



## AGENDA MEMORANDUM

First Reading Item for the City Council Meeting of October 23, 2018  
Second Reading Item for the City Council Meeting November 27, 2018

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**DATE:** October 4, 2018

**TO:** Keith Selman, Interim City Manager

**FROM:** Dan Grimsbo, Executive Director of Utilities  
[DanG@cctexas.com](mailto:DanG@cctexas.com), (361) 826-1718

<b>Lease Agreement for Lake Corpus Christi Campground</b>
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**CAPTION:**

Ordinance authorizing a fifteen-year lease agreement with Kamping Pleasures, Inc. for 40 acres out of the Mary B. Kelvin survey in Live Oak County, on the North side of Lake Corpus Christi, in consideration of quarterly rent of \$5,000 or 8% of gross sales, whichever is greater, to operate a campground; with option to extend for up an to additional ten-year term.

**PURPOSE:**

The Water Utilities Department seeks approval to enter into a fifteen (15) year lease agreement with the Kamping Pleasures, Inc. (Lessee) for the parcel and improvements located on the North side of Lake Corpus Christi off of County Road 3024 on County Rd 371. Also included in this ordinance is an option to extend for an additional ten (10) year term.

**BACKGROUND AND FINDINGS:**

Kamping Pleasures, Inc. has been leasing 40 acres of City property on Lake Corpus Christi for over 47 years. The Lessee is responsible for all campground improvements and maintenance.

Currently operating under the name of 'Mustang Hollow Campground', the site amenities include tent and RV sites, cabins and cottages, year-round pool, outdoor kitchen, snack bar and wi-fi.

**ALTERNATIVES:** Do not renew 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.

**DEPARTMENTAL CLEARANCES:**

Water Utilities Department - Wastewater

**FINANCIAL IMPACT:**

☐ Operating      ☒ Revenue      ☐ Capital      ☐ Not applicable

<b>Fiscal Year: 2018-2019</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s): n/a

**Comments:** This item will not have an impact on the operating expenditure budget.

**RECOMMENDATION:**

Staff recommends approval of the ordinance as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance

Agreement with Kamping Pleasures, Inc.

Map