

ACTION ITEM MEMO

Port of Tacoma Commission



Item No: 5D
Meeting Date: 5/21/24

DATE: May 13, 2024
TO: Port of Tacoma Commission
FROM: Eric Johnson, Executive Director
Sponsor: Debbie Shepack, Sr. Director Real Estate
Project Manager: Tyra Dieffenbach, Sr. Manager Real Estate
SUBJECT: WSDOT/TPU Easement Amendment Approval - Prologis Site (Parcel 14)

A. ACTION REQUESTED

Authorize the Executive Director or his designee to amend a utility easement granted to Tacoma Public Utilities. An amendment to the easement is necessary for the Washington State Department of Transportation's State Route 167 Completion Project, which is part of the State's Gateway Program.

Strategic Plan Initiative: TA-1

B. BACKGROUND

Gateway Program Background

In July 2015, the Washington State Legislature and Governor Inslee acted to fund the Gateway Program through the Connecting Washington revenue package. The Gateway Program is comprised of two projects:

- State Route 167 Completion Project, and
- State Route 509 Completion Project.

These projects provide essential connections to the ports of Tacoma and Seattle and will help ensure that people and goods move more reliably through the Puget Sound region. The Port of Tacoma has supported these projects through various ILAs that have provided both in-kind and monetary contributions.

The program has been guided from its beginning by a Joint SR 167/SR 509 Executive Committee (Executive Committee), comprised of elected and appointed representatives of local jurisdictions served by the Gateway Program. The Port of Tacoma has representation on this Committee.

Utility Easement Background

In 1946, an easement was granted to the City of Tacoma for an electric transmission and distribution line. The easement area is 30 feet wide and follows the western property line of the property. Tacoma Public Utilities has constructed and maintained power poles and overhead transmission lines within this easement area. To accommodate the Washington State

Department of Transportation’s State Route 167 project, the existing power poles and transmission lines need to be relocated.

The proposed amendment will:

- Increase the easement area from 30 feet wide to 50 feet wide.
- Move the easement area to accommodate WSDOT’s project.
- Delete portions of the current easement area that will no longer be needed due to the relocation of the power lines and poles.

All other terms and conditions of the original easement will remain in place and the relocated infrastructure will remain an overhead transmission system. A summary of the square footage for the net area is found below:

Area Added	Area Deleted	Net Area	Compensation
15,705 SF	6,856 SF	8,849 SF	\$269,800

The easement is located at 5200 12th Street East (Port Parcel 14). This parcel is currently leased to Prologis, L.P. under a long-term lease agreement. The proposed easement document contains terms and conditions that have been reviewed and approved by the Port of Tacoma and Tacoma Public Utilities.

C. TIMEFRAME/PROJECT SCHEDULE

Commission Approval	May 21, 2024
Easement Signature	May 23, 2024
Easement Recording	June 1, 2024

D. FINANCIAL SUMMARY

As detailed above, the Washington State Department of Transportation, acting as Tacoma Public Utilities agent, will pay a total of \$269,800 for this amendment to the easement, which represents the fair market value of the impacted area on the Port’s property. The fair market value was determined by an independent, third-party appraiser. A copy of the appraisal report was provided to the Port, and Port’s Real Estate staff concur with the appraiser’s determination of fair market value for the easement amendment.

E. ENVIRONMENTAL IMPACTS / REVIEW

There are no environmental impacts associated with this easement.

F. NEXT STEPS

Upon Commission approval of the requested action, the Real Estate office will finalize and record the easement documentation.