



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
COPY: Charleen Jacobs, Director and Board Offices
FROM: ^{DS} MB Matt Bleich, Tacoma Power Natural Resources Manager
Greg Muller, Real Estate Officer, Real Property Services
MEETING DATE: April 13, 2022
DATE: April 1, 2022

SUMMARY: Declare surplus and authorize the negotiated sale of approximately 2.74 acres of unimproved Tacoma Power property, identified as Cowlitz County Assessor Tax Parcel No. WK1601006, located in the Vader vicinity of unincorporated Cowlitz County, to the BNSF Railway Company for \$81,200.00.

BACKGROUND: No previous request has been submitted to Board in relation to this proposal. The sale property is in a rural location in unincorporated Cowlitz County near the town of Vader. As detailed in the Background Memorandum dated March 16, 2021 previously provided to Board Members (copy attached), this property was originally acquired by Tacoma Power in 2013 utilizing Fish Habitat Funds targeted for fish habitat protection, restoration, and enhancement consistent with the Cowlitz Hydroelectric Project obligations under FERC License No. 2016. Given its land-locked status and small size, together with its location adjacent to an operating rail line, there is limited opportunity to improve habitat functions and values on this property.

In furtherance of a bridge replacement project across the Cowlitz River, the BNSF Railway Company ("BNSF"), who operates the adjacent rail line, would like to acquire the property.

Tacoma Power paid \$11,362.00 for the property in 2013. The net sale proceeds will be returned to the Fish Habitat Fund to be re-invested for fish habitat purposes consistent with the guidelines of the Habitat Advisory Group ("HAG") oversight committee established by the FERC License Settlement Agreement Article 11. Real Property Services has worked with Tacoma Power's Natural Resources division on this request, and the HAG committee has given its approval.

The sale documents were reviewed by the City Attorney's Office and approved by Tacoma Power management and Real Property Services.

Upon approval by the Board, a separate request will be made to the City Council to hold a Public Hearing to be followed by Final Approval. Closing of the sale is expected by June 2022.



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ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No.

IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.
N/A.

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? N/A.

ATTACHMENTS: Purchase and Sale Agreement, Declaration of Surplus, Background Memorandum to Board, Location Map

CONTACT: Primary Contact: Greg Muller, Real Estate Officer, 253.606.4688
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