



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Simpson, Brown, Helgeson, Manning and Mital
FROM: Steve Newcomb, Environmental Management Department Manager, and
Karl Morgenstern, Environmental Supervisor
DATE: May 25, 2016
SUBJECT: Property Management Update/Surplus Property
OBJECTIVE: Information

Issue

Commissioner Brown requested an update on EWEB's process for identifying, declaring, and disposing of surplus property. EWEB staff are in the process of implementing various improvements in property management that will help inform likely candidates for surplus designation and best use of those properties. The following is an update on those efforts.

Background

EWEB's Property Management portfolio includes approximately: 245 parcels totaling about 1,500 acres; 40 leases with third parties to use EWEB property for cell towers, parking, building rental, storage, and other approved purposes. There are over 60 known encroachments on EWEB property by adjacent property owners (i.e., involving barns, sheds, stairs, decks, driveways, vegetation, fences, etc.); 8,000 easements; and, numerous revocable permits of various types.

In December 2015 the Board approved Resolution 1532, which updated the Property Management Policy SD-14 and put in motion EWEB management approved procedures to implement this policy. Prior to this action, Property Management had been operating under draft 1993 procedures that were never finalized nor approved. See Board Memo dated 11/20/2015 with the link provided below.

http://eweb.org/public/commissioners/meetings/2015/151201/CC3_No.1532_RevisionToRealPropertyPoliciesSD14AndFeeSchedule.pdf

Discussion

Staff are currently implementing the 2015 Property Management Procedures to develop a Potential Surplus Property List (per PM.200.PRC.01-00, Section 7.1). Preliminary review indicates 8-12 potential surplus properties. Staff are meeting with the Property Management Horizontal Team on 5/28/16 (per Section 7.2) to establish a process for designating surplus properties and discuss the various factors to consider before making such a designation. Staff are working on completing a GIS-based Property Management system that will allow more efficient tracking of property status, value, inspections, encroachments, leases, issues, and management that will inform surplus property designation,

There may be opportunities to leverage or manage surplus properties in ways that may maximize the benefits to both the rate payer and the utility. Analysis of best use of surplus properties will rely on understanding the property's value, potential revenue generation, community priorities, environmental attributes, and nearby partner land use. Staff will continue meeting with the Property Management Horizontal Team on a quarterly basis to inform decisions on surplus property designations and the best use of those properties. These decisions will be reflected in property management plans that are specific to each area. Properties identified as *Potential Surplus* will go through an internal concurrence process before being recommended for Board action and formal declaration as surplus property. Once declared surplus, staff will follow the procedures for disposal.

Recommendation

This is for information only.

Requested Board Action

No action is requested at this time.