

AGENDA



Thursday, June 5, 2008

**Contract and Land Management
RECOMMENDATION FOR COUNCIL ACTION****Item No. 9**

Subject: Approve a resolution authorizing the negotiation and execution of a contract to purchase four tracts of land being approximately 38.04 acres located along F.M. 2769, Austin, Texas from Kenny Dryden for use by the Austin Water Utility in an amount not to exceed \$6,400,000.

Amount and Source of Funding: Funding is available in the Fiscal Year 2007-2008 Capital Budget of the Austin Water Utility.

Fiscal Note: A fiscal note is attached.

For More Information: Junie Marie Plummer 974-7085, Robin Field 974-7064

Prior Council Action: February 28, 2008 Earnest Money (\$160,000) and March 27, 2008 Purchase.

Based on the City's growth, the Austin Water Utility (AWU) has determined that additional land is needed to serve future utility construction. On March 27, 2008 Council approved a real property acquisition related to an alternate site for the planned Water Treatment Plant No. 4. This approval today will combine four tracts of land that are contiguous and complete the land acquisition for the alternate site for a total of 72.8 acres. In addition, this authorization expands and modifies the original Purchase and Sale Agreement approved on March 27, 2008, which was for two tracts of land, one being a 6-acre tract in the amount of \$600,000 which has been rescinded and renegotiated to a part of this assembled transaction.

This acquisition is four tracts of land consisting of approximately 38.04 acres and located along F.M. 2769 also known as Volente Road. The site is primarily vacant land with two improvements being residences. The property is located in the Lake Travis Watershed within Travis County.

The total purchase price of \$6,560,000 is below the current fair market value as determined by an independent third party appraiser.