



Staff Report

September 17, 2018 Council Regular Meeting

Final approval of the transfer and conveyance of Georgia Pacific property, including the Lacamas Creek dams and Mill Ditch, to the City of Camas.

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INTRODUCTION/PURPOSE/SUMMARY: The City of Camas has entered into an Agreement for Transfer and Conveyance with Georgia Pacific Consumer Operations LLC to allow Georgia Pacific to donate property appraised at \$960,000 to the City of Camas. The approximate 190-acre donation includes two dams, Mill Ditch and other miscellaneous properties along the shorelines of Lacamas Creek and Washougal River.

Per the Agreement, the City had a 120-day due diligence period, which was extended to 150 days. During that time, we have performed engineering analysis of the dams, reviewed the maintenance and operations of the dams, discussed permitting and oversight with State agencies, explored partnerships with Clark County and requested insurance premiums to cover liability in the event of breach or failure of each dam.

The dams are in good structural condition. Based on prior inspections completed by Georgia Pacific, the wooden gates need to be replaced at the Upper Dam. Georgia Pacific will provide the City \$10,000 to cover the expense of replacing the gates. The regular maintenance and operation of the dam is currently estimated to require 0.5 FTE. Public Works would hire one full time person funded by the Stormwater Utility, who will provide stormwater maintenance, when not working on the dams. Based on a preliminary analysis, it appears the currently proposed Stormwater Rate increase of 3.0% would be sufficient to provide the level of maintenance support required.

We received a quote of \$247,845 per year for insurance premiums. Since there has never been a claim on the dams, staff and Washington Cities Insurance Authority recommends that we self-insure. We have reserves available in the Stormwater Fund and would likely be able to set aside additional funds each year. A breach or failure of the dams is only likely to occur during a major event in which case we would probably receive FEMA assistance.

We have approached Clark County, since they own Round Lake and surrounding trails, about partnering in the maintenance and operation of the dams. They have expressed interest, but we do not have an agreement to date. They also indicated they have access to less expensive insurance.

Georgia Pacific has indicated if we were not to accept the property, they would look for another organization to take ownership, lower the level of the lakes by opening the gates and explore

demolition of the dams. Their operator will no longer be working beginning in November, so at that point they will open the gates fully.

The closing of this transaction is subject to final approval of City Council. The agreement expires September 28, 2018. Staff recommends that Council approve this transaction. The dams provide significant recreational and aesthetic benefits to the City of Camas and our residents. In addition, the Mill Ditch is intended to be converted to a multi-modal trail with connections to many of our existing trails, open spaces and our downtown business district.

RECOMMENDATION/RECOMMENDED ACTION/ACTION REQUESTED: Staff recommends final approval of the Agreement for Transfer and Conveyance.