



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of November 7, 2017
Second Reading Ordinance for the City Council Meeting December 12, 2017

DATE: October 16, 2017

TO: Margie C. Rose, City Manager

FROM: Dan Grimsbo, Executive Director of Utilities
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Amendment to Lease with Padre Island Yacht Club

CAPTION:

Ordinance authorizing the City Manager to execute an amendment to the Lease Agreement with Padre Island Yacht Club for expanded leased area near the Wastewater Treatment Plant on Whitecap Blvd to include additional area of 50 feet by 300 feet and amendment of renewal term provisions.

PURPOSE:

The Water Utilities Department seeks approval to amend the lease agreement for property located at 13403 Whitecap Blvd as requested by the Padre Island Yacht Club.

BACKGROUND AND FINDINGS:

The existing lease between the City of Corpus Christi and the Padre Island Yacht Club was authorized in 1995 to include a total lease area of 2.55 acres adjacent to the Whitecap Wastewater Treatment Plant. The original term was 10 years and was renewed for an additional 10 years in 2005. In 2011 a replacement lease was approved for 14 years, expiring July 11, 2025, in an effort to refinance loans and make needed improvement to its facilities.

The Padre Island Yacht Club approached the City about including the 50-foot X 300-foot parcel west of the existing property. The additional section of land shown in Exhibit A would increase to the acreage to 2.89 acres. The annual income is proposed to increase from \$2000 to \$2300. The club would also be responsible for platting and the payment of all costs related to required permits.

ALTERNATIVES: Do not amend the lease.

OTHER CONSIDERATIONS: Not applicable.

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

EMERGENCY / NON-EMERGENCY: Non-emergency. 28 day delay.

DEPARTMENTAL CLEARANCES:

Water Utilities Department - Wastewater

FINANCIAL IMPACT:

☐ Operating ☒ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2017-2018	Project to Date Expenditures (CIP only)	Current Year	Future Years (7)	TOTALS
Line Item Budget		\$ 2,000	\$14,000	\$ 16,000
Encumbered / Expended Amount				
This item		300	2,100	2,400
BALANCE		\$2,300	\$16,100	\$18,400

Fund(s): Wastewater Fund 4200

Comments: This item will have a minimal impact on the non-wastewater rate revenue.

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance

Amendment to Agreement with Padre Island Yacht Club