

AGENDA ITEM #: _____

DATE: February 13, 2017

COAC #: 17-6004

**CITY OF GOODYEAR
CITY COUNCIL ACTION FORM**

**SUBJECT: Adopt Resolution No. 17-1787
for Approval of Purchase of Additional
Property for Well Site 19**

STAFF PRESENTER: Linda Beals, Real
Estate Coordinator

CASE NUMBER: None

OTHER PRESENTER: None

PROPOSED ACTION:

ADOPT RESOLUTION NO. 17-1787 APPROVING THE PURCHASE OF ADDITIONAL PROPERTY FOR WELL SITE 19 LOCATED NORTHEAST OF VAN BUREN STREET AND ESTRELLA PARKWAY; AUTHORIZING THE AMENDMENT OF THE LETTER OF INTENT; AUTHORIZING AND DIRECTING THE PREPARATION AND EXECUTION OF A PURCHASE AGREEMENT; AUTHORIZING AND DIRECTING THE CITY MANAGER OR HIS DESIGNEE TO TAKE ACTIONS AND EXECUTE DOCUMENTS; AND PROVIDING FOR AN EFFECTIVE DATE

BACKGROUND AND PREVIOUS ACTIONS:

The city currently operates a municipal recovery well, known as Well Site 19, located northeast of Van Buren Street and Estrella Parkway. Over the past couple of years Well 19 has experienced diminishing capacity. This prompted the city to begin work to rehabilitate the well. During the rehabilitation process, a catastrophic failure was identified. This failure requires the well to be completely re-drilled. In order to accommodate drilling a new well and utilize the existing infrastructure from Well 19 it must be replaced approximately 50 feet from its current location.

The current well site is about half of the city's standard well site size. The purchase of this Additional Property will provide the city with the standard size well site, allow for the damaged well to be re-drilled per Arizona Department of Water Resources requirements, and allow for the existing infrastructure to be used.

Council is being asked to approve and authorize the purchase of approximately 6,108 square feet of additional land for the expansion of Well Site 19, consistent with the terms of the Letter of Intent, dated February 8, 2017 and attached as Exhibit "1" to Resolution No. 17-1787.

STAFF ANALYSIS:

The purchase price for the Additional Property will be calculated at \$7.25 per square foot, which is consistent with prices paid in recent comparable sales. The estimated purchase price for the Additional Property is \$43,530.50, (which will be adjusted, if necessary, based upon the square footage as established by the legal description to be obtained). In addition to the purchase price, the City will be responsible for paying closing costs, which includes apportioned taxes and fees, and for the Seller's actual legal fees, not to exceed \$2,500.

Further, Staff estimates the cost of the closing costs, legal fees, the cost of having the legal descriptions prepared and other associated fees required to complete this transaction to be and additional \$7,500 over and above the purchase price. Funding for this project is included in the current maintenance budget for the Well Site 19 Project.

RECOMMENDATION:

City Staff recommends the approval of the purchase of the Additional Property as per Resolution 17-1787.

ATTACHMENTS:

Resolution No. 17-1787
Letter of Intent
Aerial Depiction