



## CITY COUNCIL AGENDA ITEM

**To:** Mayor and City Council

**From:** Walter Denton, City Administrator

**Date:** May 1, 2006

**Subject:** An Ordinance authorizing the City to enter into an Intergovernmental Agreement with the O'Fallon Consolidated School District 90 relating to the exchange of real property between the City of O'Fallon and O'Fallon Consolidated School District 90

**List of committees that have reviewed:** None, but issue has been discussed previously in Executive Session.

**Background:** Since the Police Department moved into their new building in October 2004, we have been looking for a tenant to move into the old police station. The City has no need for the building and the City Council voted to surplus the building at its meeting on February 6, 2006. At the same time, we have been looking for a location for a north O'Fallon fire station to comply with ISO requirements.

Several months ago, we began discussions with School District 90 for a property exchange to accomplish these two goals. District 90 is looking for a building to house their administrative offices and they own 9.9 acres on Kyle Road across the street from Fulton Jr. High School. Appraisals were conducted on the two properties: the old police station is valued at \$235,000 and the school's land is valued at \$297,000. As a result, the intergovernmental agreement provides for a property exchange plus the City paying the remaining \$62,000 to the school district.

**Legal Considerations, if any:** Because City Attorney Dale Funk also represents District 90, he has recused himself and the City retained Steve Wiggington to prepare the legal documents.

**Budget Impact:** In addition to the property exchange, the City is paying \$62,000 to District 90 to equalize the difference between the appraisals.

**Staff recommendation:** Staff recommends approval.