

One-rdg. _____
P. Hrngs. _____
Pgs. 4
Filed 10-02-18

Sponsored by Prater

First Reading _____

Second Reading _____

COUNCIL BILL 2018- 247

SPECIAL ORDINANCE _____

AN ORDINANCE

1 AUTHORIZING the City Manager, or his designee, to refund \$1,000 in earnest money to
2 Reed Enterprises, LLC; approving a budget adjustment to amend the
3 Fiscal Year 2018-2019 budget of the Department of Environmental
4 Services; and repealing Special Ordinance 27039.
5 _____
6

7 WHEREAS, Reed Enterprises, LLC, was the highest bidder to purchase property
8 generally located at 535 North Warren Avenue from the City; and
9

10 WHEREAS, to secure such purchase, Reed Enterprises, LLC, deposited \$1,000 in
11 earnest money with the City; and
12

13 WHEREAS, in Special Ordinance 27039, City Council approved selling 535 North
14 Warren Avenue to Reed Enterprises, LLC; and
15

16 WHEREAS, after Special Ordinance 27039 was passed, Continental Title Company
17 discovered that the City acquired title to 535 North Warren Avenue subject to certain
18 judgments and a state tax lien; and
19

20 WHEREAS, the City was unable to convey marketable title, and Continental would
21 not insure the title; and
22

23 WHEREAS, the City desires to refund the \$1,000 earnest money to Reed
24 Enterprises, LLC.
25

26 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF
27 SPRINGFIELD, MISSOURI, as follows, that:
28

29 Section 1 – City Council hereby authorizes the City Manager, or his designee, to
30 refund \$1,000 in earnest money to Reed Enterprises, LLC.
31

32 Section 2 – The budget of the Department of Environmental Services for Fiscal Year
33 2018-2019 is hereby amended in the accounts and in the amounts as shown on Budget
34 Adjustment No. 0014, a copy of which is attached hereto and incorporated herein by this
35 reference as “Exhibit A.”
36

37 Section 3 – City Council hereby finds that the budget adjustment made above has
38 been recommended by the City Manager.

39
40 Section 4 – The City Manager is directed to cause the appropriate accounting entries
41 to be made in the books and records of the City.

42
43 Section 5 – Special Ordinance Number 27039 is hereby repealed in its entirety.

44
45 Section 6 – This Ordinance shall be in full force and effect from and after passage.

46
47 Passed at meeting: _____

48
49 _____
50 Mayor

51
52 Attest: _____, City Clerk

53
54
55 Filed as Ordinance: _____

56
57 Approved as to form: *Duke M. Donald*, Assistant City Attorney

58
59 Approved for Council action: *Jason A. Hage*, City Manager
60
61

EXPLANATION TO COUNCIL BILL 2018 - 247

FILED: 10-02-18

ORIGINATING DEPARTMENT: City Manager's Office

PURPOSE: Authorizing the City Manager, or his designee, to refund \$1,000 in earnest money to Reed Enterprises, LLC; approving a budget adjustment to amend the Fiscal Year 2018-2019 budget of the Department of Environmental Services; and repealing Special Ordinance 27039.

BACKGROUND INFORMATION: Reed Enterprises, LLC, was the highest bidder to purchase 535 North Warren Avenue from the City. To secure the purchase, Reed Enterprises, LLC, deposited \$1,000 in earnest money with the City. In Special Ordinance 27039, City Council approved selling 535 North Warren Avenue to Reed Enterprises, LLC.

Since that time, Continental Title Company discovered that the City acquired title subject to certain judgments and a state tax lien. Therefore, the City was unable to convey marketable title, and Continental would not ensure title. Because the sale of property cannot be completed at this time, the \$1,000 earnest money should be refunded to Reed Enterprises, LLC.


REMARKS: A budget adjustment will be necessary for this transaction.

Submitted by:



Duke McDonald, Assistant City Attorney

Recommended by:



Collin Quigley, Assistant City Manager

Approved by:



Jason Gage, City Manager

CITY OF SPRINGFIELD, MO
BUDGET ADJUSTMENT

Exhibit A

Budget Adjustment
0014

Revenues:

Fund	Dept	Org	Account	P&G	Location	Amount	Description
53010	08	30010	414110	000000	00000	(7,900)	Sale of Surplus Property
Net Revenue Adjustment						(7,900)	

Expenditures:

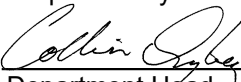
Fund	Dept	Org	Account	P&G	Location	Amount	Description
53010	08	30010	504580	000000	00000	(7,900)	Sale of Surplus Property
Net Expenditure Adjustment						(7,900)	

Fund Balance Appropriation:

Fund	Title	Amount

Explanation: To appropriate funds from the sale of property at 535 N Warren, to the originating fund. There are no unrestricted proceeds to appropriate to the Police Fire Pension Fund.

Requested By:


Department Head 10/2/18
Date

Approved By:


Director of Finance or Acting Director 10/2/18
Date

Authorization:

Council Bill No. 2018-247
Ordinance No. _____
1st Reading _____
2nd Reading _____
Journal Imp No. _____

City Manager Date