

SCL BPA Sale ORD

Date of this Brief	November 20, 2013		
Supersedes	N/A		
Key Contacts	Name(s)	Phone	Short Title
	Michael Jones	684-3243	SCL Power Supply and Environmental Affairs Officer
	Lynn Best	386-4586	SCL Director, Environmental Affairs & Real Estate Division
	Dave Barber	684-0400	SCL Real Estate Manager
Council Action Required?	Y	If YES, within the next 3 months?	Y
Public Hearing Required?	Yes		
Presenters (if applicable)	Michael Jones, Power Supply & Environmental Affairs Officer Dave Barber, Real Estate Services Manager		

Summary Statement

This legislation declares certain real property in Pend Oreille County surplus to Seattle City Light's needs and authorizes the sale of the real property to the Bonneville Power Administration.

Background

This legislation will declare surplus and authorize the sale of a portion of utility property under the jurisdiction of Seattle City Light. A public hearing is required pursuant to RCW 35.94.040.

The City of Seattle is the owner of certain parcels of real property, Tax Parcel Numbers 434010503000 and 434010500002, in Pend Oreille County, Washington. The parcels total 49.54 acres or 2,157,962 square feet. The Bonneville Power Administration ("BPA") owns Tax Parcel Number 434010503000 in Pend Oreille County, Washington, commonly known as the BPA Boundary Substation.

BPA offered to purchase a piece of City of Seattle's parcel 434010503000 that is immediately east of and adjacent to BPA's substation. The piece totals approximately 26,400 square feet, or approximately 0.61 acres. The reason for the purchase is that BPA needed to expand its substation to meet its obligations under various agreements with other utilities. The offer to purchase was made under threat of eminent domain.

The land was valued by BPA appraisers using federal appraisal methods, and the fair market value of the property was determined to be \$1,000. BPA agreed to pay City Light that amount on conveyance of the property. City Light issued a permit to BPA in 2009 to allow BPA to begin construction of its substation expansion, and collected the \$1,000 payment for the property

under that permit.

Key Issues

- Legislation is required when the City declares property or property rights originally acquired for public utility purposes surplus and sells City-owned property.
- The City has received true and fair market value for the surplus property.
- The sale of the property will not pose any risk, danger or obstruction to City Light's continuing operation and maintenance of its transmission and distribution lines in Pend Oreille County.

Next Steps

1. The General Manager and Chief Executive Officer of City Light or his designee will execute and deliver a quit claim deed for the surplus property to BPA.
2. The fully executed deed will be recorded with the Pend Oreille County Auditor's office.