



**MEMORANDUM**

Date: April 26, 2022

To: Water Utility Board

From: Krishna Kumar, General Manager

Subject: Execution of a Purchase and Sale Agreement between the City of Madison and Hawthorne & Stone Construction, Inc. for the sale of surplus property located at 10451 Old Sauk Road in the City of Madison

**RECOMMENDATION**

Authorize the City of Madison's (City) execution of a Purchase and Sale Agreement between the City and Hawthorne & Stone Construction, Inc. for the sale of surplus property located at 10451 Old Sauk Road in the City of Madison.

**BACKGROUND**

The Property at 10451 Old Sauk Road totals approximately 15.68 acres and was acquired by the Utility in 2000 for the purposes of establishing an aerial reservoir to serve the far west side of the City. The construction of the water tower was completed in 2019. The Utility intends to retain an approximately 1.72-acre parcel to provide access to the water tower and related operations. The Utility is interested in selling the remainder of the property, 13.96 acres, which has been identified as surplus.

City's real estate team has completed negotiations with the purchaser of the 13.96 acres of surplus property for a purchase amount of \$1,146,000. Following the sale, net proceeds, after associated closing costs, will be deposited into the Utility operating fund and be reflected in the Utility's operating fund balance.

**ATTACHMENTS:**

1. Copy of the Common Council resolution referred for introduction – File # 70643