

## CURRENT NEGOTIATIONS WITH SAN JUAN SCHOOL DISTRICT FOR PURCHASE BY THE TOWN OF BLUFF OF THE OLD BLUFF ELEMENTARY SCHOOL

The exact date that the San Juan School District (“District”) put the Bluff Elementary School on the market is unclear but it was sometime in 2019. At that time, the Bluff Town Council (“Town”) approached the District about gifting the building and grounds to the Town as a gesture of good will from one public entity to another.

In early 2020, the Town made an offer to purchase the property as did other interested parties. The Town pursued Community Impact Board (CIB) funding and on April 27, 2020, the Town held a public hearing to elicit public comment, for and against the purchase. There were minimal public comments which may be found in the April 27 2020 public hearing minutes at [townofbluff.org](http://townofbluff.org). The CIB representative told the Town that the property could not simply “be purchased” but would need to undergo significant improvements to create a “turnkey” operational public town hall.

Tri-Hurst Construction completed its review of the scope of work and the total price for purchase and renovation of the building was \$1.6 million. The CIB advised the Town this would be financed by part loan and part grant. The Town Council determined this was not economically feasible and withdrew its request to the CIB for funding. At the same time, the Town had several conversations with Zions Bank about bonds; again, this was determined to not be economically feasible.

After the District negotiated with another individual for the purchase, the District ceased those negotiations in 2021 and circled back to the Town. The Town made an offer to the District in May 2021 for \$307,500, contingent upon securing funding within 60 days of the closing of the deal.

These negotiations with the District have been the subject of the executive sessions held by the Town Council the past few months. The Town’s attorney drafted a purchase agreement, based in part on modification of the District’s terms, and submitted it to the District’s Interim Business Manager for consideration by the Board. On June 22, 2021, the District voted to sell the property to the Town.

The Town Council is now in the process of discussing the terms and the funding in open meetings. The purchase price of the building, the supplemental structures, and the almost 4 acres is \$307,500. The Town has 60 days from signing to secure funding. There is a non-compete clause in the proposal that requires the Town to agree not to compete for educational funds or purposes, i.e. the Town could not use the building for a grade school.

Before the building can be issued a Certificate of Occupancy, it is highly probable that a fire suppression system will need to be installed as there is not one in the building now. The cost of the fire suppression for the new Bluff Elementary School (pre-Covid

19 dollars) was \$150,000 - \$200,000. A recent analysis of asbestos shows minimal known asbestos that might need mitigation.

A search for funding is being undertaken by the Council; however, no final purchase agreement between the District and the Town has been signed. Time is now of the essence to take the step of signing the purchase agreement if the Town Council has at least 3 votes to go forward.