

**Metropolitan Domestic Water Improvement District  
Board of Directors Meeting**

**June 11, 2012**

**Possible Disposition of the Ina/La Cañada Drive Well Site**

**Synopsis**

The Board of Directors has been asked to decide whether it wants to dispose of property located at 7180 N. La Cañada Drive, which is the old Ina/La Cañada well site.

**Background**

At the April 30, 2012 study session, Jonathan Zagorsky, a District customer, proposed exchanging property he owned at 22<sup>nd</sup> Street with the District's Ina/La Cañada well site located at 7180 N. La Cañada Drive. Staff has been in contact with Mr. Zagorsky and discussed his proposal with Legal Counsel.

**Report**

Based on Legal Counsel's opinion, the District has a right to acquire property and dispose of property in whatever manner it sees fit; however, the reason for the acquisition or disposition of property should be consistent with the purposes for which the District was formed. It was Counsel's view that it could be problematic for the District to exchange property for other property that is not only located outside the District, but which has a use that is more or less irrelevant to the ultimate goals of a domestic water improvement district.

The Ina/La Cañada well site, which also includes a storage tank, has not been in use for some time. If the District wants to dispose of the property, an appraisal ought to be undertaken at the outset in order to determine a fair market value for the property. Once the appraisal is done, the District can then determine if it would be cost effective to sell the property based on the costs involved with salvaging the tank and abandoning the well, or whether it would make more sense to use the existing well as a monitoring well.

**Staff Recommendation**

It is recommended that the Board of Directors direct staff to have an appraisal done for the property at 7180 N. La Cañada Drive. Upon completion of the appraisal, the District can then consider estimating the costs of removing the storage tank; or, alternately, whether the well should be abandoned or used as a monitoring well. Based on the costs involved, the Board would then be asked to determine if it wants to proceed with selling the property. Staff would

report to Mr. Zagorsky that the District is initially having an appraisal done of its property.

**Suggested Motion**

I direct staff to have an appraisal completed for the Ina/La Cañada well site located at 7180 N. La Cañada Drive.

Respectfully submitted,

Mark R. Stratton, P.E.  
General Manager