



**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 – Declaration of Surplus and Negotiated Disposition of Tacoma Public Utilities, Light Division, real property – December 9  
**DATE:** November 19, 2014

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**SUMMARY:**

This memorandum provides information on the proposed sale of approximately 867 square feet of land by the City of Tacoma, Department of Public Utilities, Light Division (“Tacoma Power”) to the City of University Place for \$11,900. The property is located within University Place, near the intersection of Bridgeport Way and 21<sup>st</sup> Street West.

**STRATEGIC POLICY PRIORITY:**

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

This transaction supports an open, effective, and results-oriented organization by supporting a public transportation project in an efficient manner.

**BACKGROUND:**

This property is an 8.5 foot wide strip comprising the western border of Tacoma Power’s University Substation. It is currently a part of a larger landscaping buffer between Bridgeport Way and the substation.

The City of University Place has been in the process of making improvements to Bridgeport Way for several years, and this project is part of Phase 5 of the overall roadway improvement plan. The fair market value was determined to be \$11,900 by a third party appraiser. The valuation included reimbursement for landscaping improvements.

Tacoma Power has determined 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 October 15, 2014.

Tacoma City Council held a public hearing on November 4, 2014, as required by State law, to allow the public to comment on the proposed sale of this utility property. No comments or objections from the public were received during that hearing.

**ALTERNATIVES:**

Because this project is needed for a public use, the only alternative to declaring the parcel surplus and disposing of it through the negotiated sale disposition process is to retain ownership and allow the City of University Place to acquire an easement. Due to the extensive encumbrance that would result from the proposed use, Tacoma Power would receive no benefit for retaining ownership and could potentially be exposed to unnecessary risk and maintenance costs. Therefore, the negotiated disposition to the City of University Place is the most practical resolution to this issue.



**RECOMMENDATION:**

Tacoma Power and Real Property Services recommend that the City Council authorize the declaration of surplus and negotiated disposition of approximately 867 acres of land located in University Place, Washington to the City of University Place for \$11,900.

**FISCAL IMPACT:**

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Power Superintendent Fund 4700	56100		\$ 11,900
<b>TOTAL</b>			<b>\$11,900</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: 0**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** No. This revenue opportunity developed after the City of University Place approached Tacoma Power.

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