



STAFF REPORT
Public Hearing 7-26-21

AGENDA ITEM #: 21-71
COUNCIL MTG OF: June 15, 2021
FROM: M. Fowler, Public Works Director; T. Carrier, Deputy Public Works Director
OFFERED BY: M. Fowler, Public Works Director; T. Carrier, Deputy Public Works Director
PREPARED BY: M. Fowler, Public Works Director; T. Carrier, Deputy Public Works Director
SUBJECT: Sale of Town Real Estate: Woodlands and Meadowbrook Well Lots

PURPOSE

The purpose of this document is to present to the Council, for their consideration and approval, the sale of two (2) Town owned parcels, former community well lots which are no longer in service using a sealed bid process.

TOWN ADMINISTRATOR COMMENTS:

The Council is urged to support this initiative after the July 20 public hearing and to provide any feedback on the various methods of disposition (sealed bids, public auction, etc.)

BACKGROUND

In 1990, in accordance with the Derry Water System Master Plan, the Town (Water Dept.) purchased the Meadowbrook and the Woodlands community water systems for \$100,000 and \$24,000, respectively. These were neighborhood water systems, operated by the Town, which serviced approximately 60 homes each with water supplied from shared bedrock wells. Each water system included a parcel of land which sited the pump house and the wells.

In 2011 and 2017, respectively, the Meadowbrook and Woodlands Community Water Systems were interconnected to the Derry core water system due to water quality issues. The wells and pump houses that supplied these systems with water are no longer in operation. The Water Dept no longer has need to retain the well lots.

Each lot is in a single-family residential neighborhood and more particularly described below.

DERRY TAX PARCEL ID	Address	Type of Property/Zone	Registry of Deeds Book/Page	Current Assessment
03-169-060	5 Lester Lane	Land with Pump House 2.2 AC /LMD	2857/2224	\$ 78,200.00
DERRY TAX PARCEL ID	Address	Type of Property/Zone	Registry of Deeds Book/Page	Current Assessment
09-068-025	23 Adams Pond Road	Vacant Land 3.0AC /LMD	2843/2626	\$ 73,400.00

5 Lester Lane has direct frontage on a Town Road. 23 Adams Pond lot does not have frontage on a Town approved road but has an easement for driveway access onto Meadowbrook Road.

DISCUSSION

The Administrative Code of the Town of Derry Chapter V Article V Section 5-27 governs the process for the sale of Town-owned land. In accordance with these rules all Town Departments, the Derry Planning Board, Conservation Commission, and Heritage Commission were noticed of the intent to sell these parcels and were asked to provide any comments or recommendations to the Department of Public Works by June 1, 2021. The Heritage Commission and Planning Board informed DPW that they had no objections. No other comments were received.

Per the Town Code, once the Council schedules a public hearing on the sale, DPW will:

1. Notify the direct abutters of the impending sale and the meeting date, and
2. Post each property with a "For Sale" sign with contact information.

Finally, the Town Code requires the Town to request proposals from "real property auctioneers or licensed real estate agents" for the management and conduct of the sale. The Council may consider waiving the requirement since the property is vacant and may be sold by sealed bid. The Town's attorney would prepare the deeds and conduct the closing.

Attached is a copy of the proposed Sealed Bid Request.

FISCAL IMPACT

The FY2021 Water Budget estimated a revenue of \$85,000 for the Meadowbrook parcel and \$100,000 for the Woodlands Parcel. Given the current real estate market, that may be conservative. The Council may consider a minimum bid amount above the \$10,000 currently proposed in the Bid.

If the property is developed as a single family residential home, an estimated annual tax revenue of \$

RECOMMENDED ACTION BY COUNCIL

The Council is asked to approve the sale of parcel 03-169-060 5 Lester Lane and parcel 09-068-025 23 Adams Pond Road by sealed bid and that the Town Administrator be authorized to execute all documents necessary to affect the sale and property transfer.