



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of October 30, 2018
Second Reading Ordinance for the City Council Meeting of November 13, 2018

DATE: 10/30/2018

TO: Keith Selman, Interim City Manager

FROM: Nina Nixon-Mendez, FAICP, Director of Development Services
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A License Agreement with Christus Spohn Health System Corporation
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CAPTION:

Ordinance authorizing a License Agreement with Christus Spohn Health System Corporation, A Texas Non-Profit Corporation, to cross Elizabeth Street with private utilities.

PURPOSE:

Christus Spohn Health System Corporation, (“Licensee”) has a facility located at 600 Elizabeth Street between Santa Fe Street and Ocean Drive. The Licensee desires to install, operate, maintain, and repair, and remove private utilities which serve the hospital campus.

BACKGROUND AND FINDINGS:

Christus Spohn Health System Corporation, A Texas Non-Profit Corporation, (“Licensee”) has a facility located at 600 Elizabeth Street between Santa Fe Street and Ocean Drive. Christus Spohn Health System Corporation, wishes to formalize the location of private utilities under Elizabeth Street between Ocean Drive and Third Street. The purpose of this request is to feed utilities from the new Central Utility Plant and associated facilities to the new Hospital tower being proposed on the CHRISTUS Spohn Shoreline campus at the corner of Elizabeth Street and Third Street.

These private utilities cross a public right-of-way, Elizabeth Street, in four locations requiring a License Agreement.

ALTERNATIVES:

Deny the request of a License Agreement.

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

City Charter Article IX, Section 1, requires City Council approval for use of any portion of public right-of-way for private purposes. Ordinance 026217, Section 3. Section. 49-61. Fees for use of public ways by unauthorized pipelines.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

All public and franchised utilities were contacted. None of the City departments or franchised utility companies had any objections regarding the proposed license, provided the applicant meets the specified conditions set out in the license.

FINANCIAL IMPACT:

Operating Revenue Capital Not Applicable Other

Fiscal Year: 2018-2019	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item		\$38,332.80		\$38,332.80
BALANCE		\$38,332.80		\$38,332.80

Fund(s): General Funds

Comments: None

RECOMMENDATION:

Staff recommends approval and adoption of the ordinance. Owners must comply with all the following specified conditions of the ordinance:

- a. In exchange for the City’s authorization for use of the public right-of-way by the Licensee for the stated purpose, the Licensee agrees to provide the City with a one-time license fee of \$38,332.80.

- b. All costs incurred to install, operate, maintain, repair, and remove the private utilities are the sole responsibility of the Licensee.

LIST OF SUPPORTING DOCUMENTS:

Ordinance with License Agreement
Presentation