

AGENDA



Thursday, January 13, 2011

**Watershed Protection Department
RECOMMENDATION FOR COUNCIL ACTION****Item No. 33**

Subject: Authorize negotiation and execution of a community facilities agreement with International Bank of Commerce (IBC) regarding IBC's cost participation for the relocation of a stormwater drainage line to be constructed by the City along Nueces Street from West 5th Street to West 8th Street.

Amount and Source of Funding: Funding is available in the Fiscal Year 2010 - 2011 Capital Budget of the Watershed Protection Department.

Fiscal Note: A fiscal note is attached.

For More Information: Mapi Vigil, 974-3384; Glen Taffinder, 974-3381

Revised-1/7/11: The International Bank of Commerce, Laredo, Texas (IBC), desires to redevelop property located at the northeast corner of the intersection of 5th Street and Nueces. Redevelopment of this property requires the relocation of an existing stormwater drainage line, known as the Little Shoal Creek Tunnel (LSCT), currently running through the property.

IBC has proposed to relocate the drainage line located on its property to facilitate redevelopment. The estimated cost of the relocation is \$2 million. The Watershed Protection Department (WPD) does not have the funding to relocate the entire LSCT. Instead of IBC spending the \$2 million to relocate the segment of the line on its property, IBC will contribute that amount to the City for the City to construct the line from West 5th Street to West 8th Street at this time. IBC's contribution will allow WPD to move forward with the LSCT relocation several years before previously envisioned.

The total estimated cost of the entire drainage line relocation is \$6 million. The City will fund all costs in excess of IBC's contribution. The City cost is estimated to be \$4 million. Later this year, City staff will submit a request to Council for approval to negotiate and execute an agreement with a contractor to construct the stormwater drainage line.