

Repl. # 8

JUN 28 2012



**Chandler • Arizona**  
*Where Values Make The Difference*

**MEMORANDUM      Real Estate – Council Memo No. DRE12-019**

**DATE:**            JUNE 28, 2012

**TO:**                MAYOR AND COUNCIL

**THRU:**            RICH DLUGAS, CITY MANAGER <sup>AD</sup>  
                          DAVE SIEGEL, MUNICIPAL UTILITIES DIRECTOR <sup>DS</sup>  
                          JOHN KNUDSON, SENIOR ENGINEER <sup>DS for</sup>

**FROM:**            SHARON A. JOYCE, REAL ESTATE COORDINATOR <sup>J</sup>

**SUBJECT:**        RESOLUTION 4599 AUTHORIZING AND APPROVING THE PURCHASE OF A PARCEL OF LAND AND A TEMPORARY CONSTRUCTION EASEMENT FOR A FUTURE DOMESTIC WELL SITE LOCATED SOUTH OF OCOTILLO ROAD, EAST OF ARIZONA AVENUE, AND AUTHORIZING THE REAL ESTATE COORDINATOR TO SIGN, ON BEHALF OF THE CITY, THE PURCHASE AGREEMENT AND ANY OTHER DOCUMENTS NECESSARY TO FACILITATE THIS TRANSACTION, PROJECT WA 1008, INCLUDING PHASE I ENVIRONMENTAL, SURVEY AND ASSOCIATED COSTS

RECOMMENDATION: Staff recommends Council authorize and approve Resolution 4599 authorizing and approving the purchase of a parcel of land and a temporary construction easement for a domestic well site, located south of Ocotillo Road, east of Arizona Avenue, and authorizing the Real Estate Coordinator to sign, on behalf of the City, the purchase agreement and any other documents necessary to facilitate this transaction, Project WA 1008, including Phase I Environmental, survey, and associated costs.

BACKGROUND/DISCUSSION: On February 9, 2012 City Council approved Resolution 4556 which authorized acquisition of two parcels of land for a domestic well site, including Phase I environmental, survey, and associated costs.

The City currently has one of the parcels in escrow. This parcel is an active agricultural well the City will re-drill as a replacement domestic well for the City. Since it is a replacement well, the regulatory and permitting process will be streamlined.

The other parcel, the subject of this Resolution, lies to the south of the existing well site. Although acquisition of an L-shaped parcel was originally approved by Resolution 4556, the parcel configuration has changed, as well as the proposed expenditure. Staff is now requesting Council authorize acquisition of a 50' x 50' parcel, which lies just south of the existing agricultural well site, as well as a temporary construction easement over the

remainder of the property for the purposes of drilling the well. The property owner is willing to sell this portion of his property and the temporary construction easement to the City for \$52,556.53. With the survey, updated environmental, and closing costs, the total cost is estimated at \$62,500.

The combination of the two parcels will create a usable well site with dimensions of 50' x 100', and allow the well site to be re-drilled, equipped and utilized as a City domestic well site.

Acquisition of the two parcels, and subsequent drilling and equipping the site as a domestic well will maintain system capacity and redundancy as recommended by the 2008 Water, Wastewater, Reclaimed Water Master Plan Update.

**FINANCIAL IMPLICATIONS:**

Two parcels will be required for construction of the well site.

Cost: \$62,500  
Savings: N/A  
Long Term Costs: N/A

Fund Source:

<u>Acct. No: CIP</u>	<u>Fund:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Funds:</u>
603.3820.5213.6WA034	Water SDF	Well Construction/Rehab	Yes	\$62,500

**PROPOSED MOTION:** Staff recommends Council authorize and approve Resolution 4599 authorizing and approving the purchase of a parcel of land and a temporary construction easement for a domestic well site, located south of Ocotillo Road, east of Arizona Avenue, and authorizing the Real Estate Coordinator to sign, on behalf of the City, the purchase agreement and any other documents necessary to facilitate this transaction, Project WA 1008, including Phase I Environmental, survey, and associated costs.

Attachments: Resolution No. 4599  
Location Map  
Exhibit A

RESOLUTION NO. 4599

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA, AUTHORIZING ACQUISITION OF A PARCEL OF REAL PROPERTY AS WELL AS A TEMPORARY CONSTRUCTION EASEMENT NEEDED IN CONNECTION WITH IMPROVEMENT OF A PROPOSED WELL SITE THAT WILL MAINTAIN WELL SYSTEM CAPACITY AND REDUNDANCY, AND AUTHORIZING THE PURCHASE OF SUCH REAL PROPERTY, INCLUDING CLOSING ASSOCIATED COSTS, NOT TO EXCEED \$62,500.

WHEREAS, on August 28, 2008, the Chandler City Council approved the alignment for a road improvement project for Ocotillo Road from Arizona Avenue to McQueen Road, which is intended to improve transportation and vehicular traffic movement within the City of Chandler; and

WHEREAS, a well site exists on the remainder property of one of the parcels required for the right-of-way for Ocotillo Road, which remainder property is shown on the attached map as "existing well site", and City Council has previously approved acquisition of this parcel with Resolution 4556, and the transaction is currently in escrow; and

WHEREAS, in addition to the well site property, a portion of an adjacent parcel is needed to develop the existing well site, which is described in attached Exhibit "A", as well as a temporary construction easement described in attached Exhibit "B", and the owner, GJG-ACP II, L.L.C. has agreed to sell a portion of their property to the City of Chandler, as well as a temporary construction easement, including closing and associated costs for an amount not to exceed \$62,500; and

WHEREAS, staff has determined that additional wells are required in order to maintain well system capacity and redundancy as recommended by the 2008 Water, Wastewater, Reclaimed Water Master Plan Update; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chandler, Maricopa County, Arizona, as follows:

Section 1. That the City of Chandler is authorized to enter into a purchase agreement with GJG-ACP II L.L.C. for the Property described in the attached Exhibit "A" at a cost, including closing, and associated costs, not to exceed \$62,500.

Section 2. That the Real Estate Coordinator is hereby authorized to sign, on behalf of the City, the purchase agreement provided the documents are in a form approved by the City Attorney.

Section 3. That the Real Estate Coordinator is authorized to execute any other documents necessary to facilitate this transaction.

Section 4. That all other legal documents required for this transaction shall be in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Chandler, Maricopa County, Arizona, this \_\_\_ day of \_\_\_\_\_, 2012.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4599 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the \_\_\_ day of \_\_\_\_\_, 2012, and that a quorum was present thereat.

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

GAB

## EXHIBIT "A"

### FEE SIMPLE ACQUISITION

A portion of the Northwest Quarter of Section 22, Township 2 South, Range 5 East of the Gila and Salter River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

The East 50.00 feet of the North 50.00 feet of the South 245.00 feet of Lot 3, DOLLAR STORAGE, according to Book 972, page 39, records of Maricopa County, Arizona.

## EXHIBIT "B"

### TEMPORARY CONSTRUCTION EASEMENT

A portion of the Northwest Quarter of Section 22, Township 2 South, Range 5 East of the Gila and Salter River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

Lot 3, DOLLAR STORAGE, according to Book 972, page 39, records of Maricopa County, Arizona,

EXCEPT the East 50.00 feet of the North 50.00 feet of the South 245.00 feet of Lot 3, DOLLAR STORAGE, according to Book 972, page 39, records of Maricopa County, Arizona.

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**THRU:**            RICH DLUGAS, CITY MANAGER <sup>RD</sup>  
                         DAVE SIEGEL, MUNICIPAL UTILITIES DIRECTOR <sup>DS</sup>  
                         JOHN KNUDSON, SENIOR ENGINEER <sup>[Signature]</sup>

**FROM:**            SHARON A. JOYCE, REAL ESTATE COORDINATOR <sup>[Signature]</sup>

**SUBJECT:**        RESOLUTION 4559 AUTHORIZING AND APPROVING THE PURCHASE OF A PARCEL OF LAND AND A TEMPORARY CONSTRUCTION EASEMENT FOR A FUTURE DOMESTIC WELL SITE LOCATED SOUTH OF OCOTILLO ROAD, EAST OF ARIZONA AVENUE, AND AUTHORIZING THE REAL ESTATE COORDINATOR TO SIGN, ON BEHALF OF THE CITY, THE PURCHASE AGREEMENT AND ANY OTHER DOCUMENTS NECESSARY TO FACILITATE THIS TRANSACTION, PROJECT WA 1008, INCLUDING PHASE I ENVIRONMENTAL, SURVEY AND ASSOCIATED COSTS

**RECOMMENDATION:** Staff recommends Council authorize and approve Resolution 4559 authorizing and approving the purchase of a parcel of land and a temporary construction easement for a domestic well site, located south of Ocotillo Road, east of Arizona Avenue, and authorizing the Real Estate Coordinator to sign, on behalf of the City, the purchase agreement and any other documents necessary to facilitate this transaction, Project WA 1008, including Phase I Environmental, survey, and associated costs.

**BACKGROUND/DISCUSSION:** On February 9, 2012 City Council approved Resolution 4556 which authorized acquisition of two parcels of land for a domestic well site, including Phase I environmental, survey, and associated costs.

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remainder of the property for the purposes of drilling the well. The property owner is willing to sell this portion of his property and the temporary construction easement to the City for \$52,556.53. With the survey, updated environmental, and closing costs, the total cost is estimated at \$62,500.

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Acquisition of the two parcels, and subsequent drilling and equipping the site as a domestic well will maintain system capacity and redundancy as recommended by the 2008 Water, Wastewater, Reclaimed Water Master Plan Update.

FINANCIAL IMPLICATIONS:

Two parcels will be required for construction of the well site.

Cost: \$62,500  
Savings: N/A  
Long Term Costs: N/A

Fund Source:

Acct. No: CIP	Fund:	Program Name:	CIP Funded:	Funds:
603.3820.5213.6WA034	Water SDF	Well Construction/Rehab	Yes	\$62,500

PROPOSED MOTION: Staff recommends Council authorize and approve Resolution 4559 authorizing and approving the purchase of a parcel of land and a temporary construction easement for a domestic well site, located south of Ocotillo Road, east of Arizona Avenue in the amount of \$62,500.00 and authorizing the Real Estate Coordinator to sign, on behalf of the City, the purchase agreement and any other documents necessary to facilitate this transaction Project WA 1008, including Phase I Environmental, survey, and associated costs.

Attachments: Resolution No. 4559  
Location Map  
Exhibit A



RESOLUTION NO. 4559

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA, AUTHORIZING ACQUISITION OF A PARCEL OF REAL PROPERTY AS WELL AS A TEMPORARY CONSTRUCTION EASEMENT NEEDED IN CONNECTION WITH IMPROVEMENT OF A PROPOSED WELL SITE THAT WILL MAINTAIN WELL SYSTEM CAPACITY AND REDUNDANCY, AND AUTHORIZING THE PURCHASE OF SUCH REAL PROPERTY, INCLUDING CLOSING ASSOCIATED COSTS, NOT TO EXCEED \$62,500.

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Section 3. That the Real Estate Coordinator is authorized to execute any other documents necessary to facilitate this transaction.

Section 4. That all other legal documents required for this transaction shall be in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Chandler, Maricopa County, Arizona, this \_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4559 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_, 2012, and that a quorum was present thereat.

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY



EXHIBIT "A"

FEE SIMPLE ACQUISITION

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