



Meeting Date: 5 / 13 08

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Michael More *MM* Agenda Item No. I-7
 Reviewed By: City Manager *JPD* City Attorney *Holmberg* Finance *JC* Other (Specify) _____

DATE: May 1, 2008

TO: City Council

FROM: Michael More, Financial Services Manager *Michael More*
Finance Department

SUBJECT: Sale of 1,278 acres of real property located at the intersection of Peterson and Gun Club Road in Kern County

RECOMMENDATION

That City Council approve and authorize the Mayor to execute an Agreement of Purchase and Sale between the City and Double D Land Company (A-7052), a California limited liability company ("Double D") providing for the sale to Double D of approximately 1,278 acres of real property located as set forth above for the purchase price of three million nine hundred ninety-six thousand dollars (\$3,996,000).

DISCUSSION

The City purchased the above-referenced property in 1995 for the sum of \$1,180,000. The City used the property in connection with a biosolids reuse program, pursuant to which biosolids generated at the City's wastewater treatment plant were applied to the land, which was then farmed. The City no longer applies biosolids at the property, and recently has entered an agreement with the VRSD for digging and disposing of biosolids.

The \$3,996,000 purchase price compares to an appraisal of \$3,996,000 which the City obtained in April, 2007. The purchase and sale is subject to the usual contingencies, including the buyer's satisfaction with the physical condition and title of the property.

FINANCIAL IMPACT

The transaction will result in an approximate \$3,996,000 amount to be credited to the City's Wastewater Treatment Account No. 621-9001-581-75-24. No revenue is being appropriated at this time since the closing of escrow will not occur until the next fiscal year.

Subject/Permit
May 6, 2008
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Attachment #1 - Agreement of Purchase and Sale

Note: Attachment No. 1 has been provided to the City Council. Copies are available for review at the Circulation Desk in the Library after 6:00 p.m. on the Thursday prior to the Council meeting and at the City Clerk's Office after 8:00 a.m. on Friday.

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