



3628 South 35<sup>th</sup> Street  
Tacoma, Washington 98409-3192

TACOMA PUBLIC UTILITIES

Date: August 25, 2017  
To: William A. Gaines, Director of Utilities/CEO  
From: Chris Robinson, Power Superintendent /COO  
Subject: Sale of Real Property – Portion of Potlatch-Cushman Transmission Line Corridor

**Recommendation:** Tacoma Power requests that you declare surplus and authorize the sale of its property - identified as portions of Pierce County Assessor Tax Parcel Nos. 0122164001, 0122211071, and 0122153058, covering approximately 1.35 acres - located on the north and south sides of SR 302 in unincorporated Pierce County, to the Key Peninsula Metropolitan Park District for \$16,250. An easement to Tacoma Power will be retained in the property for continued use of the transmission line corridor.

**Background:** Tacoma Power owns the Potlatch-Cushman transmission line corridor, which in this vicinity consists of two 20-foot-wide strips of land on either side of SR 302. However, Tacoma Power does not need to own the property as ownership entails additional management time and expense, especially due to requests to cross or otherwise use the corridor. Operational needs can be met through permanent easement rights alone, as proposed by this transaction. Additionally, the sale will generate one-time revenue for Tacoma Power. Due to a timing issue with Key Pen Parks' development of its Gateway Park property, they requested that we first grant them a permit to install the water line since the process to execute the sale of the property would take longer. Tacoma Power agreed to this request.

Following are the steps needed to complete the transaction:

- 1) Tacoma Power will issue a Temporary Construction Permit (TCP) to allow use of a portion of the Potlatch-Cushman Transmission line corridor for installation of a water line to serve Key Pen Parks' Gateway Park now under development.
- 2) Subsequent sale of the property is subject to completion of a Boundary Line Adjustment (BLA) - at Key Pen Parks' expense - needed to reconfigure the Tacoma Power property included in the sale. Tacoma Power to retain an easement in the property for continued transmission line operations with no adverse impact to long-term operational needs.
- 3) Property sale expected to close and TCP to expire by October 31, 2017. During the interim, will proceed to Board and Council for declaration of surplus and approval of the sale.

Tacoma Power has negotiated the sale price to Key Pen Parks for \$16,250; this figure takes into consideration the reservation of an easement to Tacoma Power for continued use of the transmission line corridor in the sale property. The sale is subject to both Public Utility Board and City Council approval.

**Schedule:** Upon approval from the Public Utility Board, Real Property Services will hold a Public Hearing and seek final approval of the transaction from the Tacoma City Council. If approved, the transaction will be completed by October 31, 2017. Your approval is requested to submit this matter to the Public Utility Board for consideration and approval.

APPROVED:

William A. Gaines, Director of Utilities/CEO