



AGENDA MEMORANDUM

Future Item for the City Council Meeting of May 26, 2015
Action Item for the City Council Meeting of June 9, 2015

DATE: May 8, 2015

TO: Ronald L. Olson, City Manager

FROM: Dan M. Grimsbo, P.E., Director, Development Services Department
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Resolution authorizing the City Manager or designee to enter into outside city limit water contracts for properties in Sun George Village Subdivision

CAPTION:

Resolution authorizing the City Manager or designee to enter into outside city limits water contracts with the property owners in the Sun George Village Subdivision to provide public water to their respective properties pursuant to Section 55-113, City Code of Ordinances.

PURPOSE:

The City Council is required to approve the outside city limits water contract before the contract for such service can become effective. The City Manager or designee is authorized to execute water service contracts.

RECOMMENDATION:

Approval of the resolution authorizing the City Manager or his designee to enter into outside city limits water contracts with property owners of up to 41 lots in the Sun George Village Subdivision to provide public water to their respective properties located outside the city limits pursuant to Section 55-113 of the City Code of Ordinances. Several of the water contracts will be with Mostaghasi Enterprises, Inc., the developer of the subdivision.

BACKGROUND AND FINDINGS:

Section 55-111 of the Code of Ordinances requires a written service contract between the City and all owners and record mortgagees and lienholders of such property. The property owner, Mostaghasi Enterprises, Inc., is currently building homes on several tracts of land outside the city limits. Mostaghasi Enterprises, Inc. own properties known as Sun George Village, Block 1, Lot 2; Block 2, Lots 2, 5 & 6; and Block 4, Lot 11. When Sun George Village subdivision was constructed, public waterline was extended to the area and made available to the properties within Sun George Village. In order to obtain public water, the property owners must comply with the following requirements:

- a. Enter into a written service contract with the City;
- b. Submit plans that are in compliance with all city codes and obtain all city permits as if the property were within the City limits; and
- c. Allow inspections of all such construction.

Mostaghasi Enterprises, Inc. has submitted construction plans to the City for review. Water connection will not be approved until after the water service contract has been approved and recorded in the Nueces County records. Pursuant to the requirements of the water service contract, construction may only occur in compliance with City regulations, including construction permit requirements, as though the property were inside the City

Sun George Village was approved by the Planning Commission on August 13, 2014 and recorded in the Nueces County map records on March 31, 2015. Sun George Village is located north of FM 2444, east of County Road 41 and approximately 2.5 miles east of State Highway 286. **(See Exhibit A – Location Map)**

As part of the development of the subdivision, a waterline was extended from Country Creek Estates to the subdivision in order to provide public water to the proposed lots. Sun George Village contains 41 lots. In accordance with Section 55-113 of the Code of Ordinances, the Council would be required to approve each contract for all of properties. In order to expedite the contracts and not bog down the Council with all of these contracts, Staff recommends that the Council authorize the City Manager or his designee to execute the remaining water service contracts. The future contracts for the properties within Sun George Village would not differ much from the contract with Mostaghasi Enterprises, Inc. **(See Exhibit B)**

Staff recommends the City Council approve authorizing the City Manager or designee to enter into outside city limits water contracts with the property owners to provide public water to their property located outside the city limits.

ALTERNATIVES: Annexation of the property

OTHER CONSIDERATIONS: Not Applicable

CONFORMITY TO CITY POLICY: Section 55-111 of the City Code requires City Council approval of outside-City-limits water contracts.

EMERGENCY / NON-EMERGENCY: Non-Emergency

DEPARTMENTAL CLEARANCES: Legal

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2014-2015	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments: None

LIST OF SUPPORTING DOCUMENTS:

Exhibit A – Location Map
Exhibit B – OCL Water Contract
Resolution