



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Jackie Flowers, Director of Utilities  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution – Declaration of Surplus and Sale of Tacoma Power Real Property – City Council Agenda for May 17, 2022  
**DATE:** April 14, 2022

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**SUMMARY AND PURPOSE:**

This memorandum provides information for the proposed sale of Tacoma Power property consisting of approximately 2.74 acres of land, 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. Pursuant to Resolution No. U-11315 adopted April 13, 2022, the Public Utility Board requests the City Council declare surplus and authorize this real property sale.

**BACKGROUND:**

[Click or tap here to enter text.](#)

The sale property is in a rural location in unincorporated Cowlitz County near the town of Vader. 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 terms and conditions of the Purchase and Sale Agreement were reviewed by the City Attorney’s Office and approved by Tacoma Power management and Real Property Services, and this surplus disposition was approved by the Public Utility Board via Resolution No. U-11315 adopted April 13, 2022. A Public Hearing was held before City Council on May 10, 2022.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

All abutting property owners were notified of the sale, a public hearing notice was published and the public hearing held as required by state law. No further community engagement efforts were identified and no potential impacts are foreseen to the local community.

**2025 STRATEGIC PRIORITIES:**

**Equity and Accessibility:**

The sale will allow continued operation of the abutting rail line owned and operated by BNSF. As the property is located in Cowlitz County, no Equity Index Score has been established.



**ALTERNATIVES:**

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Retain property.	None.	Costs for maintenance.

**EVALUATION AND FOLLOW UP:**

This is a one-time sale with no on-going evaluation required.

**STAFF/SPONSOR RECOMMENDATION:**

The Public Utility Board requests that the City Council declare surplus and authorize the negotiated sale of Tacoma Power property consisting of approximately 2.74 acres of land, 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.

**FISCAL IMPACT:**

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
GL 6411030	CC 561100	N/A	\$81,200.00
<b>TOTAL</b>			<b>\$81,200.00</b>

**Are there financial costs or other impacts of not implementing the legislation?**

No

**Will the legislation have an ongoing/recurring fiscal impact?**

No

**Will the legislation change the City's FTE/personnel counts?**

No

**ATTACHMENTS:**

Sale Property Location Map.