



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Helgeson, Brown, Carlson, Mital, and Simpson
FROM: Mike McCann, Electric Generation Manager
Lisa McLaughlin, Environmental and Property Supervisor
DATE: December 22, 2017
SUBJECT: Real Property Surplus Declarations
OBJECTIVE: Action Requested

Issue

In correspondence to the Board in September, staff outlined eight properties that are considered surplus to EWEB's needs. These properties were identified through an internal stakeholder vetting process. Of the eight, four resolutions have been prepared for surplus consideration by the Board.

Background

EWEB owns approximately 1,479 acres of land in Lane County. This is made up of 249 tax lots, 221 of which are actively used and 28 that are held for future use. Of this inventory, some property is no longer essential for EWEB's needs.

Staff developed a procedure to identify and dispose of property that is no longer considered necessary for utility purposes. The process includes (1) creating a list of surplus property, (2) formally declaring property surplus, (3) developing marketing strategies, and (4) marketing surplus property for sale.

Staff completed a preliminary property inventory in 2017 and identified eight properties for surplus declaration. Of those eight, four are full tax lots that may be declared as surplus without the need for additional surveys, descriptions, and/or land use actions. The other four parcels contain a combination of property that is essential to EWEB and portions that are not, and they will require additional effort prior to being declared surplus.

Discussion

Surplus Resolutions– The following properties are considered in excess of EWEB's needs and may be declared surplus at the Board's discretion. Resolutions accompany this memo.

Resolution No.	Description	Map & Tax Lot	Total Acreage	Surplus Acreage
Electric Properties				
1804	River Loop Substation Site	17-04-01-34-03502	1.00	1.00
1805	Hillaire Substation Site	17-04-19-00-02900	5.32	5.32
Total Electric Acreage				6.32
Water Properties				
1806	Shasta 1150 Pump Station Site	18-03-16-20-07400	0.28	0.28
Total Water Acreage				0.28
Generation Properties				
1807	Potter Lane Rock Pit	17-01-23-00-00100	2.00	2.00
Total Generation Acreage				2.00
Total Surplus Acreage				8.60

Additional Surplus Property – Staff identified an additional four properties that contain areas both essential to EWEB’s needs and areas that are non-essential. Because only a portion of the property is identified as surplus, a survey and legal description will be prepared so that the Board has a clear understanding of the portion considered for surplus declaration. Additionally, staff will determine the legal validity of a proposed lot partition (or lot line adjustment) to develop confidence that the proposed path is feasible.

In addition to the eight parcels already identified, staff will continue to evaluate EWEB’s other properties to identify those that are in excess of EWEB’s needs and may be considered for surplus.

Next Steps – Following Resolution adoption, the following process will ensue:

- 1) Staff will order an appraisal of the property to determine market value and highest and best use.
- 2) The City of Eugene (City) will be notified of EWEB’s intent to sell and the appraised value of the land to be sold. This will trigger the City’s 30 day first right of refusal.
- 3) In the event that the City is interested in the property, EWEB will proceed with negotiations and maintain an interest in receiving compensation that reflects true market value.
- 4) Once the City’s first right of refusal has expired, staff will provide a memo to the EWEB Board indicating our intent to designate surplus properties as available for marketing and sale. The memo will include an estimated listing price and marketing strategy.

Where necessary, staff will consult with appraisers, land use experts, and brokers regarding the cost/benefit of any given strategy. Though it is not EWEB’s intent to become land speculators, it may be possible to maximize the value of these assets while protecting EWEB’s interests and other important social and/or environmental benefits.

Recommendation

This memo is for informational purposes only.

Requested Board Action

Approval of Resolutions # 1804, 1805, 1806, and 1807.

**RESOLUTION 1805
JANUARY 2018**

**RESOLUTION DECLARING SURPLUS
FOR CERTAIN REAL PROPERTY NO LONGER NEEDED FOR UTILITY PURPOSES
EUGENE WATER & ELECTRIC BOARD**

WHEREAS, EWEB holds title to a 5.32 acre parcel of land identified on Lane County Assessor's Map #17-04-19-00 Tax Lot 2900, Lane County, Oregon, vested in the name of the City of Eugene, for the use and benefit of Eugene Water & Electric Board;

WHEREAS, the property is no longer needed for utility purposes;

WHEREAS, Eugene Code, Section 2.195 provides Eugene Water & Electric Board – Duties and Powers: "*The board shall have entire control of the water and electric utilities of the city, and all property connected therewith.*";

WHEREAS, The EWEB Board of Commissioners have endorsed EWEB's Property Management Policies and Procedures for the disposal of surplus property based on current and future utility needs, land use, and environmental considerations. EWEB Electric Managers have considered the present and future needs and are recommending that this property be declared surplus.

NOW, THEREFORE, BE IT RESOLVED by the Eugene Water & Electric Board that:

- (i) The Board does hereby declare surplus the area represented in Exhibit A; and
- (ii) Instructs the General Manager to notify the City Manager of the opportunity to obtain the property for municipal purposes as provided by Eugene Code 2.196 not later than thirty (30) days from the execution of this resolution; and
- (iii) Proper easements be reserved for current or future EWEB facilities.

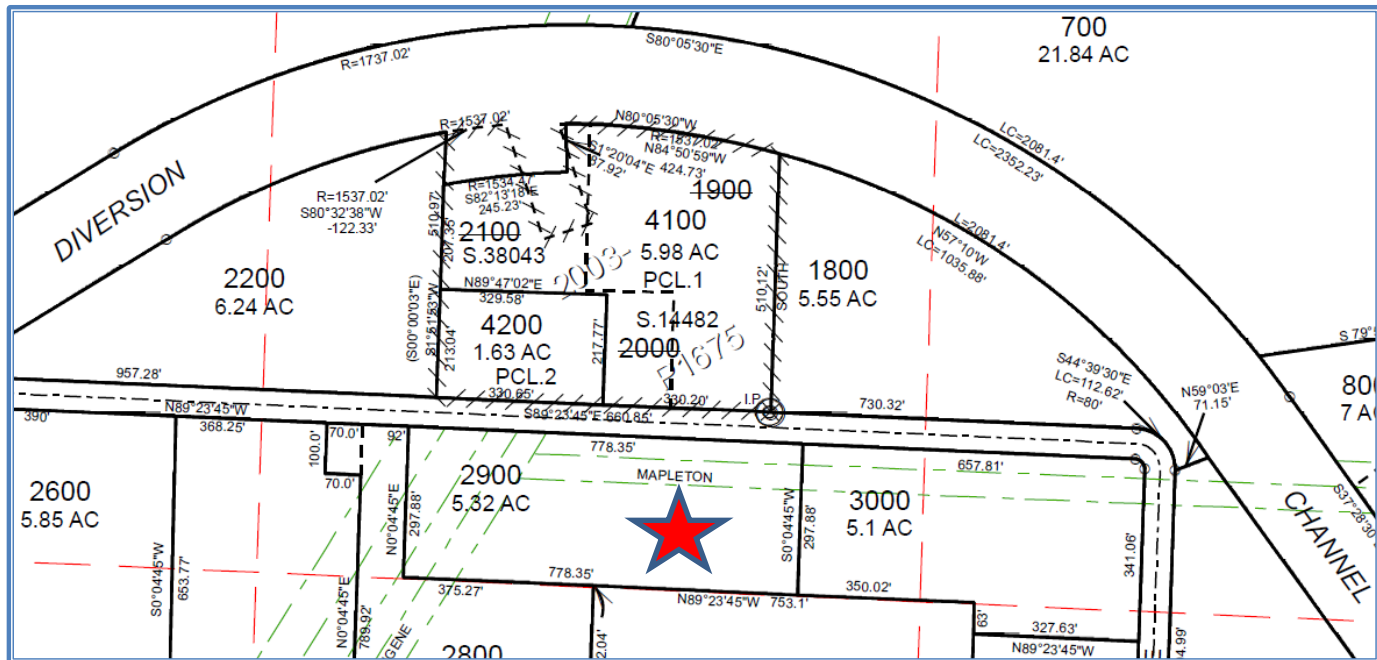
Dated this 9th day of January 2018.

THE CITY OF EUGENE, OREGON
Acting by and through the
EUGENE WATER & ELECTRIC BOARD

President

I, ANNE KAH the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is a true and exact copy of the Resolution adopted by the Board at its January 9, 2018, Regular Board Meeting.

Assistant Secretary



Note: This exhibit does not represent a survey and is only intended to compliment the attached Resolution for clarification purposes.

Date: 01/03/2018

By: CL Eggleston

**Lane County Assessor's
Map # 17-04-19-00 Tax Lot 2900**

Scale: None

EXHIBIT "A"