

# County of Monterey

Board of Supervisors Chambers 168 W. Alisal St., 1st Floor Salinas, CA 93901

# **Board Report**

File #: RES 12-0076, Version: 1

# Adopt a Resolution:

- a. Determining County-owned real property improvements of two buildings located at 54692 Teresa Street, San Lucas, California, is surplus real property with a value less than twenty-five thousand dollars (\$25,000), and is no longer necessary for County or other public purposes;
- b. Adopting a Notice of Intention pursuant Government Code Section 25526.5 for sale of surplus real property improvements consisting of two buildings located at 54692 Teresa Street, San Lucas, California;
- c. Authorizing the Clerk of the Board to publish Notice of Intent to Sell;
- d. Approving the Closed Bid Procedures and Transfer Agreement;
- e. Authorizing the Contracts/Purchasing Officer to receive bids until 2 p.m. on Wednesday, August 15, 2012;
- f. Authorizing the Contracts/Purchasing Officer to read the bids at 2 p.m. on Wednesday, August 15, 2012, accept oral bids, and declare the highest responsible bid;
- g. Authorizing the Contracts/Purchasing Officer to execute and record the Transfer Agreement, Quitclaim Deed, and any related documents to complete the sale when the sale is reported to and confirmed by the Board of Supervisors; and
- h. Determining the sale of the surplus County property is Categorically Exempt under California Environment Quality Act Guidelines Section 15312.

# **RECOMMENDATIONS:**

It is recommended that the Board of Supervisors adopt a Resolution:

- a. Determining County-owned real property improvements of two buildings located at 54692 Teresa Street, San Lucas, California, is surplus real property with a value less than twenty-five thousand dollars (\$25,000), and is no longer necessary for County or other public purposes;
- b. Adopting a Notice of Intention pursuant Government Code Section 25526.5 for sale of surplus real property improvements consisting of two buildings located at 54692 Teresa Street, San Lucas, California;
- c. Authorizing the Clerk of the Board to publish Notice of Intent to Sell;
- d. Approving the Closed Bid Procedures and Transfer Agreement;
- e. Authorizing the Contracts/Purchasing Officer to receive bids until 2 p.m. on Wednesday, August 15, 2012;
- f. Authorizing the Contracts/Purchasing Officer to read the bids at 2 p.m. on Wednesday, August 15, 2012, accept oral bids, and declare the highest responsible bid;
- g. Authorizing the Contracts/Purchasing Officer to execute and record the Transfer Agreement, Quitclaim Deed, and any related documents to complete the sale when the sale is reported to and confirmed by the Board of Supervisors; and
- h. Determining the sale of the surplus County property is Categorically Exempt under California Environment Quality Act Guidelines Section 15312.

# **SUMMARY**:

On December 6, 2011, the Board of Supervisors approved the purchase of real property located at 54692 Teresa Street, San Lucas, California, APN 231-036-005-000, for the amount of \$1 with the intent to demolish the existing buildings and construct a new library facility with sufficient space for present and future library needs for the San Lucas community. The County subsequently received a request for the purchase of the buildings.

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Government Code Section 25526.5 allows the Board of Supervisors to approve the sale of excess property valued under \$25,000 in the manner and upon the terms and conditions approved by the Board. The successful sale of the buildings will eliminate abatement and demolition costs of approximately \$70,000, and meet the County's obligation to remove or demolish existing structures prior to the construction of the new Monterey County Free Libraries (MCFL) San Lucas Branch. These project savings will be used towards the construction of the new library project.

The recommended action requests that the Board adopt a resolution determining the two buildings on County-owned real property located at 54692 Teresa Street in San Lucas, California, as surplus real property improvements with a value less than \$25,000 and no longer necessary for County or other public purposes. With Board approval, the two buildings will then be sold "as is" in a closed bid process to the highest bidder, subject to the requirements of Government Code section 25526.5. The Resource Management Agency - Public Works (RMA-PW) recommends the minimum bid for the sale of the buildings be set at \$1,000. These funds will cover minimum administrative costs incurred by the County to process the transaction. Any remaining proceeds will be used towards the construction of the Project. Appropriate public notice of the proposed sale will be given. The sale is Categorically Exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15312 (Surplus Government Property Sales). Per the County's General Plan designation, the new facility's final aesthetics will benchmark the community's style and will become the anchor for future development.

#### **DISCUSSION:**

This County-owned real property improvements consist of two buildings: 1) one 1,200-square foot, one-story, wood frame, slab-on-grade house built in 1945; and 2) one 1,000-square foot, one-story, wood frame garage, which are recommended to be determined and sold as surplus real property. The house was formerly leased by the County and used as the San Lucas Library; the garage served until recently as an office for the San Lucas Water District. Both structures are currently unoccupied and would require abatement of mold, asbestos, and lead-based materials prior to any future occupancy or renovation. An alternative study completed by County project staff in consultation with the RMA - Building determined that these buildings do not meet code regulations for assembly use and are not Americans with Disabilities Act (ADA) accessible. There are no records of building permits for the wood-frame garage. Estimated costs to upgrade the main house to meet A3 assembly code, ADA code, and complete mold/asbestos/lead abatement of the property exceed \$700,000, making any upgrades infeasible due to cost implications. A Phase 1 Historical Assessment completed by the County Historian determined the structures are not historically significant.

It will be the responsibility of the successful bidder to secure any surveys or appraisals. The RMA-PW will make available to the successful bidder various consultant reports prepared for the new library building project as background information for required environmental tests, reports, and permits including: Pre-demolition asbestos and lead testing report of the main library facility, (house only), Phase 1 Environmental Report, geotechnical investigation for underground utility detection, and topographic survey and site map of the property. The County makes no warranty concerning these reports, but is simply making them available as a convenience and as notice to any prospective purchaser. The successful bidder will also be required to execute a Transfer Agreement (attached). Within sixty calendar days of the Boards' confirmation of the sale, the successful bidder will be responsible for the abatement of existing buildings; securing all required permits; addressing any utility line interferences and preventing damage to existing trees on-site; securing of building moving services; removal of buildings to an alternate receiving site; and capping of existing utilities in accordance with all applicable Federal, State, and Local laws and regulations. The successful bidder must also submit to RMA-PW a work plan addressing all associated tasks to be accomplished with scheduled dates of completion five business days before commencing any work or changes at the property. The Transfer

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Agreement contains provisions intended to protect the County from any liability from the presence of lead, mold, and asbestos in the building. In buying the buildings "as is," and by executing the Transfer agreement, the purchaser will assume all hazardous substance liability from the time the buildings are severed from their present library site.

## OTHER AGENCY INVOLVEMENT:

The Monterey County Free Libraries, the San Lucas Union School District, and Contracts/Purchasing concur with the recommended action. The Office of the County Counsel has reviewed and approved the Transfer Agreement and Quitclaim Deed as to form and legality.

### FINANCING:

Dated: July 20, 2012

The successful sale and removal of the two buildings at 54692 Teresa Street, San Lucas, California will eliminate abatement and demolition costs of approximately \$70,000, and meet the County's obligation to remove or demolish existing structures prior to the construction of the new MCFL San Lucas Branch. These project savings will be used towards the construction of the library project. Upon Board confirmation of the sale, sale proceeds will be transferred to the San Lucas Library project towards administration costs and construction of the new facility. The MCFL San Lucas Branch facility is funded with \$150,000 Capital Funds allocation and \$350,000 donation from the MCFL Foundation.

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Approved by:
Paul H. Greenway, P.E., Acting Director of Public Works
Benny J. Young, RMA Director

Attachments: Resolution; Sale of Surplus Real Property Closed Bid Procedure; Transfer Agreement; Quitclaim Deed; Public Notice of Intent to Solicit Bids for Sale of County Owned Property; Written Bid Form; Government Code Section 25526.5; Location Map