



TO: T.C. Broadnax, City Manager
FROM: Gloria Fletcher, Senior Real Estate Officer TPU, Department of Public Works
William A. Gaines, Director of Utilities/CEO
COPY: City Council and City Clerk
SUBJECT: Resolution – Set Public Hearing – September 30, 2014
DATE: September 10, 2014

SUMMARY:

To Set Tuesday, October 14, as the date for a Public Hearing in order to declare surplus and approve the negotiated sale of approximately 20 acres of real property located in the Green River Watershed to the United States of America for \$142,300.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an open, effective, results-oriented organization.

This transaction supports an open, effective, and results-oriented organization by allowing for public input on this real estate transaction.

BACKGROUND:

In 1986 Tacoma Water issued the United States of America, specifically the Army Corps of Engineers (“ACOE”) permission to install, operate, and maintain fifteen piezometers and related underground infrastructure on its property located near the Howard Hanson Dam, which is within the Green River Watershed. These piezometers track groundwater, and this information is analyzed to monitor the safety of the dam. Since the original permit, ACOE has added sixteen piezometers as well as additional drainage tunnels and two small log boom anchor sites. The extent of these improvements has resulted in a significant encumbrance to the real property, and therefore it was determined by both Tacoma Water and the ACOE that a transfer of this property would be in the best interests of both parties.

Tacoma Water and ACOE have worked collaboratively to determine the boundaries of the areas to be conveyed in a manner that results in as little impact to Tacoma Water’s watershed operations as possible.

Tacoma Water has confirmed that there is no foreseeable need for continued ownership of this property, and that its current operations are not impacted by this transaction. This action was approved by the Public Utility Board on September 24, 2014.

ALTERNATIVES:

Due to the unique nature of this transaction, the only alternative to declaring this property surplus and disposing of it through the negotiated sale disposition process is to retain ownership and continue to permit ACOE’s activities indefinitely. As noted above, the ACOE’s use significantly impacts how Tacoma Water can utilize this property, so a transfer of the fee interest to the ACOE is the most practical solution.



RECOMMENDATION:

Tacoma Water and Real Property Services recommend that the City Council set a public hearing to be held October 14, 2014 to receive public comment regarding the proposed sale of approximately 19 acres within the Green River Watershed to the ACOE.

The Public Hearing will provide a forum for the public to comment on the proposed sale, thereby promoting transparency of governmental actions and the responsible stewardship of City property. Once the Public Hearing has been conducted a separate request will be presented to City Council for the approval of the declaration of surplus, negotiated disposition, and conveyance of real property from The City of Tacoma to The United States of America.

FISCAL IMPACT:

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Water Capital Reserve Fund 4600-CAPTL GL6411030	587501		\$142,300.00
TOTAL			\$142,300.00

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: 0

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No. This revenue opportunity developed during this biennium after discussing the issue with the ACOE.

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.