

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Sitting/Acting as Board of Commissioners of Clackamas County Service District No. 1

Study Session Worksheet

Presentation Date: 21 August 2012 **Approx Start Time:** 10:45am **Approx Length:** 15 minutes

Presentation Title: CCSD #1 Participation in Trolley Trail Segment 2 with Utility Easement

Department: WES

Presenters: Mike Kuenzi, Chris Storey

Other Invitees: Gary Barth, Michelle Healy, Scot Sideras

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Approve or not approve CCSD #1 participating in the acquisition of a utility easement along the Trolley Trail Segment 2 route.

EXECUTIVE SUMMARY:

NCPRD is considering a real property transaction with TriMet regarding Trolley Trail Segment 2. As part of that discussion, the Board expressed interest in having a discussion regarding the scope of use of the potential acquisition from TriMet, including whether or not utilities could be located there. In 2008, the Board as governing body of CCSD #1 decided against having a pipeline run down the trolley trail, but wanted to reserve the option of future utilization of that alignment by CCSD #1 if possible. NCPRD can negotiate that same scope of use in an easement or by holding the property in fee, and CCSD #1 would need to compensate NCPRD for the same.

CCSD #1 has no current capital plans that call for utilization of the trolley trail right of way for use of a pipeline. It is completing work on the Intertie 2 pipeline this fall, which was the alternative for the trolley trail alignment. However, in the long term, it remains possible that CCSD #1 would use that route for another pipeline from Kellogg.

For easements, CCSD #1 typically pays approximately 10% of the appraised value of a parcel for exclusive use for subterranean utility placement. When there is another use on the surface, such as a trail or other use that would require CCSD #1 to pay the cost of remediation when accessing its utility, the payment is typically approximately 5%.

FINANCIAL IMPLICATIONS (current year and ongoing):

The estimated cost to CCSD #1 for purchasing the right to a subterranean utility easement would be between 5 and 10% of the value of the land purchased by NCPRD from TriMet, which

has not been appraised but given market information on nearby parcels is likely to be worth somewhere between \$350,000 - \$600,000. Assuming the high end of the range, the potential cost to CCSD #1 would be a perpetual nonexclusive easement for a one-time cost of \$30,000-\$60,000.

LEGAL/POLICY REQUIREMENTS: N/A

PUBLIC/GOVERNMENTAL PARTICIPATION: N/A

OPTIONS:

CCSD #1 may either:

- Purchase the utility easement and hold it against future need; or
- Not purchase the easement.

RECOMMENDATION:

Staff recommends purchasing the easement. The cost is low and the value of preserving the option alone is sufficient to justify the expense.

ATTACHMENTS:

SUBMITTED BY:

Division Director/Head Approval _____
Department Director/Head Approval H Garcia
County Administrator Approval _____

For information on this issue or copies of attachments, please contact Trista Crase @ 503 742-4566