

**CITY OF EL PASO, TEXAS**  
**AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** El Paso Water Utilities

**AGENDA DATE:** INTRODUCTION: August 21, 2007;  
PUBLIC HEARING: September 4, 2007.

**CONTACT PERSON/PHONE:** Robert D. Andron, General Counsel   
El Paso Water Utilities, (915) 594-5607

**DISTRICT(S) AFFECTED:** District #4 - northeast

**SUBJECT:**

The introduction of an ordinance relating to the sale of land in Northeast El Paso. Attached is an individual ordinance and special warranty deed(s) for Parcel MPC. There is a total of approximately 4,832.99 acres of land making up this parcel.

**BACKGROUND / DISCUSSION:**

**Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?**

Attached is the El Paso Water Utilities Public Service Board Resolution passed and approved August 8, 2007, authorizing the sale to the highest bidder of Parcel MPC; and requesting the City Council authorize the City Manager to sign Special Warranty Deed(s) to convey the parcel.

Bids were received July 31, 2007. Each bid was in excess of the estimated market value established by an independent appraisal. The legal description and amount of the highest bidder for the parcel is as follows:

**PARCEL MPC - PSB Bid No. 29-07**

PARCEL MPC, consisting of portions of Sections 17, 18, 19 and 20, Block 80, Township 1, and Sections 13, 14, 18, 19, 20 and 23, Block 81, Township 1, Texas and Pacific Railway Company Surveys, City of El Paso, El Paso County, Texas of Section 21, Block 81, TSP1, Texas and Pacific Railway Company Surveys, El Paso, El Paso County, Texas, being approximately 4,832.99 acres of land, Hunt Communities, LLC, highest bidder, in the amount of \$27,132.00 per acre.

**PRIOR COUNCIL ACTION:**

**Has the Council previously considered this item or a closely related one?**

In 2005, the City Council approved the sale of four parcels of land in Northeast El Paso

**AMOUNT AND SOURCE OF FUNDING:**

**How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?**

Sale of land to highest bidder. The City of El Paso will receive 5% of the net proceeds for the sale of land pursuant to City of El Paso El Paso Water Utilities Water and Sewer Revenue Bond Covenants.

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**BOARD / COMMISSION ACTION:**

Approved by the El Paso Water Utilities Public Service Board by Resolution August 8, 2007.

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**LEGAL:** (if required) \_\_\_\_\_

**FINANCE:** (if required) \_\_\_\_\_

**DEPARTMENT HEAD** \_\_\_\_\_  
(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

**APPROVED FOR AGENDA:**

**CITY MANAGER:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

Attachments

p:\20072008\August2007\CityCouncilItems\MemoAgendaItemRequestHuntBid29-07ParcelMPC4832acresNortheast.doc

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ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF EL PASO, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE SPECIAL WARRANTY DEEDS OR OTHER DOCUMENTS AS REQUIRED FOR PHASED SALE AND CONVEYANCE AS RECOMMENDED BY THE PRESIDENT/CEO OF EL PASO WATER UTILITIES OF THE FOLLOWING DESCRIBED REAL PROPERTY TO HUNT COMMUNITIES, LLC, THE HIGHEST BIDDER, SUCH LAND TOTALING APPROXIMATELY 4,832.99 ACRES OF LAND OUT OF PORTIONS OF SECTIONS 17, 18, 19 AND 20, BLOCK 80, TOWNSHIP 1, AND SECTIONS 13, 14, 18, 19, 20 AND 23, BLOCK 81, TOWNSHIP 1, TEXAS AND PACIFIC RAILWAY COMPANY SURVEYS, CITY OF EL PASO, EL PASO COUNTY, TEXAS, LOCATED IN NORTHEAST EL PASO.**

**WHEREAS**, by Resolution dated August 8, 2007, the El Paso Water Utilities Public Service Board, (PSB), which has jurisdiction over those certain parcels of land described as: Parcel MPC, being 4,832.99 acres of land, more or less and consisting of portions of Sections 17, 18, 19 and 20, Block 80, Township 1, and Sections 13, 14, 18, 19, 20 and 23, Block 81, Township 1, Texas and Pacific Railway Company Surveys, City of El Paso, El Paso County, Texas; found the Parcel to be inexpedient to the water system; approved the sale of the land to the highest bidder, following a public sealed competitive bidding process, requested the El Paso City Council to pass an ordinance authorizing the sale and conveyance of the real property in phases to the highest bidder; and,

**WHEREAS**, the PSB has master-planned, with public input and City Council approval, several thousand acres of land in Northeast El Paso which are the subject of this Ordinance; and,

**WHEREAS**, the PSB received a bid response to its public offering of the land for sale from Hunt Communities, LLC, on July 31, 2007 for the per-acre price bid of \$27,132.00, such bid being in excess of the minimum bid price as set by the PSB and being the higher of two bids submitted for the real property in response to the PSB Invitation for Bids; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager is hereby authorized to execute Special Warranty Deeds, a Master Planned Community Development Agreement, and other documents as required for the phased sale and conveyance of the following described real property to Hunt Communities, L.L.C., the highest bidder, as recommended by the El Paso Water Utilities. The real property being more particularly described as Parcel MPC totaling approximately 4,832.99 acres of land out of Sections 17, 18, 19 and 20, Block 80, Township 1 and Sections 13, 14, 18, 19, 20 & 23, Block 81, Township 1, Texas and Pacific Railway Company Surveys, City of El Paso, El Paso County, Texas. Said property is located in northeast El Paso and lies entirely within the City limits.

The surface estate of the real property shall be sold with the reservation to the City acting by and through its El Paso Water Utilities Public Service Board of all subsurface estates, including the mineral estate, and of all groundwater rights, including all rights to drill for and produce subsurface water of any kind or character.

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The real property shall be conveyed in phased stages as described in the PSB Invitation for Bids and shall be developed pursuant to a Master Planned Community Development Agreement that is substantially of the form of the example agreement as set out in the Invitation for Bids. The City Manager is authorized to execute any and all documents required to accomplish the sale and conveyance of said property and matters incident or otherwise related to the sale and conveyance of the said property, and the execution and performance of an associated Master Planned Community Development Agreement.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

THE CITY OF EL PASO

ATTEST:

\_\_\_\_\_  
John F. Cook, Mayor

\_\_\_\_\_  
Richarda Duffy Momsen  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Assistant City Attorney

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Robert D. Andron  
General Counsel, PSB

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RESOLUTION

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A RESOLUTION AUTHORIZING THE SALE TO THE HIGHEST BIDDER OF 4,832.99 ACRES, MORE OR LESS, OF LAND BEING PORTIONS OF SECTIONS 17,18,19, AND 20, BLOCK 80, TOWNSHIP 1 AND SECTIONS 13,14,18,19,20 AND 23, BLOCK 81, TOWNSHIP 1, TEXAS AND PACIFIC RAILWAY COMPANY SURVEYS, CITY OF EL PASO, EL PASO COUNTY, TEXAS; SAID REAL PROPERTY BEING UNDER THE JURISDICTION OF THE PUBLIC SERVICE BOARD; REQUESTING THE CITY COUNCIL AUTHORIZE THE CITY MANAGER TO EXECUTE SPECIAL WARRANTY DEEDS OR OTHER DOCUMENTS AS REQUIRED FOR PHASED CONVEYANCE OF THE REAL PROPERTY AS RECOMMENDED BY THE PRESIDENT/CEO OF EL PASO WATER UTILITIES; AND, PROVIDING AN EFFECTIVE DATE.

WHEREAS, the El Paso Water Utilities Public Service Board (PSB), Trustee, has jurisdiction over certain lands in Northeast El Paso; and,

WHEREAS, the PSB has master-planned, with public input and City Council approval, several thousand acres of land in Northeast El Paso, the lands the subject of this Resolution being part of the Northeast Master Plan; and,

WHEREAS, the PSB finds that 4,832.99 acres of land, more or less, the subject of this Resolution are inexpedient to the water and wastewater system; and, the sale of which is in the interest of the citizens of El Paso and the ratepayers of the water and wastewater system. Such land to be sold to the highest bidder in accordance with Texas law; and,

WHEREAS, the PSB received a bid response to its public offering of the land for sale from Hunt Communities, LLC on July 31, 2007 for the per-acre price bid of \$27,132.00, such bid being in excess of the minimum bid price as set by the PSB and being the highest of two bids submitted for the property; NOW THEREFORE,

BE IT RESOLVED BY THE PUBLIC SERVICE BOARD OF THE CITY OF EL PASO, EL PASO WATER UTILITIES THAT:

Section 1. The findings and recitations in the preamble to this Resolution are true and correct and are hereby adopted by the El Paso Water Utilities Public Service Board and made a part of this Resolution for all purposes.

Section 2. The Public Service Board hereby finds that the real property that is the subject of this Resolution is inexpedient to the needs of the water and wastewater utility system, said real property being described as follows :

Portions of Sections 17, 18, 19, and 20, Block 80, Township 1 and Sections 13, 14, 18, 19, 20 and 23, Block 81, Township 1, Texas and Pacific Railway Company Surveys, City of El Paso, El Paso County, Texas consisting of 4,832.99 acres of land, more or less.

The surface estate of the real property to be sold with the reservation to the City acting by and through its El Paso Water Utilities Public Service Board of all subsurface estates, including the mineral estate, and of all groundwater rights, including all rights to drill for and produce subsurface water.

Section 3. The Public Service Board hereby awards the bid for the sale of the lands the subject of this Resolution and the associated Master Planned Community Development Agreement for development of such lands to Hunt Communities, L.L.C. of El Paso, Texas, which was the qualified bidder that submitted the highest responsive bid for such lands, being the per-acre amount stated hereinabove. Said lands to be conveyed by the City and purchased and developed by Hunt Communities, L.L.C. in phased stages as described in the Invitation for Bids and associated Master Planned Community Development Agreement.

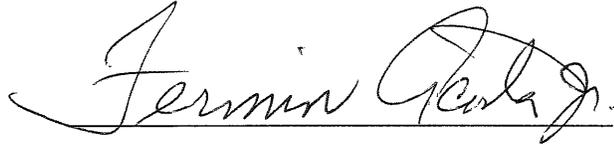
Section 4. The Public Service Board, Trustee, hereby requests that the City Council of the City of El Paso, authorize the City Manager to execute Special Warranty Deeds or other documents, including the Master Planned Community Development Agreement, as may be required or appropriate from time to time in order to complete the sale and conveyance of the lands along with their development by Hunt Communities, L.L.C.

Section 5. This Resolution shall be effective upon its passage and adoption. The Secretary/Treasurer is directed to transmit an original of this Resolution to the City Clerk of the City of El Paso, Texas. Said action being notice of the award of bid.

PASSED, ADOPTED AND APPROVED at a regular meeting of the Public Service Board of the City of El Paso, Texas this 8<sup>th</sup> day of August, 2007, at which meeting a quorum was present, said meeting being held in accordance with the provisions of Texas V.T.C.A. Government Code, Sections 551.001 et seq.

EL PASO WATER UTILITIES

PUBLIC SERVICE BOARD



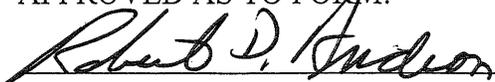
Fermin Acosta, Jr., Chair

ATTEST:



Ruben Guerra, Secretary/Treasurer

APPROVED AS TO FORM:



Robert D. Andron, General Counsel

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TO: Joyce Wilson, City Manager  
City of El Paso, Texas

FROM: Robert D. Andron, General Counsel *R Andron*  
El Paso Water Utilities Public Service Board

DATE: August 8, 2007

SUBJECT: Request to place Item on City Council Agenda – Introduction: August 21, 2007

AN ORDINANCE OF THE CITY OF EL PASO, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE SPECIAL WARRANTY DEEDS OR OTHER DOCUMENTS AS REQUIRED FOR PHASED CONVEYANCE AS RECOMMENDED BY THE PRESIDENT/CEO OF EL PASO WATER UTILITIES OF THE FOLLOWING DESCRIBED REAL PROPERTY TO HUNT COMMUNITIES, LLC, THE HIGHEST BIDDER, SUCH LAND TOTALING APPROXIMATELY 4,832.99 ACRES OF LAND OUT OF PORTIONS OF SECTIONS 17, 18, 19 AND 20, BLOCK 80, TOWNSHIP 1, AND SECTIONS 13, 14, 18, 19, 20 AND 23, BLOCK 81, TOWNSHIP 1, TEXAS AND PACIFIC RAILWAY COMPANY SURVEYS, CITY OF EL PASO, EL PASO COUNTY, TEXAS, LOCATED IN NORTHEAST EL PASO.

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**INTRODUCTION – City Council Agenda – August 21, 2007**  
**PUBLIC HEARING – City Council Agenda -- September 4, 2007**

**Background**

The El Paso Water Utilities Public Service Board has master-planned, with public input and City Council approval, several thousand acres of land in Northeast El Paso. On July 31, 2007, the PSB received a bid response (Bid No. 29-07) to its public offering of the land for sale from Hunt Communities, LLC, for the per-acre price bid of \$27,132.00. This bid was in excess of the minimum bid price as set by the PSB and the higher of two bids submitted for the real property in response to the PSB Invitation for Bids.

By a Resolution dated August 8, 2007, the El Paso Water Utilities Public Service Board, (PSB), which has jurisdiction over those certain parcels of land described as: Parcel MPC, being 4,832.99 acres of land, more or less and consisting of portions of Sections 17, 18, 19 and 20, Block 80, Township 1, and Sections 13, 14, 18, 19, 20 and 23, Block 81, Township 1, Texas and Pacific Railway Company Surveys, City of El Paso, El Paso County, Texas; found the Parcel to be inexpedient to the water system, approved the sale of the land to the highest bidder, and requested the El Paso City Council pass an ordinance conveying the real property in phases to the highest bidder.

The real property shall be conveyed in phased stages as described in the PSB Invitation for Bids and shall be developed pursuant to the Master Planned Community Development Agreement as also set out in the Invitation for Bids.

City Manager Joyce Wilson  
Department Memo, August 8, 2007  
Request for Items for City Council Agenda  
**Introduction of Ordinance-August 21, 2007**  
Parcel MPC in Northeast El Paso  
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**PARCEL MPC**

Being a portion of land out of Sections 17, 18, 19, and 20, Block 80, Township 1, and Sections 13, 14, 18, 19, 20 and 23, Block 81, Township 1, Texas and Pacific Railway Company Surveys, City of El Paso, El Paso County, Texas, City of El Paso, El Paso County, Texas, being approximately 4,832.99 acres of land to Hunt Communities, LLC, in the amount of \$27,132.00 per acre.

**ACTION REQUESTED**

That the City Manager is hereby authorized to sign Special Warranty Deeds or other documents as required for phased conveyance as recommended by the President/CEO of the El Paso Water Utilities, to Hunt Communities, LLC., the highest bidder, land described as Parcel MPC, being approximately 4,832.99 acres of land, more or less and consisting of portions of Sections 17, 18, 19 and 20, Block 80, Township 1, and Sections 13, 14, 18, 19, 20 and 23, Block 81, Township 1, Texas and Pacific Railway Company Surveys, City of El Paso, El Paso County, Texas. Said property is located in northeast El Paso. The City Manager is further authorized to sign any and all documents required to accomplish the conveyance of said property.

**REQUEST TO PLACE ITEM ON THE CITY COUNCIL AGENDA**

Attached is a copy of the Ordinance and a copy of the Special Warranty Deed(s) for the parcel in this request. Upon passage of the Ordinance, it is requested that the City Clerk provide to this office a copy of the fully executed and numbered Ordinance for the parcel.

As to the deed(s), after City Council approval, execution by the City Manager and notarizing such signature, the City Clerk's Office will make a copy for her file, the City Clerk will route the original Special Warranty Deed(s) to the El Paso Water Utilities Legal Section so that arrangements can be made for a closing on the parcel. After closing and once the Special Warranty Deed(s) has been filed of record, this office will send a conformed copy to the City Clerk for the City's permanent records.

Please advise this office upon completion of your approval of the placement of these items on the City Council Agenda and my Secretary will contact the City Clerk and make arrangements to have document packets hand-delivered to the City Clerk's Office and email backup documents as noted to those listed below. If there are any questions, please call me at 594-5607 or email [bandron@epwu.org](mailto:bandron@epwu.org).

I will plan to attend the Public Hearing for the Ordinance which is scheduled at this time for the City Council agenda September 4<sup>th</sup>, 2007. Thank you for your kind attention to these matters.

Attachments

Cc: The Honorable Mayor John Cook (email)  
City Council Representatives (email)  
Pat Adatao, Deputy City Manager for Building & Planning Services (email)  
Charlie McNabb, City Attorney (email)  
Theresa Cullen-Garney, Deputy City Attorney (email)  
Richarda Duffy-Momsen, City Clerk (hard copies & email)  
Nicholas J. Costanzo, Vice President of Strategic, Financial & Management Services  
Marcela Navarrete, Chief Finance Officer, PSB  
Jim Shelton, Land Management, PSB