



# County of Monterey

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

## Board Report

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**File #:** A 14-056, **Version:** 1

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- a. Approve a Cancellation Agreement between County of Monterey and Reyes Venegas, relieving Mr. Venegas from his obligation to remove two structures located at 54692 Teresa Street, San Lucas, California;
- b. Authorize the Contracts/Purchasing Officer to execute said Cancellation Agreement; and
- c. Authorize the Director of Public Works to accept a QuitClaim Deed (Improvements Only) conveying title to the County for the real property improvements located at 54692 Teresa Street, San Lucas, California.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve a Cancellation Agreement between County of Monterey and Reyes Venegas, relieving Mr. Venegas from his obligation to remove two structures located at 54692 Teresa Street, San Lucas, California;
- b. Authorize the Contracts/Purchasing Officer to execute said Cancellation Agreement; and
- c. Authorize the Director of Public Works to accept a Quit Claim Deed (Improvements Only) conveying title to the County for the real property improvements located at 54692 Teresa Street, San Lucas, California.

### SUMMARY:

The recommended actions would cancel a Transfer Agreement between the County of Monterey and Reyes Venegas (Buyer) to abate existing Property Improvements (two buildings), located at 54692 Teresa Street, San Lucas, California (Site) and permit the County to accept the title of the buildings to allow the County to effect their removal as part of the overall new San Lucas Library Project, Project 8548 (Project).

### DISCUSSION:

On March 26, 2013, the Board of Supervisors adopted Resolution No. 13-024 confirming the sale of County-owned real property improvements of two buildings located at 54692 Teresa Street, San Lucas, California, to Reyes Venegas for the negotiated purchase price of \$410.

This sale was estimated to save the County \$70,000 in abatement, and demolition costs. Within sixty calendar days of the Board's confirmation of the sale, the Buyer was responsible for abatement of existing Property Improvements; securing all required permits; addressing any utility line interferences; preventing damage to on-site trees; 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.

To date, the buildings have not been removed though Resource Management Agency (RMA) -Public Works (PW) has worked in good faith with the Buyer to help him navigate the regulatory process. The Buyer advised the County that he had not completed the move due to various regulatory requirements and associated fees. On February 27, 2014, the Buyer requested that he be allowed to withdraw from the Transfer Agreement to remove the buildings at the Site due to unanticipated family and financial hardship. The Buyer has agreed to deed back the buildings to the County. County receipt of title will allow the building removal as part of the County's overall new Project as originally planned. The Buyer has also agreed to waive reimbursement from the County

for any of his costs associated with the initial transfer of the buildings from the County to Buyer, including, but not limited to, the net purchase price of \$410 and architectural and engineering costs.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved the Cancellation Agreement as to form. The Monterey County Free Libraries (MCFL) concurs with the Cancellation Agreement.

FINANCING:

The Project is currently funded with \$344,187 Capital Funds, \$700,000 in MCFL Department donations and grant funding, and \$410 from sales proceeds for the buildings, totaling \$1,044,597. The Project budget, however, has increased due to unforeseen site soil remediation and building abatement and demolition costs. This additional scope of work leaves the Project unfunded in the amount of \$486,154. RMA-PW has applied for grant funding in the amount of \$200,000 through the Environmental Protection Agency Brownfield's Clean Up Grant Program and the Community Development Block Grant Program in the amount \$150,938 to fund site soil remediation. Staff will work with the MCFL and RMA-Finance to identify funds for the demolition costs in the amount of \$135,216. If funds are not secured, the Project will be placed on hold indefinitely until alternative funding is identified and secured.

Prepared by: George K. Salcido, Real Properties Specialist (831) 755-4800

Approved by:

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Robert K. Murdoch, P.E., Director of Public Works

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Benny J. Young, RMA Director

Dated: April 25, 2014

Attachments: Cancellation Agreement; Transfer Agreement; Quitclaim Deed (Improvements Only); Location Map; (Attachments on file with the Clerk of the Board)