



Legislation Text

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Purchase & Option to Purchase Whistling Pines Ranch (B)

Authorize the General Manager to purchase in fee a portion of the Whistling Pines Ranch, and the subsequent right to purchase the remainder of the property in the next three years for continued beneficial reuse of biosolids.

For the past 25 years, the City has been beneficially reusing biosolids at the Whistling Pines Ranch which provides mutual benefits to the farming operations and the City. While the current operating agreement is mutually beneficial, it does not provide the long term assurance that this arrangement can continue at this site. Staff has determined that securing the Whistling Pines Ranch is the most cost effective and environmentally sustainable alternative for the long term success of the City's biosolids program.

Staff has negotiated an agreement with the owner to purchase a portion of the property this fiscal year and an Option Agreement to purchase the remaining acreage over the next three years.

An appraisal of the property indicates the value to be \$9010.00 an acre. Staff successfully negotiated a purchase price of \$10,000.00 an acre for the purchase this year, and at that same fixed price for the subsequent three years.

Staff proposes to purchase approximately 600 acres this year, and 200 acres per year in the next 3 fiscal years.

The City Commission: (1) hear a presentation; (2) approve the Purchase and Sale Agreement and Option Agreement as negotiated by staff for the purchase of the Whistling Pines Ranch; and (3) authorize the General Manager or her designee to execute all documents necessary to complete the closing in accordance with the Purchase and Sale Agreement, subject to the approval of the City Attorney as to form and legality.

The fiscal impact is estimated to be \$6,000,000 in the current fiscal year (FY07) and \$2,000,000 per year in subsequent fiscal years. The FY2007 approved budget includes \$6,000,000 for the purchase of this property.

Funding for purchasing the remainder of land under the Option agreement will be included in the Proposed FY 2008 budget for expenditures in FY08, FY09, and FY10..

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