

MEMORANDUM

TO: MAYOR MUNSON
COUNCIL MEMBERS

FROM: BONNIE HUGHES

SUBJECT: WATER RESERVIOR SITE

DATE: MARCH 21, 2002

The City has worked with the real estate agent representing the property owner of the site where a new water reservoir should be located. This property consists of 5.4 acres, located along Sheridan Lake Road and the upper part of this parcel has the required elevation for water reservoir to serve expanding areas of the city.

The contingencies on this offer are:

- Council approval
- Property appraising at listing price
- Approval by Pennington County for a
Conditional Use Permit for the reservoir
- Subdivision variance if required for street improvements
street lighting conduit, etc.

This will be an underground tank with only a portion of the reservoir exposed above ground on one side. Once the reservoir is constructed, staff believes that the property could be subdivided to allow for one building site. This determination will be made when construction is completed.

There are two locations in this area at the required elevation that could support a water reservoir. The other parcel is located west of this site, is a smaller tract and additional costs for piping make the second site more expensive.

ACTION REQUESTED: Authorize Mayor and Finance Officer to sign the purchase agreement for Lot 3, Holliridge Subdivision, NWNE4, Sec. 31, T1N, R7E, in the amount of \$70,000 with the above contingencies outlined on the purchase agreement.

Staff will keep the Council informed as each of the contingencies is accomplished and this project moves forward.