



INTER-OFFICE COMMUNICATION

DATE: August 27, 2007

TO: Honorable Mayor and Members
of the City Commission

FROM: Karen S. Johnson, General Manager

SUBJECT: Purchase of Property for Electric Facilities (10)

**APPROVED BY
CITY COMMISSION**
ON August 27 20 07
Karina Brown

Executive Summary:

Staff is requesting approval of the purchase of approximately a one acre parcel of property located in the 1900 block of NW 53rd Avenue from the United Brotherhood of Carpenters, Local 75 for the future construction of a Power Delivery System.

Recommendation:

The City Commission: 1) approve the Purchase and Sale Agreement for the purchase of property located in the 1900 block of NW 53rd Avenue from the Trustees of the United Brotherhood of Carpenters, Local 75, in an amount not to exceed \$130,000.00 plus closing costs, as negotiated by staff; and 2) authorize the General Manager, or her designee, to execute all documents necessary to complete the purchase of the property in accordance with the Purchase and Sale Agreement, subject to approval by the City Attorney as to form and legality.

Explanation:

Energy Delivery Staff has determined that continued increased development in the Gainesville area has produced an additional increased demand on the City's electric system. Accordingly, staff has chosen a site for the construction of a compact substation known as a power delivery system (PDS) along the NW 53rd Avenue corridor to tie into existing electric transmission facilities adjacent to the site to accommodate the increased demand. The construction of this proposed PDS does not need to occur immediately. Construction of the PDS will likely occur within the next few years, but it is prudent to secure the land now for future use. Several other PDS sites have been purchased throughout the City to accommodate this same need.

Staff has negotiated the purchase of a parcel of land located at 1910 NW 53rd Avenue which is 150' wide X 241.93' consisting of .8331 of an acre at a purchase price of \$130,000.00 which is within 8% of the appraised value. This purchase is contingent upon obtaining approval of a Lot Split from the City of Gainesville.

Fiscal Impact:

The total purchase price of the property is \$130,000.00, plus closing costs. Funds are available in the FY 2007 Energy Delivery Capital Budget.

Prepared by:

David E. Beaulieu *km mm*
David E. Beaulieu
Assistant General Manager, Energy Delivery

Submitted by:

Karen S. Johnson
Karen S. Johnson, General Manager

KSJ:DEB:AMM