast Council of the Boy Scouts of America (Boy Scouts) agreed to allow construction by the Boy Scouts of a permanent encampment of about 126 acres.

To enable the Boy Scouts to finance and construct improvements to their permanent encampment, with estimated value of \$2.4 million in Phase 1, and \$2 million in Phase 2 which is estimated to begin in 2013, and for the benefit provided by the improvements which serve as buffering are for the Lake, TPWD requested an extension of the lease until 2052. TPWD intends to extend the sublease to the Boy Scouts for the same duration.

ALTERNATIVES:

None.

OTHER CONSIDERATIONS:

None.

CONFORMITY TO CITY POLICY:

This lease agreement conforms to City Charter requirements.

EMERGENCY / NON-EMERGENCY:

Per City Charter, a 28-day delay is required between first and second readings of the ordinance since the term of the lease is over five years. The second reading is scheduled to occur on October 9, 2012.

DEPARTMENTAL CLEARANCES:

Water

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2012-2013	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s): Water

Comments: None.

RECOMMENDATION:

Approval of extension of lease agreement with Texas Parks and Wildlife Department.

LIST OF SUPPORTING DOCUMENTS:

TPWD Lease Extension Ordinance
TPWD Lease Agreement