



AGENDA MEMORANDUM

First Reading for the City Council Meeting of September 25, 2012
Second Reading for the City Council Meeting of October 9, 2012

DATE: September 14, 2012
TO: Ronald L. Olson, City Manager
FROM: Daniel Biles, P.E. Director of Engineering Services
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Coastal Surface Lease Agreement with State of Texas for Artificial Reef Project

CAPTION:

Ordinance authorizing the City Manager or designee to execute a Coastal Surface Lease with the State of Texas to lease approximately 3.0 acres of filled submerged land for the storage of reefing material for use in constructing an offshore artificial reef, for a term of four years, for \$500 per month for the first two years, and \$833.33 per month for the last two years.

PURPOSE:

The City will lease a 3 acre site from the State of Texas for the purposes of storing concrete debris and material provided by the Texas Parks and Wildlife Department, Saltwater Enhancement Association and the Coastal Conservation Association for use in constructing an offshore artificial reef.

BACKGROUND AND FINDINGS:

On October 20, 2009, a presentation on artificial reefs was made to City Council by the Texas Parks and Wildlife Department (TPWD). Mr. Dale Shively, Program Coordinator of State of Texas Artificial Reef Program covered the purpose and details of the State's reefing program, called the Near Shore Reefing Program. The program was designed to increase marine habitat in the Gulf of Mexico, enhance fishing and diving opportunities close to shore within State waters. Council expressed support of the project after the presentation.

On October 26, 2010, TPWD gave another presentation and proposed a Joint Artificial Reefing Project between the City of Corpus Christi, Texas Parks and Wildlife, and Saltwater Fisheries Enhancement Association (SEA). The plan would be for the TPWD to obtain the concrete material obtained from donations, the City would be responsible for providing the storage site for these materials, and SEA would match the City's funding up to \$50,000 to help pay for finding additional reef materials, transportation, and other available storage sites. Since then, the Coastal Conservation Association (CCA) has also joined in and has pledged \$100,000 in support of the project. Upon hearing this second presentation, City Council again expressed support of the project and for funding the cost of the material storage site.

City staff has recently negotiated a surface lease with the State of Texas through their General Land Office. The lease area contains 3 acres at the north end of Rincon Road on the Rincon Channel as shown on the attached Council Exhibit. The lease fee is \$500 per month for the first two years and then increases to \$833.33 per month for the last two years. Total expenditure is almost \$32,000 for the four year term.

Permitting for the reef has already been obtained by TPWD from the U.S. Corp of Engineers for a 160-acre reef site located approximately 10.4 miles east/northeast of the Packery Channel jetties. Concrete material is now readily available and more will soon be available from the future demolition of the Copano Bay bridge. The approval of this lease will enable TPWD to begin stockpiling the material.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

Not Applicable

CONFORMITY TO CITY POLICY:

Leasing of private or state owned lands conforms to City policy. This action does not surpass the \$50,000 threshold requiring approval by Council but is instead presented to acknowledge the support indicated in prior council presentations.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Engineering Department

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		4,500.00	27,499.92	31,999.92
Encumbered / Expended Amount		0	0	
This item		4,500.00	27,499.92	31,999.92
BALANCE		0	0	0

Fund(s): General Fund 1020-11155-530160

Comments: The Lease will become effective on November 1, 2012 and will endure the remaining nine months of the 2012-2013 fiscal year. Lease payments will be made on a monthly basis of \$500.00 per month.

RECOMMENDATION:

Approval of the lease agreement with State of Texas as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Surface Lease Agreement
Project Exhibit