



TO: Mayor and City Council
FROM: William A. Gaines, Director of Utilities/CEO
COPY: T.C. Broadnax, City Manager and City Clerk
SUBJECT: Resolution – Set Public Hearing – January 31, 2017
DATE: January 11, 2017

SUMMARY:

To set Tuesday, February 14, 2017 as the date for a Public Hearing regarding the declaration of surplus and negotiated disposition of approximately 4,157 square feet of Tacoma Water property located in Cumberland, Washington to Mr. Ted Coutts in exchange for an equal amount of property owned by Mr. Coutts.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This request supports the above policy priorities by allowing for a cost-effective resolution of a infrastructure concern and an opportunity for public input on this real estate transaction.

BACKGROUND:

Tacoma Water’s Pipeline Number 1 is located in close proximity to Deep Creek in the unincorporated community of Cumberland in King County. Twenty two feet of the pipeline has been exposed due to stream erosion and is at risk of damage. Rerouting Deep Creek further from the pipe into a new stream channel would provide pipeline protection, restore stream and riparian habitats, and is supported by the regulatory agencies. This approach would also result in substantial savings compared with moving the pipeline. This plan requires the acquisition of a 20-foot strip of property owned by Mr. Coutts. Tacoma Water has agreed to transfer an equal amount of its land that abuts Mr. Coutts’ property along with \$10,000 for the relocation of his existing improvements.

The remaining terms and conditions of Real Estate Exchange agreement have been approved by Tacoma Water and Real Property Services, and reviewed by the City’s Legal Department.

ALTERNATIVES:

The alternatives to this transaction were to relocate the pipe instead of the creek or to purchase the property from Mr. Coutts with cash and retain the proposed exchange property. As described above, relocating the pipeline was determined to be too costly. Purchasing the small strip of property would have left Mr. Coutts with virtually no backyard so it was not a viable option for him. By exchanging the two pieces of property, both parties have a mutually acceptable agreement.

RECOMMENDATION:

Tacoma Water and Real Property Services recommend that the City Council set a public hearing, in accordance with RCW 35.94.040, to be held February 14, 2017 to receive public comment regarding the proposed exchange of approximately 4,157 square feet of Tacoma Water property to Mr. Ted Coutts in



exchange for an equal amount of real property and \$10,000 for relocation costs. Once the public hearing has been conducted, a separate request will be presented to City Council for the approval of the final conveyance.

FISCAL IMPACT:

There is no fiscal impact.