



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of June 26, 2018
Second Reading Ordinance for the City Council Meeting of July 17, 2018

DATE: June 26, 2018

TO: Keith Selman, Interim City Manager

FROM: Fred Segundo, Director of Aviation
FredS@cctexas.com
(361) 826-3932

Kim Baker, Assistant Director of Financial Services-Purchasing Division
KimB2@cctexas.com
(361) 826-3169

<p>Farm and Grazing Land Leases at Corpus Christi International Airport for Five Years Each with a Three-year option</p>

CAPTION:

Ordinance authorizing two, five-year Farm Leases with Matt Danysh Farms, Inc and S & S Farms Partnership, and one five-year Grazing Lease with S & S Farms Partnership with a three year option for all leases for land located at Corpus Christi International Airport with projected annual revenue of \$133,806.45.

PURPOSE:

To approve leases of land located at Corpus Christi International Airport.

BACKGROUND AND FINDINGS:

Corpus Christi International Airport is located on approximately 2,400 acres of land. A significant portion of which remains unimproved and available for agricultural use. In addition, this lease will help to reduce mowing costs on unimproved property and generate revenue.

On April 30, 2013, the City Council approved five-year farm lease agreements with Matt Danysh and S & S Farms for Parcel 1 - 870.703 acres and Parcel 2 - 591.374 acres respectively. The rate per acre for both parcels is \$55. In addition, Ms. Katherine Horne executed a five-year farm and grazing agreement for 28.73 acres at a rate of \$25 an acre. Because of runway extension we had reduced Parcel 1 acres from 870.703 to 692.35 acres.

The Purchasing Division conducted a competitive Request for Proposal process to obtain proposals for a lease contract. The City received three proposals and is recommending

Matt Danysh for Parcel 1 - 692.35 acres at \$98 per acre and S & S Farms Partnership for Parcel 2 - 590.46 acres at \$110 per acre and Parcel 3 - 28.73 acres at \$35 per acre.

ALTERNATIVES:

Not applicable.

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.

DEPARTMENTAL CLEARANCES:

Aviation

FINANCIAL IMPACT:

Operating X Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2017-2018	Current Year	Future Years	TOTALS
Line Item Budget			
Encumbered / Expended Amount			
This item			
BALANCE			

Fund(s): Airport

Comments:

RECOMMENDATION:

Staff recommends approval of the ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Leases
Price Matrix
Evaluation Matrix