



August 27, 2018

TO: LOCSO Board of Directors  
FROM: Renee Osborne, General Manager  
Rob Miller, District Engineer  
SUBJECT: **Agenda Item 12C – 9/6/2018 Board Meeting**  
Consideration of Potential Sale of District Property

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**DESCRIPTION**

Board consideration of the potential sale of District Property; APN# 038-641-004, 1936 12<sup>th</sup> Street, abandoned well site.

**STAFF RECOMMENDATION**

***Motion: I move that the Board list the 1936 12<sup>th</sup> Street Property; APN# 038-641-004, for sale.***

**OR**

***Motion: I move that the Board not list the 1936 12<sup>th</sup> Street Property; APN# 038-641-004, for sale at this time.***

**DISCUSSION**

In 1988, the County abandoned the 12<sup>th</sup> Street well due to high nitrate levels. Currently there is a deteriorating shed on site but no District equipment, there is no water meter connection but there is a “stubbed out” sewer lateral. District Engineer Rob Miller indicated that there are no BMC plans for a shallow well at this location and the existing well lacks an appropriate sanitary seal as required by modern standards. However, the well does have value in that it is presently being used by the BMC as a Zone C monitoring well, complete with a permanent water level monitoring device. While other monitoring wells are available in the vicinity, this well is unique in that it is on District-owned property, and therefore available for sampling and monitoring without requiring the permission of a third party.

If the Board is interested in selling the property on 12<sup>th</sup> Street, the costs associated with decommissioning the well would need to be passed on to the buyer. We would also need to consider the economic value of a District-controlled monitoring location, which can be analyzed in terms of the replacement cost. Staff estimates that the planning, design, permitting, and construction of an equivalent monitoring well would be on the order of \$80,000. The sale of the property would have to at least equal the economic value that a monitoring well is worth to us presently.

## **SUMMARY**

Rob Miller, Roy Hanley, Spencer Harris, and the General Manager met to discuss the possible sale of the 12<sup>th</sup> Street property and loss of a Monitoring Well. Staff feels that an economic benefit above and beyond the well replacement cost would need to be realized to proceed with the process of selling the parcel.

## **FINANCIAL IMPACT**

All costs associated with the sale of the property and establishing a new monitoring well should be covered by the purchaser, with a net additional economic benefit to the District.