

Mayor and Council Communication

DATE: 10/20/20

M&C FILE NUMBER: M&C 20-0778

LOG NAME: 21WESTSIDE III WATER TANK SITE

SUBJECT

(ETJ adjacent to COUNCIL DISTRICT 3) Authorize the Acquisition of a Fee Simple Interest in Approximately 5.146 Acres of Land and a Right-of-Way Easement Interest in 0.442 Acres of Land, Located at 1324 Ranchers Legacy Trail, Tarrant County, Texas, from Markum Land Properties, LLC, in the Amount of \$575,000.00, Pay Estimated Closing Costs of Up to \$15,000.00, Authorize Execution of Letter Agreement Outlining Road Construction in the Amount of \$382,000.00 for a Total Project Cost of \$972,000.00, and Adopt Appropriation Ordinances for the Westside III Water Tank Site and Trans Main Project

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the acquisition of a fee simple interest in 5.146 acres of land and a right-of-way easement interest in 0.442 acres of land located at 1324 Ranchers Legacy Trail, Tarrant County, Texas from Markum Land Properties, LLC in the amount of \$575,000.00 and authorize estimated closing costs of up to \$15,000.00 for the Westside III Water Tank and Trans Main project;
2. Authorize execution of letter agreement outlining road construction costs in the amount of \$382,000.00.
3. Authorize the City Manager, or his designee, to execute, accept the appropriate closing documents, and record the appropriate instruments to complete the transaction;
4. Adopt the attached Appropriation Ordinance increasing receipts and appropriations in the Water Impact Fee Fund in the amount of \$972,000.00 from available funds for the purpose of transferring funds from the Water/WasteWater Wholesale Impact Fees and Water/WasteWater Retail Impact Fee projects (City Project Nos. B20004 and B20005) to the Westside III Tank and Trans Main project; and
5. Adopt the attached Appropriation Ordinance increasing receipts and appropriations in the Water Impact Fee Fund in the amount of \$972,000.00 transferred from the Water Impact Fee Fund to the Westside III Tank and Trans Main project (City Project No. 100378).

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to seek approval to acquire a fee simple land interest and a right-of-way easement interest in property located at 1324 Ranchers Legacy Trail for the Westside III Tank and Trans Main project. The property is needed for system reliability and growth improvements within west Fort Worth and its Extraterritorial Jurisdiction which require the installation of a ground storage tank, water pump station, and transmission mains in order to provide reliable water service to existing and proposed developments. In addition to land cost, the City has agreed to participate in the road construction cost to the water tank site for a total of \$382,000.00. As part of the agreement, the property owner will construct the road to City standards and the money will be escrowed until the construction of the road is complete.

An appraisal of the property was prepared by an independent fee appraiser, and the property owner has agreed to the appraised price of \$575,000.00. The real estate taxes will be pro-rated with the Seller being responsible for taxes due up to the closing date. The mineral estate will not be acquired. The deed will contain a surface waiver for the exploration of the mineral estate.

Upon City Council approval, staff will proceed with acquiring the fee simple and easement interests in the property except for the mineral estate.

Property Ownership	Property Interest	Property Size	Property Address/ Legal Description	Amount
Markum Land Properties, LLC	Fee Simple	5.146 Acres	George W. Wilkes Survey, Abstract No. 1872	\$535,000.00
Markum Land Properties, LLC	ROW Easement	0.442 Acres	George W. Wilkes Survey, Abstract No. 1872	\$40,000.00
			Road Construction Cost	\$382,000.00
			Total Estimated Closing Cost	\$15,000.00
			Total Cost	\$972,000.00

Funding for the Westside III Tank and Trans Main project as depicted in the table below:

FUND	Existing Appropriations	Proposed Appropriations	Project Total
Water & Sewer Bond 2017A – Fund 56011	\$893,100.00	\$0.00	\$893,100.00

W&S Capital Proj 2018 – Fund 56014	\$600,000.00	\$0.00	\$600,000.00
WS Capital Project 2019 – Fund 56016	\$6,456,974.00	\$0.00	\$6,456,974.00
Water & Sewer Bond 2020A – Fund 56017	\$700,000.00	\$0.00	\$700,000.00
Water Impact Fee – Fund 56003	\$0.00	\$972,000.00	\$972,000.00
Project Total	\$8,650,074.00	\$972,000.00	\$9,622,074.00

*Numbers rounded for presentation purposes.

The property is located in Tarrant County, adjacent to COUNCIL DISTRICT 3.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the W/WW Wholesale Impact Fees and W/WW Retail Impact Fees projects within the Water Impact Fee Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinances, funds will be available in the Water Impact Fee Fund for the Westside Tank and Trans Main project to support the approval of the above recommendations and land acquisition. Prior to an expenditure being incurred, the Water Department has the responsibility of verifying the availability of funds.

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