



16-836

TITLE: Consider/Discuss/Act on a Resolution Authorizing the Sale of Land to the North Texas Municipal Water District, Which Land Contains 10.763 Acres Situated in the John R. Jones Survey, Abstract No. 497, City of McKinney, Collin County, Texas and Generally Located East of McLarry Drive and South of Bloomdale Road; and Authorizing the City Manager to Execute Deeds and Documents Regarding the Sale of Said City-Owned Property to the North Texas Municipal Water District

COUNCIL GOAL: Financially Sound Government

MEETING DATE: August 16, 2016

DEPARTMENT: Development Services/Engineering

CONTACT: Mark Hines, PE, Director of Engineering

RECOMMENDED CITY COUNCIL ACTION:

- Approval of Resolution.

ITEM SUMMARY:

- This item authorizes the sale, at fair market value, of 10.763 acres of land (Property) owned by the City of McKinney (McKinney) to the North Texas Municipal Water District (NTMWD), generally located to the east of McLarry Drive and south of Bloomdale Road, and further authorizes the City Manager to execute all necessary deeds and documents for the sale of said Property to NTMWD.

BACKGROUND INFORMATION:

- In 2007, the City acquired approximately 100 acres in the vicinity of the intersection of US 75 and Bloomdale Road for the future Bloomdale Pump Station.
- NTMWD approached the City several years ago to discuss locating a pump station (McKinney No. 4) on the aforementioned City owned parcel.
- NTMWD's current Capital Improvement Plan calls for a booster pump station to be constructed in the vicinity of the City's 100 acre parcel. This pump station will

be constructed in conjunction with a new 72-inch pipeline that will convey treated water west, to their existing McKinney No. 3 delivery point, and connect to the existing 48-inch Frisco-McKinney pipeline that currently terminates at McKinney No. 3.

- Prior to the construction of the proposed NTMWD McKinney No. 4 pump station, the City is planning on constructing a connection to the new McKinney No. 4 delivery point and the Bloomdale Pump Station. The facilities are necessary to provide for the rapid growth in the north and northwest sectors of the McKinney service area.
- The City anticipates the Bloomdale Pump Station to be operational by 2018, while the anticipated completion date of NTMWD's McKinney No. 4 pump station is 2025.
- NTMWD contacted City staff to discuss the purchase of the Property. A boundary survey of the Property was provided to the City by NTMWD.
- The Property is currently unimproved and generally located south of Bloomdale Boulevard and west of the newly constructed portion of Redbud Boulevard. The Property is also bordered by a 20' wide Greater Texoma Utility Authority Water Line Easement, a 75' wide City of Irving Water Line Easement and a 100' wide T.P. & L. Transmission Line Easement with overhead transmission lines.
- The City ordered an appraisal from Integra Realty Resources to determine the fair market value of the 10.763 acres. The appraisal indicated a value of \$1,290,000.00 for the Property.
- In addition to the payment of \$1,290,000.00 to purchase the Property, NTMWD has agreed to pay the cost estimate for the future construction of approximately 700 linear feet of Redbud Boulevard adjacent to the Property. The cost estimate is \$262,233.00.
- NTMWD received authorization at their July 28, 2016 Board of Director's meeting to enter into a contract with the City in the amount of \$1,552,233.00 to purchase the Property and payment for the future construction of a portion of Redbud Boulevard.
- This agenda item authorizes the sale of the Property to NTMWD for the fair market value plus the estimated roadway construction cost, indicated above, and further authorizes the City Manager to execute all documents necessary for the sale of said City-Owned land to NTMWD.

FINANCIAL SUMMARY:

- In accordance with Texas Local Government Code Section 272.001(b)(5), the sale is exempt from competitive bidding requirements.
- \$1,290,000.00 of the funds received from the sale of the Property will be placed in Water/Wastewater Fund and \$262,233.00 will be placed in CIP ST1612 for the future construction of a portion of Redbud Boulevard.

BOARD OR COMMISSION RECOMMENDATION:

- N/A

SUPPORTING MATERIALS:

[Resolution](#)

[Location Map](#)