#11

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 118273

AN ORDINANCE related to the City Light Department and Seattle Public Utilities; transferring jurisdiction of the former Wabash Substation Property from the City Light Department to Seattle Public Utilities for water, drainage, and other utility purposes.

WHEREAS, the City Light Department ("City Light") acquired the former Wabash Substation Property ("Wabash Property") for electric utility purposes, but no longer needs the Wabash Property for those purposes due to the conversion from a 4 kV to a 26 kV electric distribution system; and

WHEREAS, by Resolution 31424, the City Council requested that City Light conduct studies to consider and make recommendations for the appropriate disposition of additional groups of surplus properties, and adopted improved procedures for such studies; and

WHEREAS, City Light has conducted a study of nine surplus properties, six in West Seattle, one in the City of SeaTac, one in the City of Burien, and the Wabash Property in the Rainier Valley, and as part of this study, these properties were circulated first to other City departments and other public jurisdictions offering them the first opportunity to acquire these properties for public use; and

WHEREAS, the City of Seattle owns and operates a combined sewer system that overflows during heavy rain events; and

WHEREAS, the area of the Wabash Property has been subject to flooding and Seattle Public Utilities wishes to acquire the Wabash Property for a potential stormwater detention facility as well as a combined sewer overflow (CSO) storage facility; and

WHEREAS, City Light and Seattle Public Utilities have determined the fair market value of the Wabash Property to be $157,500; NOW THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Pursuant to provisions of RCW 35.94.040 and after public hearing, the property commonly known as the former Wabash Substation Property ("Wabash Property"),

legally described below, is declared no longer needed for the City of Seattle's electric utility purposes and is surplus to the City's electric utility needs:

Former Wabash Substation; 5122 S Cloverdale Street; Seattle, WA 98118
That portion of Lots 10 and 11, King County 4th Addition to the City of Seattle, according to the plat thereof recorded in Volume 32 of Plats, Page 34, in King County, Washington, lying southeasterly of a line described as follows: Beginning on the West line of said Lot 10 at a point 29.67 feet North of the Southeast corner of Lot 6 of said plat; thence running northeasterly to a point on the northeasterly margin of said Lot 11, said point being 105.00 feet northwesterly from the East corner of Lot 11, and the terminus of said line.(KCA No. 387040-0050; SCL PM No. 240435-2-301)

Section 2. Jurisdiction over the Wabash Property is hereby transferred from the City Light Department to Seattle Public Utilities for water, drainage, and other utility purposes, upon payment of $157,500 to the City Light Fund (Fund 41000) from the Drainage and Wastewater Fund (44010).

Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2015, and signed by me in open session in authentication of its passage this _____ day of _____, 2015.

_____

President _____of the City Council

Approved by me this ____ day of _____, 2015.

_____

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2015.

_____

Monica Martinez Simmons, City Clerk

(Seal)

Form revised: February 26, 2014

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle City Light	Lynn Best 386-4586	Greg Shiring / 386-4085

Legislation Title:

AN ORDINANCE related to the City Light Department and Seattle Public Utilities; transferring jurisdiction of the former Wabash Substation Property from the City Light Department to Seattle Public Utilities for water, drainage, and other utility purposes.

Summary of the Legislation:

This legislation will transfer jurisdiction over Seattle City Light's former Wabash Substation from City Light to Seattle Public Utilities for water, drainage, and other utility purposes, in consideration of a payment of $157,500 to the City Light Fund from the Drainage and Wastewater Fund.

Background:

The former Wabash Substation became surplus to City Light's needs as part of the system-wide conversion from a 4 kV to a 26 kV electric distribution system.

In 2011, by Resolution 31317, the City Council requested City Light to conduct a Surplus Property Disposition Pilot Project to test alternative procedures to accomplish the City Council's internal circulation and community outreach goals in disposing of surplus properties.

At the successful conclusion of the Surplus Pilot Project, the City Council authorized the sale of all six of the pilot properties, and in 2012, by Resolution 31412, the City Council requested that City Light study additional surplus properties, in similar geographic groupings, using the same procedures as those tested in the Pilot Project, and that City Light then make recommendations for the disposition of these properties to the City Council.

In 2013, City Light conducted the Southwest Seattle Surplus Property Disposition Study, including six former substations in West Seattle, one in Burien, one in SeaTac, and the former Wabash Substation in the Rainier Valley. These nine properties were circulated first to other City departments, and due to frequent CSO Basin overflows in the area and past flooding issues with the neighboring property, Seattle Public Utilities expressed interest in acquiring the former Wabash Substation for a potential future CSO Storage Facility to control overflows and/or potential stormwater detention facility.

A report to the City Council on City Light's Southwest Seattle Surplus Property Disposition Study, which included the circulation of the former Wabash Substation to other City departments, and community discussion about the proposed transfer of jurisdiction, is included in Clerk File _____ .

The value of the property was determined by an M.A.I. appraisal and a review appraisal obtained through the City's Department of Finance and Administrative Services.

No additional appropriations will be required to complete this transfer. The 2014-2019 Adopted Capital Improvement Program for Seattle Public Utilities, Drainage and Wastewater, will provide sufficient funding for this transfer through the Combined Sewer Overflow Program (BCL/Program Code C360); this ongoing program provides Combined Sewer Overflow control and wastewater projects in under-served parts of Seattle.

_X_ This legislation has financial implications.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2014 Revenue	2015 Revenue
City Light Fund 41000	Seattle City Light	Drainage and Wastewater Fund 44010	$157,500	$0
TOTAL			**$157,500**	**$0**

Other Implications:

a) Does the legislation have indirect financial implications, or long-term implications?

City Light may deposit the proceeds from this transfer in the City Light Rate Stabilization Account, if necessary, to avoid the triggering of automatic rate increases resulting from fluctuating account balances.

b) What is the financial cost of not implementing the legislation?

City Light would not realize the transfer proceeds and would continue to incur maintenance costs for holding this surplus property.

c) Does this legislation affect any departments besides the originating department?

Yes. This property is being transferred to Seattle Public Utilities to be used for a potential CSO Storage facility and/or storm water detention facility.

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?

This property could be sold to a private party. This would provide revenue to the City

Light Fund, but would not meet the Combined Sewer Overflow or drainage detention objectives of Seattle Public Utilities.

e) Is a public hearing required for this legislation?

Yes. RCW 35.94.040 requires a public hearing for the sale of surplus utility properties.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

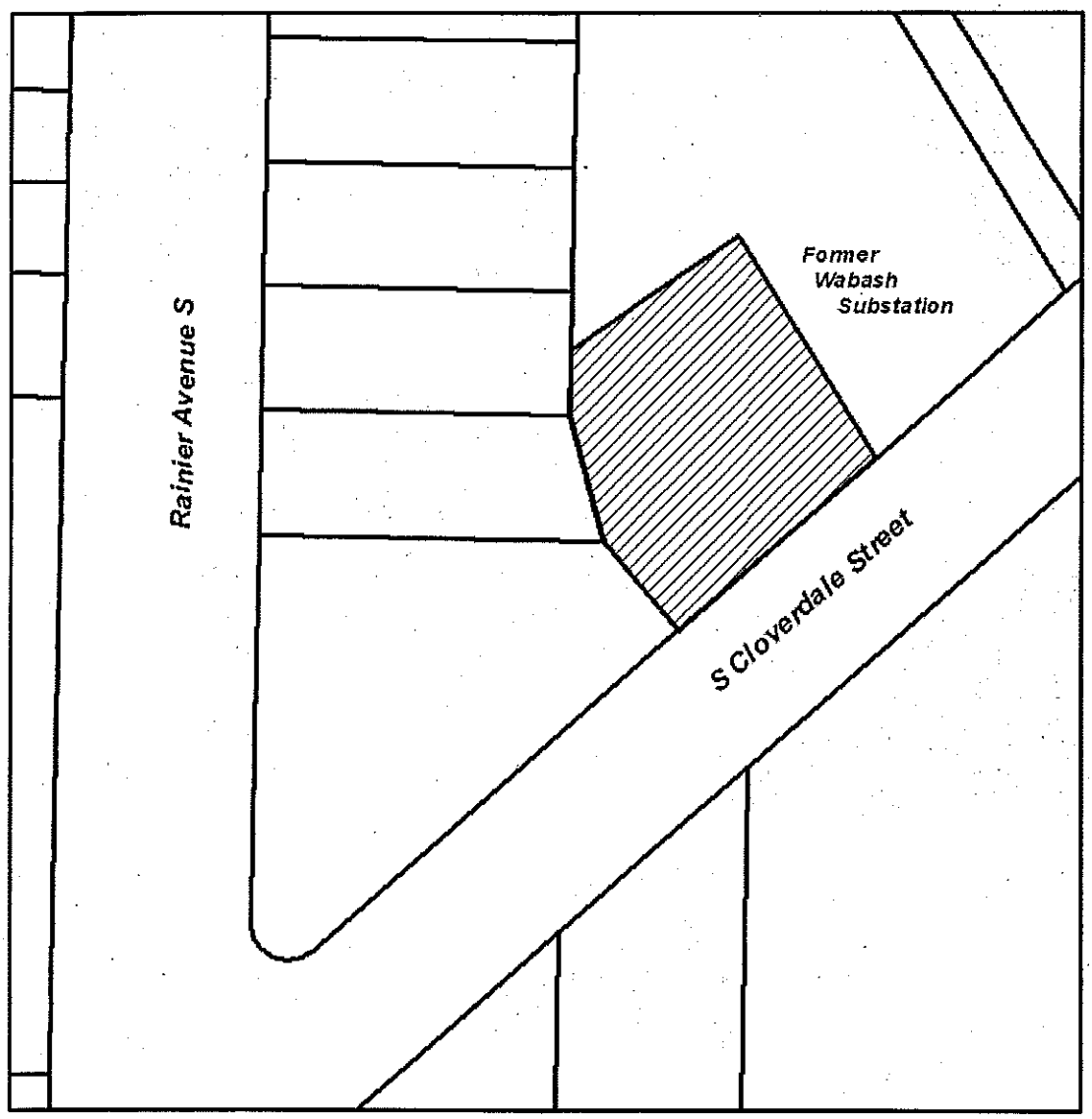
g) Does this legislation affect a piece of property?

Yes. A map of the former Wabash Substation, at 5122 South Cloverdale Street, is provided as Attachment A to this Fiscal Note.

List attachments to the fiscal note below:

Attachment A: Map of Former Wabash Substation

Attachment A



Map of Former Wabash Substation
5122 S Cloverdale Street

City of Seattle
Edward B. Murray
Mayor

November 10, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am pleased to transmit the attached proposed Council Bill that will transfer jurisdiction over the former Wabash Substation property from Seattle City Light to Seattle Public Utilities (SPU). This former 4 kV substation became surplus to City Light's needs as a result of the system-wide conversion from a 4 kV to a 26 kV electric distribution system.

This property was the subject of a Surplus Property Disposition Study conducted by City Light as authorized by Resolution No. 31412. As part of this study, nine surplus properties were offered first to other City departments and other public agencies.

The former Wabash Substation is in the Henderson Drainage Basin in the Rainier Valley, in an area of frequent flooding, subject to potential combined sewer overflows (CSOs). SPU wishes to acquire this property for storm water detention and a possible CSO storage facility. SPU would pay City Light the true and full market value of $157,500 for this property.

The proceeds from the transfer of this property will be available for deposit in the City Light Rate Stabilization Account, if necessary, to help avoid automatic electric rate increases resulting from fluctuating fund balances. At the same time, this property will remain in City service to help control local flooding and CSOs in the Rainier Valley. Thank you for your consideration of this legislation. Should you have questions, please contact Michael Jones at 684-3243.

Sincerely,

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Office of the Mayor
Seattle City Hall, 7th Floor
600 Fourth Avenue
PO Box 94749
Seattle, Washington 98124-4749

Tel (206) 684-4000
Fax: (206) 684-5360
Hearing Impaired use the Washington Relay Service (7-1-1)
www.seattle.gov/mayor