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For printed manuals, page numbers indicating portions of the manual that are to be removed and inserted are shown below.

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Right of Way Manual

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11-1 Responsibility

Property Management Specialists are responsible for:

- A. Providing effective management and security for all Washington State Department of Transportation (WSDOT) properties.
- B. Ensuring “Fair Market Value” or “Economic Rent” is received from all sales and leases.
- C. Disposing of property not required by the department.
- D. To the greatest extent practicable, eliminating hazards and public nuisances originating on or caused by department-owned land or improvements.

11-2 Preparation for Management

11-2.1 Property Management System and Inventory

- A. Property Management data records will be entered and maintained in IRIS and will include:
 1. Inventory of all real property and real property interests inside and outside of the operating right of way, each with an appropriate Property Type. A description of all such Property Types is shown in [Appendix 11-1](#), Property Types.

Note: Due to the direction received from Accounting and Financial Services (AFS) in the 13-15 biennium we will need to inventory every “Interest Held”. That means you may have one acquisition parcel with multiple Inventory Control Numbers (ICN). If, from one property owner we acquire a fee interest, an easement, and a temporary construction easement, 3 ICN’s will be required. Additionally, it will be necessary to distribute the acquisition costs amongst the multiple ICN’s based on acquisition value of the Interest Held. Title and Acquisition staff here in HQ have instituted changes to IRIS to more comprehensively detail costs and have made revisions to the Real Property Voucher to show each interest acquired, square footage/acres acquired for each Interest Held, the appropriate parcel number, funding resource, etc.

Of primary importance to AFS (in addition to IRIS acquisition totals matching TRAINS acquisition totals) is the completion of the tabs identified as “Improvements/Fixtures/Land Inventory & Disposition” and the tab identified as “Acquisition Data”. All of the entries into the Improvements tab should equal the amount shown in the Acquisition Data tab. As mentioned above, those costs should be split if the acquisition includes varied interests; fee, easement, etc.

2. Inventory of WSDOT owned/managed Airports and Rail lines.

Note: over the past few years, we have begun the process of entering all of the Aviation real property information into IRIS and we see a continuing effort toward collaboration from the Rail Division. Please note that the Property Management/Property Inventory tab should contain all of the general information regarding the property purchased.

3. Records of rental properties, including all leases (e.g., airspace, ground, residential).

Note: it is oftentimes necessary to create Displacee Leases prior to acquisition of the parcel. In order to assure accurate data in IRIS, the ICN created to address the lease must contain the information relevant to the Parcel, not to the Premises being leased. Additionally, staff must be sure to revisit the IRIS database to update all of the appropriate acquisition cost information once all of the parameters of the parcel acquisition are obtained, e.g., size, specific location, nickname, etc.

4. Property disposal status/activities.

Note: Numerous situations can occur within the property disposal arena: 1) If selling the entire parcel, the information on the Property Detail screen will remain unchanged; 2) If selling a portion of the “larger parcel”, a new ICN must be created and the new ICN Property Detail screen must reflect all of the appropriate parameters of that sale property, as well as a split out of the original purchase dollars to go with the new inventory. There must also be appropriate changes to the original purchase dollars to go with the new inventory. There must also be appropriate changes to the size and value of the property that remains within WSDOT ownership. The property type for the disposal area will be indicative of the “type” of property being sold. The Property and Acquisition Specialist must also update the relevant information found in the Disposal tab, e.g., disposal activation date, disposal to RA date, RA decision/date, comments; 3) In some cases, WSDOT will convey an easement having a long term impact on the property it continues to own. In those cases, WSDOT is conveying a less than fee interest “encumbering” its remaining ownership. A new ICN must be created to record the encumbrance against the parent “fee” owned inventory. The new ICN only exists to record the encumbrance, not to record any ownership. For the new ICN, the property type will be “Encumbrance”, there will be no values or line items in the Improvements/Fixtures/Land Inventory & Disposition section. The Acquisition Data section should only reference the parcel # of the parent ICN, but no dollar values. Interest Held will reflect the interest being conveyed, e.g., easement, permit, etc. Present Use should

be indicative of the use being allowed. Since this encumbrance will require a plan revision, the square footage or acreage covered by the encumbrance should be noted. For the parent ICN, all fields remain unchanged. For both ICN's, it is critical to make entries in the Comments section that at a minimum references the two ICN's to each other and why the second ICN was created. There will also be some changes to the IRIS screen and the Property Details when conveying property to other public entities for continued "highway purpose". As those situations occur, Region and HQ staff will work together to appropriately reflect the details in the IRIS database.

5. Real estate contract sales.
6. Reporting capability for various informational needs.
7. All improvements acquired, whether inside or outside of the operating right of way.

Note: As mentioned above, this Improvements tab should detail all of the costs of the acquisition. These costs will include the land, any and all buildings with value, interest payments, title costs, relocation costs, etc.

8. Payment information related to leases and contract sales.

Note: The information added by Property Management staff statewide is keyed off the data provided on the Acquisition side of the house. A great deal of the cost information that AFS is looking for can be found under the Acquisition tabs and uploaded into the appropriate field under the Property Management tab. We continue to refine the Property Types utilized in order to minimize the number of times staff must return to IRIS to update data, e.g., are we properly noting when unconstructed right of way becomes operational right of way; are we properly noting the funding resource; are there participating federal dollars; if a building is located on the purchased land, are we using it for a project office; is the interest held temporary in nature? If so, then a Temporary Right Expiration Date should be entered and Region staff should track when the right expires and update the IRIS information. If the data is not readily found on the Acquisition side of IRIS, then the Real Property Voucher is a tool that details the information necessary to complete the Improvements tab and the Acquisition Data tab.

Region staff will be responsible for the input of the Property Management information into IRIS as well as the update of that information when appropriate, e.g., upon completion of construction – altering the inventory to reflect what was utilized within the right of way and what may now be considered excess and was not utilized for the constructed facility, noting the completion of the temporary construction period for a TCE, etc.

COMMENTS, COMMENTS, COMMENTS – Every time you enter IRIS and alter data, a comment should be made in the Comments portion of the IRIS screen. This comments section is extremely important as we have never had a functioning IRIS diary, and the standard diary that may be added to the hard copy file is not globally available.

11-2.2 Property Management Diary

- A. The Property Management Specialist places a Diary of Right of Way Activities in the property management file for each parcel under the control of property management, whether improved or unimproved and whether operating or nonoperating right of way. The diary will reference an acquisition parcel number, ICN, lease number, and federal aid number (FA) and all other pertinent information as required.
- B. Since the diary is an official record, it is either typed or written legibly in ink. Each diary starts with the specialist's name clearly printed or written. Once complete the specialist signs (full name) and dates the last page.
- C. The diary contains a summary of every activity relative to the parcel. This includes inspections, telephone conversations, letters, approvals, sales, leases, maintenance, emails, etc.
- D. Copies of updated diaries are submitted to HQ when significant activities, such as initiation of a lease, modification to a lease, disposal activities, etc., occur on the parcel.
- E. Upon completion of all property management activities on a parcel, the completed diary is sent to HQ and region comments are entered into IRIS.

11-2.3 Project Inspection

As soon as practicable after receiving the approved right of way plans, the region inspects all real property and improvements to be acquired on the project, and identifies the following individual parcel information, and enters the information into IRIS and region inventory file:

- A. Number and type of improvements (e.g., house, detached garage, shed, out buildings).
- B. Property dimensions (sq. ft. or acres).
- C. Physical location (property address), condition, septic, well, utilities, and environmental concerns such as underground storage tanks (UST).
- D. Date-stamped photographs of the property and all improvements that should portray a complete visual inventory of the parcel (to use as a visual reference in case of break-ins, illegal dumping, and salvage).
- E. Presence of hazardous materials.

11-2.4 Salvage Appraisal Report

- A. Staff in Region Real Estate Services are responsible for salvage sales and completion of the appropriate Salvage Appraisal Report (DOT Form 263-003) for those improvements, including timber and crops, which may be sold as salvage.
 1. For property management purposes, merchantable timber is considered to be an improvement (see [RCW 47.12.140](#)).
 2. Fixtures, such as built-in cabinets, light fixtures, built-in appliances, etc., retained or salvaged by the grantor, also require preparation of a salvage report.

3. When the salvage appraisal report has been completed by the Property and Acquisition Specialist, it is reviewed and approved by the Region Real Estate Services Manager and a copy forwarded to HQ.
4. The region retains two copies: one for the regional property management file and one for use by the Acquisition Specialist.
5. The region enters the salvage appraisal information into IRIS.

11-2.5 Grantor Retained Salvage

Under certain circumstances and prior to completion of acquisition, the department may allow the grantor to retain the salvage rights to any improvement on the property acquired from him/her through a Fixtures and Improvements Agreement (RES-335). In deciding whether or not to allow the grantor to salvage the improvements, the region must consider the occupancy rights of any tenant on the property and whether or not there is enough time to remove the improvements before construction. The complications that can arise from salvaging tenant occupied improvements can be significant and should be carefully considered.

Note: Items necessary to salvage are the Salvage Appraisal Report and Fixtures and Improvement Agreement. Also, remember that once acquisition is complete, items cannot be salvaged by the “grantor”. An auction must be performed.

If the grantor purchases the salvage rights to an improvement, the region:

- A. Ensures that the salvage values are accurate and approved by the Region Real Estate Services Manager. This is documented in the Salvage Appraisal Report (DOT Form 263-003).
- B. Ensures that the Fixtures and Improvements Agreement has been completed.
- C. Verifies that the value of any salvage purchased by the grantor has been deducted from the Real Property Voucher and the performance deposit/bond has been processed appropriately.
- D. Ensures that the Fixtures and Improvements Agreement provides a clear understanding and agreement between the department and the grantor as to when the improvement is to be removed and that the performance deposit/bond will be forfeited if the improvement is not satisfactorily removed by that date.
- E. Ensures that there is sufficient time after the tenant vacates to complete the salvage removal.

Note: It may be in WSDOT’s best interest to work with the previous property owner regarding salvageable items and removal of those items. The removal period must be reasonable. Salvage items must be for DS&S compliance, e.g., refrigerator, range, water heater. Example: Tenant occupied property and the owner is salvaging example items above prior to tenant vacating the property. The project saves money by not purchasing, renting, and/or installing these items before the property is vacated and demolished; if in question contact HQ.

- F. Monitors to ensure that salvage and cleanup will be accomplished on time. If it appears the grantor will be unable to complete the salvage by the previously agreed upon date, the region may consider allowing a time extension. HQ should be notified of any extensions.
- G. Upon successful completion of the salvage activity, submits a PISR to HQ requesting a release of the performance deposit/bond and termination of any existing lease. HQ updates IRIS as appropriate.
- H. If salvage and cleanup are not satisfactory, submits a PISR (DOT Form 263-007) to HQ recommending forfeiture of the performance deposit/bond. The transmittal includes photos of remaining improvements/debris, copy of the updated diary, and a statement about the future disposition of the improvements.

11-2.6 Acquisition Transactions – Regional Processing (Chapter 6)

All acquisition transactions are routed to Region Property Management for review, comment, approval, creation of property record in IRIS, and further action if necessary.

11-2.6.1 Acquisition of Improvements and Real Property

The Region Property Management Specialist will complete the following:

- A. Create an ICN and attach the parcel number (IRIS). Complete all fields in IRIS. (*Note:* For information about creating an inventory control number, please see Section 11-2.1 and [Appendix 11-3](#), Property Inventory Instructions).
- B. Reviews the Real Property Voucher (DOT Form 262-039) and the acquisition appraisal/determination of value (DV) or market analysis. Input the values assigned to each improvement into IRIS including all fees, damages, settlements, taxes, etc.
- C. Reviews the Fixtures and Improvements Agreement (RES-335) completed by the Acquisition Specialist. The original and one copy are transmitted to HQ with the acquisition transmittal package and one copy is retained in the regional Property Management file.
- D. Identifies and inventories all trade fixtures acquired on commercial properties (see Fixtures and Improvements Agreement).
- E. Creates an ICN in IRIS, and works collaboratively with the Region Acquisition Specialist to assure that the purchased property is free and clear and ready for construction. The Relocation/Property Management Specialist verifies that the tenant has vacated the premises along with all personal property. The Specialist then gets the keys to any/all structures on the property and assures that utility services are terminated and then schedules any/all structures for demolition.
- F. Assures that all property types acquired are inventoried separately and carry the appropriate property type designation shown in [Appendix 11-1](#), Property Types. Ensures that the parcel number is attached to the ICN (parcel numbers may have multiple associated ICNs). Be sure to follow the requirements of [Chapter 6](#).

11-2.6.2 Lands Traded in Acquisition

Pursuant to [RCW 47.12.063\(h\)](#), WSDOT has the ability to sell surplus land to “any other owner of real property required for transportation purposes.” If someone from whom WSDOT is acquiring property requests to purchase property WSDOT already owns the following procedures must be followed:

The region: Assures that the ICN has been created and the appropriate information entered into IRIS, receives the Exchange Agreement (RES-322) from the Acquisition Specialist and then initiates the Electronic Review process to declare WSDOT-owned property as surplus. See Section 11-7 for disposal instructions.

Note: The Region Acquisition Specialist prepares the Exchange Agreement which must include: parcel description, parcel number, ICN, federal aid number, value information, and names and legal status of the grantor. See [Chapter 6](#) for information regarding Exchange Agreements.

11-3 Initiating Management

WSDOT has legal control (ownership) of properties purchased on the payment available date. If the property is occupied, physical possession does not occur until the occupant has vacated the property.

11-3.1 Taking Control of the Property

A. If the property is unoccupied whether it is improved or unimproved, taking control occurs on the payment available date. Payment available date is determined by the HQ Title Section. See IRIS for payment available date.

The region:

1. Inspects for presence of hazardous materials.
2. Photographs the property and all improvements to portray a complete visual inventory of the parcel (to use as a visual reference in case of break ins, illegal dumping, and salvage).
3. Notes presence of abandoned personal property/debris.
4. Enters “Inspection Date” and comments into IRIS in the Maintenance/Demolition screen.
5. Completes a PISR (DOT Form 263-007) and places it in the ICN file. A copy of the PISR is sent to HQ.

B. If property is occupied whether it is improved or unimproved, taking control occurs on the payment available date (payment available date is determined by the HQ Title Section). See IRIS for payment available date.

The region:

1. Inspects for presence of hazardous materials.
2. Photographs the property and all improvements to portray a complete visual inventory of the parcel. This is to ensure that WSDOT is getting what the appraisal depicted; appraisal will indicate what is real property or personal property (e.g., range, refrigerator, woodstoves, window coverings, shelving, doors, windows, garage door openers, hot tubs, light fixtures, dishwashers).

3. Ensures that a Displacee Lease has been completed (RES-415/RES-416) and is included in the acquisition file. If occupant refuses to enter into a Displacee Lease and intends to continue to occupy the parcel, the region staff consults with HQ staff. **Note:** Refer to Leasing section.
 - a. Every displacee should be approached with a Displacee Lease with a term no less than 90 days from the date Relocation staff present the “Notice of Relocation Eligibility, Entitlements and 90-day Assurance.”
 - b. Multiple attempts to obtain a lease may be necessary. If the displacee refuses to sign a lease, make notes in diary, IRIS, and contact HQ staff to assure that we properly document the landlord-tenant relationship.
4. Performs other related Property Management responsibilities as listed above.
5. Completes a PISR (DOT Form 263-007), sends to HQ, and files a copy in the ICN file.

11-3.2 Taking Physical Possession After Vacation by Occupant

In those cases described in Section 11-3.1.B (occupied), WSDOT takes physical possession after the occupant vacates the premises.

Note: The property is considered vacated when all personal property is removed and keys are surrendered to a Property Acquisition Specialist (PAS). (Property Management staff becomes responsible for the property once the displacee is relocated.)

The region:

- A. Inspects for hazardous materials.
- B. Photographs and verifies that the property is in the condition in which WSDOT purchased it (normal wear and tear is acceptable). If there are discrepancies, the region prepares a detailed report describing the missing items, their value, and any opinion as to the reasons for the discrepancies and submits the report to HQ for further action.
- C. Verifies that all personal property has been removed from the premises. If personal property remains on the premises, the PM Specialist verifies with the Relocation Specialist that the Abandonment Information section of the Vacate Inspection of Displacement Dwelling (RES-517) is completed and signed by the personal property owner. If the form was not obtained or signed, the PM Specialist coordinates with the Relocation Specialist for possible reduction of the Relocation Moving Entitlements.
- D. Verifies the status of any salvage removal (see [Sections 11-2.4](#) and [11-2.5](#)).
- E. Completes a PISR (DOT Form 263-007), sends to HQ and files a copy in the ICN file.

11-4 Inspection and Maintenance of State-Owned Property

11-4.1 General

The region conducts inspections of department-owned properties to guard against encroachments, theft, pest control, dumping of debris, and hazardous materials. Region ensures that local building, fire, housing, and occupancy codes are satisfied. Use photos to establish a time-line of property conditions. The inspections also provide an opportunity to evaluate the condition of the property and, in the case of improved properties, develop a management strategy for future use or development. The results of all property inspections are documented in the Specialist's diary and in IRIS. If there is a lease in place, a copy of a PISR should be sent to HQ as well. Region staff should also update the Property Detail – Maintenance/Demolition screen in IRIS as well as make the appropriate comments.

If inspections reveal any situation that cannot be resolved by the region, a detailed report, including photographs, is sent to HQ for action. HQ will consult with the appropriate Assistant Attorney General, if necessary, and advise the region accordingly. If the parcel is designated as a capital facilities site, HQ advises the appropriate regional and HQ capital facilities contact.

11-4.2 Maintenance and Repair of Improved Properties

The region inspects each improvement to develop a strategy for continued use or demolition. A number of factors are considered during this process including the suitability of the improvement for continued occupancy, length of time until removal for construction, cost of repairs vs. income, and relocation assistance rights (see [Chapter 12](#)). Repairs to improvements may be accomplished by private contractor, rent credit (see [Section 11-4.2.1](#)), or state Maintenance employees. The region is responsible for ensuring that any building permits and/or local government inspections required for the repair are obtained. Emergency repairs may be authorized by the region based upon individual circumstances. If WSDOT has acquired the property prior to the environmental decision, region staff must check with their environmental group before allowing the demolition to ensure there are no concerns with proceeding with the demolition.

Note: Due to increasing instances of vandalism and transient activity, current common practice is the demolition of any structures remaining once any occupants have been relocated. Exceptions occur primarily when there is the need to use a recently purchased structure to house WSDOT employees and if the property was acquired under early acquisition pursuant to Section 6-3.

11-4.2.1 Rent Credit for Maintenance or Repairs by Tenants

- A. **Rules** – Rent credits are not allowed in cases when the current rent is delinquent or the tenant has a history of delinquencies. In addition, at least one month’s rent must have been paid and the tenant must continue to pay the contract rent until the work is completed. The tenant must be qualified to do the work or hire a licensed and bonded contractor. Rent credits are applied only after the region determines the work has been performed satisfactorily.
- B. **Rent Credits**
1. The Region Real Estate Services Manager may approve a rent credit (up to their delegated purchasing authority) without HQ approval. Payment for tenant’s labor is not generally allowed for rent credit repairs unless approved prior to work commencing. If tenant’s labor is to be considered, at least two cost estimates from private contractors are required for repairs over \$2,500. Cases requiring special consideration may be submitted to HQ for review, which includes the following information.
 - a. Complete description of the items needing repair, including photos.
 - b. Itemization of hours needed to complete the repair, rate per hour, and materials needed to do the job, including any equipment rental if needed.
 - c. A cost/benefit analysis of the proposed repair. This should consider factors such as estimated length of time until sale or demolition, total repair expenditures to date, and estimated cost of repairs in the future if known.
 2. After the repairs have been completed in accordance with the agreement between the tenant and WSDOT, the region submits a PISR to HQ including diary entries, paid receipts (for materials used in the repair), a copy of the building permit and related inspection report (if required), and photos showing the before and after repair/maintenance job.
 3. HQ enters the total amount of the rent credit in IRIS. The region updates the comment screen.

11-4.2.2 Maintenance or Repairs by Private Contractor

- A. **Rules** – When the region determines the maintenance or repairs must be done by a private contractor, all the requirements set forth in the *Purchasing Manual M 72-80* must be followed.
- B. **Maintenance or Repair**
1. The region may approve maintenance or repair without HQ approval (up to statutory purchasing authority of the approving individual).
 2. After the job is completed, the region transmits the PISR, diary, copies of any bids required, a copy of required building permit, and inspection report along with photos of the before and after maintenance or repair.
 3. HQ updates IRIS to reflect the total cost of the job.

11-5 Improvements or Personal Property Within Right of Way

- A. Improvements may be removed by the salvage method (sale to grantor through the acquisition process or by post-acquisition auction) by contract demolition, or by inclusion in the project construction contract. Improvements may also be removed for use by WSDOT. The factors of economic feasibility and project schedule are the primary concerns.
- B. If personal property has been acquired, the Department of Enterprise Services (DES) facilitates the sale of said personal property. Region staff should contact DES directly to facilitate the sale of any personal property remaining on the parcel upon payment available date.

11-5.1 Mobile Homes as Personal Property

- A. DES has given WSDOT the necessary delegation to acquire mobile homes that are appraised as personal property.
- B. The mobile home, as personal property, may be acquired upon completion of a region assessment of the acquisition issues and the completion of a Mobile Home Work Sheet (RES-220) with signature by the Region RESM.

11-5.2 Disposal of Mobile Homes as Personal Property

- A. WSDOT does not have the authority to sell mobile homes acquired as personal property. Facilitating the disposal of a mobile home acquired as personal property will be completed by region staff, and must initially be done by DES as follows:
 1. Fill out an online Surplus Property Disposal Request.
 2. \$200 payment to DES for mobile home sale.
 3. DES will assign a tracking number.
 4. WSDOT will provide DES with digital photos of the mobile home.
 5. DES will list the mobile home on the “Public Surplus” Internet site for approximately 14 days with pictures and information provided by WSDOT.
 6. WSDOT will provide DES with a contact name and number for those prospective purchasers wishing to view the mobile home.
 7. Average sale timeframe is one week and once the sale closes, money is collected and buyer arrives at the site with a copy of the paid invoice.
 8. Disconnecting of utilities is a WSDOT responsibility. All other responsibilities fall to purchaser.
 9. Once the sale and associated documentation is complete and monies received, title to the mobile home will need to be signed and provided to the new owner. DES has indicated that they do not want to receive title to the mobile home, but expect WSDOT to complete that portion of the transaction. Therefore, the Region Real Estate Services Manager should sign the title and provide it to the purchaser.

- B. Any monies received by DES for the sale of the mobile home will be returned to WSDOT Accounting Services. If the mobile remains unsold, DES will return the responsibility to WSDOT. At that time, WSDOT will decide to destroy or otherwise dispose of the mobile.

11-5.3 Sale of Improvements/Personal Property by Auction

The department may, in accordance with the provisions of [RCW 47.12.140](#), elect to sell any “structures, timber, or other thing of value attached to the land and sell as personal property.” In making its determination to sell these items, the department considers whether or not there is enough time to conduct the auction and remove the items prior to construction. Any tenant occupancy rights, as well as the economic advantage of conducting an auction, are also considered.

Note: Special rules for the auction of timber are given at [Section 11-6](#).

11-5.3.1 Preparation for Sale

In preparation for the auction, the region:

- A. Establishes a salvage value for the items and prepares a Salvage Appraisal Report for each item to be sold. If a structure (e.g., home, shed, garage) is being auctioned, property on which the structure is located must be leased at fair market value if the purchaser requests an extension to the removal date established by WSDOT. Purchaser must contact city or county and meet all requirements to move the structure.

Note: The region must verify with city/county that the structure can be moved from the property; there may be restrictions on height, distances, time, building codes, site development plan, etc.

- B. Prepares appropriate documentation to proceed with an auction of salvageable improvements (see [Appendix 11-2](#), Notice of Auction for Improvements).

The policy for establishing minimum bids for auction of salvage is:

Salvage Value	Minimum Bid
\$500 and over	50% of Salvage Value
\$0 to \$499	\$10

Note: The use of the above applies only to auction sales not sales of Grantor-retained salvage. There would be no minimum bid “discount.”

- C. Prepares a Notice of Auction which includes the information pertaining to the sale. A sample of such notice may be found in [Appendix 11-2](#).
- D. Per [RCW 47.12.283](#), publishes the Notice of Auction twice, with an interval of one week between publications (do not have to wait a week after second publication to hold auction, e.g., notice 1/1/09 wait one week, notice 1/8/09, auction on 1/9/09), in the “Legal Notices” section of a legal newspaper published in the county in which the sale is to take place. Once the second notice is published, the auction may be held immediately.

Note: If there is no legal newspaper published in the county, then the notice is published in the legal newspaper nearest to the sale site and located in this state.

- E. Mails copies of the Notice of Auction to all persons who have requested notification of the sale.
- F. Attaches a copy of both sides of the auction notice to the item to be sold.
- G. Prepares a Personal Property Sale and Removal Agreement (DOT Form 263-023) for each item on the auction notice.
- H. Assures that all WSDOT personnel involved in the sale are aware of the restriction to WSDOT employees (see [Chapter 1](#) Sales to Employees).
- I. Contacts the local Washington State Department of Revenue office to determine appropriate sales tax rates for the area of the properties to be sold.

Note: The tax rates can vary within the same area.

11-5.3.2 Sale Procedure

On the date of the sale, the region:

- A. Inspects the property. If a change in the condition of the property has occurred which affects the value, the region determines whether or not to lower the minimum bid (e.g., broken windows, vandalism, water damage). Once determined, the region updates the Salvage Appraisal Report and IRIS.
- B. Establishes property walk through date prior to the beginning of the sale.
- C. At auction start time, gathers the qualified prospective bidders together in a convenient location and makes the following announcements before beginning the sale:
 - 1. A statement that none of the persons conducting the sale may become a purchaser, have an interest in any purchase, nor accept any commission, gratuity, or award in connection with the sale.
 - 2. Names any WSDOT employees who have been authorized by the Secretary of Transportation to bid as private citizens.
 - 3. A review of the terms and conditions of the sale and, if a performance deposit/bond is required, the extent of the cleanup required to qualify for refund of the deposit.
 - 4. The order in which items will be sold and whether any items have been removed from the sale. Clarify whether shrubs and appurtenances (landscaping, lighting, fountains, etc.) are included in the sale.
- D. The auctioneer begins the sale by asking for the minimum bid on the first parcel and continues until all bidding is completed on that parcel.
- E. Upon completion of the bidding for a parcel, the auctioneer (or assistant) will record the name, address, telephone number, and bid amount of the successful bidder. The required deposit including performance deposit/bond is collected and a receipt is issued.

- F. Obtains from the successful bidder:
 - 1. All information necessary to complete the Personal Property Sale and Removal Agreement (DOT Form 263-023).
 - 2. Payment in compliance with the terms of the Notice of Auction.
- G. Completes a Receipt (DOT Form 133-105) for all payments received and ensures that all monies are deposited.
- H. Delivers a copy of the Personal Property Sale and Removal Agreement (RES 435) and the original of the receipt to the purchaser.
- I. If no acceptable bid is received, the auctioneer may announce (at the end of the auction) that the unsold items may be reauctioned. If it is determined that the unsold items will not be reauctioned, it is lawful for WSDOT to sell the item(s) at private sale for the best price which it deems obtainable but not less than the highest amount bid at the auction.

11-5.3.3 Post Sale Procedure

After the sale is completed, the region:

- A. Records the sale (including a breakdown of the sale amount, sales tax, the performance deposit/bond, and tax identification number (TIN) and/or social security number (SSN) on the Receipt and on the Personal Property Sale and Removal Agreement and updates IRIS. If the sale is a capital facilities property, both the Receipt and the Personal Property Sale and Removal Agreement should reflect the Facilities Control Record number (FCR).
- B. Distributes copies of the Receipt and Personal Property Sale and Removal Agreement as follows:
 - 1. Receipts are distributed as noted on each duplicate colored copy; additional copies are sent to HQ and retained in the region file.
 - 2. A copy of the Personal Property Sale and Removal Agreement is sent to HQ, given to the purchaser, and retained in region file.
- C. Monitors the improvement removal operation to make sure the removal and subsequent cleanup will be accomplished in a timely manner. If it appears the purchaser will be unable to complete the removal by the agreed upon date, the region may consider allowing an extension of time to complete the removal.

11-5.4 Removal of Improvements by Demolition Contract

When the region decides to hire a contractor to demolish the improvement, the following procedures are followed in addition to those provided in the *Purchasing Manual M 72-80*:

- A. Contact the Contract Ad and Awards Office for a list of “On Call Contractors” for the area in which the demolition may occur. **Note:** You do not have to advertise if you contact all of the on call contractors and send them a bid packet. If on call contractors are not available in your area, the region must advertise for the demolition.

- B. Prepare Scope of Work and necessary documents required by Contract Ad and Awards Office. **Note:** If unfamiliar with the demolition process and what is to be included, contact the project engineer or capital facilities to aid in preparation of the Scope of Work.
- C. If the demolition has not been satisfactorily performed, the region continues to work with the demolition contractor to resolve all of the remaining issues. It may be necessary to retain the bond held under the contract terms if resolution is not achievable.
- D. The region updates IRIS.
- E. Make sure property is posted “WSDOT No Trespassing.”

11-5.5 Removal of Improvements by Project Contractor

The project engineer determines if the improvement(s) is to be removed by the project contractor. The region posts (no trespassing), secures the improvement(s), and inspects regularly until the contractor takes possession of the property and/or improvement(s). (Property Management does not recommend this procedure unless the contractor takes possession of the improvement within 60 days of vacancy. Removal of improvements by contractor is done when the demolition by PM cannot be done prior to certification.)

The region updates IRIS accordingly.

11-5.6 Removal of Improvements for WSDOT Use

Improvements and personal property (see [Section 11-5](#)) may be removed for department use. The region must document the parcel file and update IRIS accordingly. If the improvements and/or personal property are removed from a federal participating project and are not used for another federal project, the region must determine the value of the items and credit the Federal Highway Administration (FHWA) accordingly.

11-5.7 Mobile Homes

As detailed in [Chapter 4](#), the department may acquire mobile homes as real or personal property. The acquisition is accomplished as outlined in [Chapter 6](#). Appropriate documentation regarding the acquisition must be provided to Region Property Management. The Region Property Management Specialist handles the ongoing management and disposition of the mobile home as detailed in this chapter in those subsections titled: “Acquisition of Improvements and Real Property,” and “Mobile Homes as Personal Property and Disposal of Mobile Homes as Personal Property.”

11-6 Disposal of Timber

11-6.1 General

- A. WSDOT has the ability to sever and sell timber and other personalty pursuant to [RCW 47.12.140](#). Maintenance is responsible for issuing permits allowed pursuant to subsection (2) of this statute which states: The department may issue permits to residents of this state to remove specified quantities of standing or downed trees and shrubs, rock, sand, gravel, or soils that have no market value in place and that the department desires to be removed from state-owned lands that are under the jurisdiction of the department. An applicant for a permit must certify that the materials so removed are to be used by the applicant.
- B. [RCW 47.12.140](#) authorizes the department to dispose of timber. When WSDOT has fee title to, and jurisdiction over, any lands upon which timber is located, the timber may be disposed of by any of the methods listed below. If timber is located on a federal aid project and is not used for the same or another federal aid project, appropriate credit must be given to FHWA.
 1. Sale at public auction.
 2. Sale to an abutting landowner, for cash at full appraisal value.
 3. Direct sale of timber or logs to any interested party having an appraised value of \$1,000 or less.
 4. Removal for WSDOT use.
 5. Issuance of permit
 6. Sale of salvage rights to former owner from whom the state purchased the timber.
 7. Removal by a contractor as part of a construction project.
- C. Actual approval of disposal, method of disposal, and value of the timber will be determined by HQ RES.

11-6.2 Timber Disposal Processing

- A. **Region Processing** – In order to dispose of timber a surplus property review is completed in the same manner as for real property. All concerned offices should be included in the review process (always include Landscape Architect, Operations Engineer, Real Estate Services, and Regional Administrator).

Upon receipt of an approved surplus property review, the region processes the disposal as follows:

1. A disposal package is prepared and submitted to HQ RES for further action. The disposal package includes the following information:
 - a. The original copy of the Surplus Property Report (DOT Form 261-005).
 - b. Any pertinent correspondence including diary.
 - c. Any photographs, map, and any other relevant information from the region file.

- B. HQ Processing** – Upon receipt of the disposal package from the region, HQ RES will process the disposal package as follows:
1. Verify ownership, type of interest held, and any restrictions affecting the property from which the timber is to be removed.
 2. Request a timber cruise/value estimate from Region Maintenance and Operations (M&O) or Department of Revenue (DOR). If region M&O or DOR is unable to perform timber cruise, HQ may contract for a fee cruise value estimate as necessary.
 3. Make field inspection of timber sale area. Request that regional personnel flag timber sale boundaries if necessary.
 4. Recommend method of disposal considering the requirements of [RCW 47.12.140](#) and establish any special conditions, restrictions, and/or terms for disposal.
 5. Determine whether a Forest Practice Application (FPA) is required (timber harvesting inside of an active right of way usually does not require a FPA). If an FPA is required, contact Department of Natural Resources (DNR) office to obtain forms and gather necessary information to complete FPA form. Submit completed FPA to DNR for approval along with application fee. If necessary meet with DNR personnel to discuss sale proposal. In cases that require an FPA, it is always necessary for WSDOT to obtain the FPA in advance of the timber sale. After the timber sale is completed, the FPA is transferred to the purchaser.
 6. Complete any required IRIS entries.
 7. A review of the terms and conditions of the sale. If a performance deposit/bond is required, the extent of the cleanup required to qualify for refund of the deposit/bond is explained.

11-6.3 Methods of Timber Disposal

HQ conducts the sale of timber in the following three instances: (1) sale at public auction, (2) sale to an abutting landowner, and (3) direct sales of timber.

The region disposes of timber in the following four instances: (1) sale of salvage rights to former owner from whom the state purchased the timber, (2) removal by a contractor as part of a construction project, (3) removal for WSDOT use, and (4) issuance of a permit.

11-6.3.1 Timber Disposal, Sale at Public Auction

Auction sales may be conducted by either oral bidding or sealed bids. HQ will determine the type of auction sale and will schedule and conduct said sale.

A. Presale Processing for Both Oral and Sealed Bid Auctions

1. HQ will prepare a “Notice of Auction” which includes:
 - a. Date, place, and exact time of auction.
 - b. Location and site description sufficient to enable field location of the timber; a brief description of the timber and any conditions of sale.

- c. Detailed terms of the sale, including any deposit amounts.
 - d. Inventory Control Number of the timber.
 - e. Minimum bid.
 - f. Address and telephone number for securing further information or obtaining answers to questions about the sale.
 - g. Statement that “The state reserves the right to postpone or cancel all sales or to reject any and all bids” and the timber is export restricted and may not be exported until processed.
 - h. For sealed bid auctions, the address, and telephone number for obtaining bid forms and detailed instructions.
2. HQ will give notice of the sale by publication of the “Notice of Auction” on the same day of the week for two consecutive weeks, with the first publication at least two weeks prior to the date of auction, in a legal newspaper of general circulation in the area where the timber is located.
 3. HQ will prepare the following documents (1) Timber Sale and Removal Agreement, (2) Bid format for purchase of timber, and (3) Purchaser Certification for Export Restricted Timber.
 4. Set minimum bid price of timber.
 5. HQ will post the timber “For Sale” with a copy of the “Notice of Auction” at least two weeks prior to the scheduled sale and inspect sale area.
 6. HQ will mail copies of the Notice of Auction, Bid for Purchase of Timber, Timber Sale and Removal Agreement, and Purchaser Certification for Export Restricted Timber to all parties on the appropriate mailing list, abutting owners, and any interested parties as disclosed in the property file.
 7. For sealed bid auctions, HQ will also complete the following tasks:
 - a. Record all requests for sale packets. The record shall include name, address, date of request, specific timber of inquiry, and date packet is mailed to requester.
 - b. Answer any questions or inquiries not explained in packet.
 - c. Receive the sealed bids. The bids shall remain sealed until the bid opening. The bids will be date-time stamped and logged onto a bidder sheet. The bidder sheet will show the name, address, date, and time of bid receipt and minimum bid before the bid opening with the official bid amount to be noted upon opening.

B. Sale Procedure for Oral Bid Auctions

1. At the advertised time and place, the auctioneer begins the auction sale by making the following announcements:
 - a. Names of any WSDOT employees authorized by the Secretary of Transportation to bid as a private citizen.
 - b. A description of the timber being sold and a statement that it is export restricted.

- c. Asks for and answers any questions before beginning the bidding.
2. The auctioneer begins the sale by asking for the minimum bid.
3. Upon completion of the bidding, the auctioneer (or assistant) will record the name, address, telephone number, and bid amount of the successful bidder. Any required deposit/bond is collected and a receipt is issued.

C. Sale Procedure for Sealed Bid Auctions

1. The auctioneer begins the auction at the time and place advertised as follows:
 - a. Announces the names of the persons who will be opening the bids and recording the bids.
 - b. States that the bids are organized in order received.
 - c. Reads the “Notice of Auction” and announces any changes, withdrawals, or variations from normal procedures.
 - d. States that WSDOT may waive minor informalities or irregularities in bids received or may reject any or all bids in whole or in part.
2. The bid opener opens the first sealed bid, verifies that the minimum bid requirement has been met, that the bid form is complete and signed, and that the deposit/bond payment meets minimum requirements. This opened bid is handed to the auctioneer.
3. The auctioneer reads the bidders name and bid amount aloud. The bid is handed to the bid recorder who records the necessary information on the bidder sheets.
4. The auctioneer asks for and responds to any final questions before declaring the auction closed.
5. The auctioneer issues receipts to any successful bidders and deposits/bonds all purchase payments into the proper accounts.

D. Post Sale Processing

1. If the sale can be completed, HQ:
 - a. The purchaser’s signature is obtained on the following documents: Timber Sale and Removal Agreement, Purchaser Certification for Export Restricted Timber (PCERT) (DOT Form 410-100), and Notice of Transfer of Approved Forest Practice Application (NTAFPA) if required. Distributes originals and copies of documents as required.
 - b. Receive Certificate of Insurance naming the state of Washington as additional insured in the amounts set forth in the Timber Sale and Removal Agreement.
 - c. Collects bid amount and collects any performance/damage deposit/bond and provides written receipts of all collections.
 - d. Meets with the purchaser to review the contract and examine the sale area.
 - e. Gives written approval to the successful bidder to begin logging operations.

2. If the sale cannot be completed, HQ:
 - a. Will notify the bidder that the sale is canceled and that payments are forfeited, if appropriate.
 - b. Will notify Accounting of the forfeiture and sale cancellation.
 - c. May offer the timber to the next highest bidder provided said bid is acceptable.
 3. If two or more bidders submit identical high bids, HQ will:
 - a. Notify each bidder of the tie and return any deposits/bonds by certified mail within 24 hours of the bid opening.
 - b. Request a new bid with appropriate deposit from each tied bidder to be submitted within 30 days after the original bid opening.
 - c. Award the bid to the new high bidder.
 4. If any timber/logs are not sold at auction, HQ may:
 - a. Hold the timber for sale at a later auction.
 - b. Negotiate a sale for the timber for no less than the last advertised minimum bid price.
- E. **Contract Administration** – During the purchaser’s operations, inspects the site to ensure compliance with all the provisions of the Timber Sale and Removal Agreement.

11-6.3.2 Timber Disposal – Sale to an Abutting Owner

- A. **Sale to Abutting Owner(s)** – The department may sell timber or logs to an abutting landowner for cash at full appraised value but only after each other abutting owner(s) (if any), as shown in the records of the county assessor, is notified in writing of the proposed sale. If more than one abutting owner requests in writing the right to purchase the timber within 15 days after receiving notice of the proposal sale, the timber must be sold at public auction.
1. A written offer to sell the timber is mailed to all abutting owners as shown in the records of the county assessor. Waivers are obtained from any abutting owners who are not interested in purchasing the timber.
 2. If a prospective purchaser makes a counter offer, the negotiating specialist must review the offer with the supervisor before proceeding as follows:
 - a. If the counter offer is acceptable, notifies the purchaser in writing of said acceptance and proceeds to complete the sale.
 - b. If the counter offer is not acceptable, notifies the prospective purchaser that the counter offer is not acceptable and requests an increased offer. If another counter offer at an increased amount is received that is acceptable, notifies the purchaser in writing of said acceptance and proceeds to complete the sale.

- c. If the counter offer is not acceptable and the prospective purchaser does not wish to make another offer, the timber is designed for another approved method of disposal.
3. The purchaser's signature is obtained on the following documents: Timber Sale and Removal Agreement, Purchaser Certification for Export Restricted Timber (PCERT) (DOT Form 410-100), and Notice of Transfer of Approved Forest Practice Application (NTAFPA), if required. Distributes originals and copies of documents as required.
4. Certificate of Insurance naming the state of Washington as additional insured in the amounts set forth in the Timber Sale and Removal Agreement.
5. Collects bid amount and collects any performance/damage deposit/bond.
6. Meets with the purchaser to review the contract and examine the sale area and gives final approval to the successful bidder to begin logging operations.
7. During the purchaser's operations, inspects the site to ensure compliance with all the provisions of the Timber Sale and Removal Agreement.

11-6.3.3 Timber Disposal, by Direct Sale

- A. The department may sell timber or logs having an appraised value of \$1,000 or less directly to interested parties for cash at the full appraised value without notice or advertising. If the timber is attached to state-owned land, the department shall issue a permit to the purchaser of the timber to allow for the removal of the materials from state land. The permit fee is \$2.50.
 1. All direct sales will be conducted by HQ and negotiated by letter and/or telephone.
 2. The purchaser's signature is obtained on the following documents: Timber Sale and Removal Agreement, Purchaser Certification for Export Restricted Timber (PCERT) (DOT Form 410-100), and Notice of Transfer of Approved Forest Practice Application (NTAFPA) if required. Distributes originals and copies of documents as required.
 3. Certificate of Insurance naming the state of Washington as additional insured in the amounts set forth in the Timber Sale and Removal Agreement.
 4. Collects bid amount and collects any performance/damage deposit/bond.
 5. Meets with the purchaser to review the contract and examine the sale area.
 6. Gives written approval to the successful bidder to begin logging operations.
 7. During the purchaser's operations, inspects the site to ensure compliance with all the provisions of the Timber Sale and Removal Agreement.

11-6.3.4 Removal of Improvements for WSDOT Use

Timber may be removed for department use. The use must be documented in the parcel file and the computer database updated accordingly. If the timber is removed from a federal participating project and not used for another federal project, the value of the items must be determined and FHWA credited accordingly.

11-6.3.5 Timber Disposal by Permit

- A. **General** – [RCW 47.12.140](#) authorizes the department to issue a permit for the removal of timber having no market value in place and that the department desires to have removed. A permit to remove timber should only be issued when the total merchantable timber volume is no more than 5,000 board feet or one truck load of logs. Permits should not be issued for the removal of timber from properties located off of operating right of way (removal of timber off operating right of way will require an approved Forest Practice Application).
1. Such cases are referred to the Region Operations Office for issuance of a general permit.
 2. If the timber volume is over 5,000 board feet or one truck load of logs, the matter should be referred to HQ Real Estate Services. A determination will be made by HQ as to the appropriate disposal option. If HQ determines that the timber has no sale value, a general permit may be issued by the Region Operations Office for its removal. The operator who removes the timber will be required to sign a Purchaser Certification for Export Restricted Timber (DOT Form 410-100), and comply with applicable regulations. HQ will determine whether a Forest Practice Application is necessary.

11-6.3.6 Timber Disposal, Sale of Salvage Rights to Grantor

- A. The region prepares a Salvage Appraisal Report (DOT Form 263-003) for the timber to be disposed of as salvage. HQ should be included in the determination of a salvage value for timber. When the salvage appraisal report has been completed, the original is forwarded to HQ.
- B. The region transmits the following to HQ.
1. Executed Fixtures and Improvements Agreement (F&I). Processed in accordance with 11-2.5.2. Includes the following statement on the F&I:
The timber salvaged is prohibited from export until processed. Purchaser must comply with all regulations regarding export restricted timber as detailed in WAC 240-15. Purchaser shall also be responsible for compliance with the regulations of the Department of Natural Resources and the payment of the Department of Revenue taxes on timber harvested. Purchaser shall obtain a Forest Practice Application before harvesting any timber and is responsible for payment of any fees for the permit.
 2. Executed Purchaser Certification for Export Restricted Timber (DOT Form 410-100). All copies transmitted to HQ.
- C. HQ verifies that the acquisition agent has placed the F&I and Purchaser Certification for Export Restricted Timber in the transmittal package:
- D. HQ confirms that the Acquisition Specialist has made appropriate adjustments on the Real Property Voucher including but not limited to:
1. Deduction of the timber salvage value (DOT Form 261-023).
 2. Deduction of a performance bond, as necessary, to enforce removal of timber and compliance with any requirements noted in the Fixture and Improvement Agreement.

3. Appropriate “hold-back” voucher for return of the performance bond upon satisfactory removal of the timber, payment of taxes, and compliance with regulations. (See [Chapter 10 Performance Bond](#).)
- E. Proceeds according to [Section 11-2.5](#).

11-6.3.7 Timber Disposal, Removal by Project Contractor

When the region has determined that the timber is to be removed by the project contractor, the region must make sure that the project engineer is advised and the timber is included in the project contract prior to the ad date. The region updates IRIS accordingly.

11-7 Disposal of Surplus Property

11-7.1 General

- A. Whenever WSDOT determines that any real property owned and under the jurisdiction of WSDOT is no longer required for transportation purposes and that it is in the public interest to do so, WSDOT may dispose of the property. WSDOT may sell the property or exchange it in full or part consideration for land or building improvements or for construction of highway improvements for fair market value. Sales or exchanges may be made directly to any of the entities listed in [RCW 47.12.063](#).
- B. Property may be conveyed to another governmental agency without monetary consideration if the property will be used for highway purposes (as defined by 18th Amendment/case law/AGO). Conveyances of any such property shall be subject to reversionary clauses or deed restrictions as to use. Additionally, the benefitted local jurisdiction should pay for all labor related to conveyance activity.
- C. Upon receipt of an application, the region will inspect the property to determine if the property could be declared surplus to WSDOT needs. If such a determination is made, the region shall complete a disposal review.
Note: For further information regarding inspections, see Section 11-4.)
- D. Final approval for disposal, method of disposal, and value of the surplus property will be determined by HQ.

11-7.2 Disposal Processing

- A. **ICN Assignment** – When declaring a portion of a “larger parcel” as surplus, the original ICN shall remain with the portion of the inventory that is being retained. A new ICN shall be established for the disposal area whether that disposal is fee or easement. Upon creation of the new inventory, the Property Management Specialist must be sure to update the original inventory to reflect the smaller size, and make sure that comments are made in the file and IRIS, reflecting the activity that has occurred, and tying the old ICN with the new ICN. *Note:* Region Property Management Specialist must confirm that WSDOT can separate the surplus area from the larger parcel without the county requiring a subdivision or boundary line adjustment.

- B. **Region Processing** – The region determines that a property is no longer needed by WSDOT by completing an electronic disposal review that will include both Region and HQ reviewers and Appointing Authorities.

Disposal Review Process – The Region Property Management Agent (PMA) will be responsible for the following:

- Application for each proposal. Upon receipt of a request for surplus, Region should contact the HQ Disposal Supervisor and request that a group number be established for the Inventoried Property to be surplus and sold. All participants in preparing a property for surplus should use the established charge codes as well as cross-org charge against 303020.
- Title verification. If WSDOT owns less than fee, further discussion between Region and HQ should occur prior to continuing the disposal process.
- Legal description should be drafted once the plan revision is completed. All disposals are now noted on our R/W Plans and the plan revision is processed by the HQ Development Division/Right of Way Plans. Due to legislative direction, one TE3 position is funded with disposal dollars appropriated for the disposal of surplus, and that position incumbent will work directly with the Region PMA to comment on and finalize the R/W Plan Revision.
- Upon approval of package, region should request the necessary plan revision. Once the revision has been completed, an updated plan sheet will added to the package.
- Completing the review, including any necessary HQ reviewers.
- Provide value determination using tools available (appraisal or value memo). The Region PMA is responsible for requesting and providing to HQ the appraisal documentation. If no appraisal staff is available in the assigning region, the Region PMA will work with the HQ Disposal Supervisor to check on statewide availability. The work may be done by internal staff or by a fee appraiser in the area where the property is located. The Region will be responsible for handling the paperwork necessary to contract out a fee appraisal.
- Notifying Region Environmental Services office when NEPA is triggered because the proposed disposal area is located on an interstate highway, or if the parcel was purchased with federal funding and the parcel will be sold for less than fair market value. If any of these conditions are met, a federal nexus is created, and NEPA, National Historic Preservation Act, aka Section 106 (NHPA), and Endangered Species Act (ESA) documentation must be completed during the Real Estate Services Electronic Review System (RES-ER) process.

The Region PMA will select reviewers based upon the facility types detailed below. For additional information on creating a review package in RES-ER, please see the document titled “PMA updated CheatSheet.pdf” located in the Oracle Help menu.

Non-Limited Access Facilities and Specific Sundry Sites (Pit Sites, etc.) – Reviewed and approved by Region staff and HQ Access review staff with no HQ Approving Authority required.

Every proposal must be reviewed (unless noted) by the following disciplines. Region staff should be available for each of the disciplines shown below:

- Environmental
- Public Transportation/Planning
- Roadside Services/Landscape
- Local Programs (as determined by region)
- Area Operations Manager for specific county (primarily NWR)
- Developer Services (as determined by region)
- Region Access
- Each review must include a HQ highway access reviewer.
- Utilities
- Maintenance
- Hydraulics (Hillsides, Slopes, Water issues)
- Traffic (in NWR ARA Maintenance/Traffic, Maintenance)
- Region right of way plans (see note regarding HQ plans and access)

May also require review by the Special Circumstance Reviewers shown below if region does not have staffing that specializes in the needed area:

- Foundations (bridge structures, retaining walls, sloping issues, tiebacks and similar situations)
- Bridge
- Homeland Security (Infrastructure and Bridges)
- Ferries
- Bicycle and Pedestrian
- ITS Communication, Wireless, and Technology
- Aviation
- Project specific engineers (or field experts), as determined by region.
- Facilities - Facility sites include the following property types: Pit Sites, Stockpile Sites, Quarry Sites, Rest Areas, Waste Sites, and Capital Improvements. Primary reviewers are the Planning and Program Delivery Manager and the Statewide Facilities Administrator. (In the case of a Facilities site – HQ Facilities must be included in the review)

Upon completion of the package review:

Upon completion of all of the necessary reviews and approvals by region staff, plan revision and determination of the value of the property, HQ will notify the required local jurisdictions, prepare and complete the conveyance document(s), and complete any other tasks necessary to finalize the transaction.

Limited Access Facility (Non-Interstate – Established or Planned) – Standard Region Reviewers as well as the HQ Access reviewer assigned to that region as shown:

HQ Highway Access staff

Package will automatically go to the following queues. Please **do not** choose the following as reviewers:

- HQ Approving Authority
- HQ Plans Review

Region staff will facilitate the entire review (including any HQ reviewers), and complete the other elements of the transaction as detailed above.

Interstate Facilities – Standard reviewers, Special Circumstance Reviewers, HQ Access, HQ R/W Plans and FHWA.

As part of all FHWA reviews, appropriate NEPA documentation is required. This environmental documentation requires the help of Region Environmental staff to be sure that all areas of the federal nexus are covered. NEPA is triggered if the property being considered for disposal is located on an interstate highway, or if the parcel was purchased with Federal funding and the parcel will be sold for less than fair market value. If any of these conditions are met, a Federal nexus is created, and NEPA, NHPA, and ESA documentation must be completed prior to lease or disposal (23 CFR 771.11(d)(6)). When a local jurisdiction is acquiring the property for a project, they often have this completed when applying to purchase the property.

The remaining process will be the same as stated above, however, upon completion of the review. The HQ PMA will verify with HQ Access that FHWA approval is necessary for an access break. If an FHWA access break approval is necessary, the disposal package will be delivered concurrently with the HQ Access break request.

FHWA requires a minimum of 60 days to complete their review. Upon approval, finalization of the process will be facilitated by Region/HQ Property Management staff.

The disposal review package should include the following items:

Note: If a ‘J account’ is created to cover the expense of the review and disposal process, please include the appropriate J account information in the PMA Comments field found on the General Information Tab.

1. Regional Administrator’s (or designee) electronic approval attesting that the following statements are true:
 - a. The lands will not be needed for transportation purposes in the foreseeable future.
 - b. The right of way being retained is adequate under present day standards for the transportation facility.
 - c. The release will not adversely affect the facility or the traffic using it.
 - d. The lands to be disposed of or relinquished are not suitable for retention to restore, preserve, or improve the scenic beauty adjacent to the highway.
 - e. The lands to be disposed of or relinquished are not suitable for inclusion into our wetlands inventory.

- f. The lands to be disposed of or relinquished are not needed for a park and ride lot, flyer stop, or similar facility to accommodate high-occupancy vehicles.
 - g. No hazardous material or highway waste is present on the site and any necessary cleanup has been completed.
 - h. Specific information regarding rights to be reserved.
 - i. If interstate, NEPA documentation is signed and/or approved by Region Environmental Services.
2. If the property was acquired with federal funding, the federal aid number is supplied.
 3. All regional review and comment documents as entered in the Electronic Review. Any “no” responses and questions received during the region review need to be addressed before the package is forwarded to HQ.
 4. The NEPA document for a typical disposal is the Environmental Checklist for Surplus Property Disposals (Form 220-015). The Environmental specialist will determine if this form is sufficient, or if the ECS form is required. Check to ensure all fields are completed and the form is signed.
 5. Region shall complete a title check verifying ownership, type of interest held, and any restrictions affecting the property.
 6. Prepared legal description for the disposal area. The HQ Plans Reviewer is available to assist with drafting the legal description if region staff isn’t available.
 7. Completed Property Inspection Status Report.
 8. Photographs of the property together with a map showing the direction of the photos.
 9. An 11×17 copy of the right of way plan sheet with the property to be disposed of outlined and hachured in red. Once the property is approved for disposal, region will request the necessary plan revision. Upon completion of the revision, an updated plan sheet will be attached to the disposal package and forwarded to HQ Disposal.
 10. Tax parcel number of this parcel, if assigned.
 11. Names, addresses, telephone numbers, and tax parcel numbers for each abutting property owner including contract purchasers.
 12. All correspondence from interested abutting owners and/or other potential purchasers and any responses.
 13. Notation of any special features or conditions on the property, such as encroachments, utility availability, access, boundaries, improvements, similarities, and differences to adjacent properties, etc., that could affect sale or value.
 14. Written directions to the property to enable locating and inspection of the property.

15. Notation of the right of way project number, acquisition parcel number, and federal aid number (if applicable) on which the property was originally acquired.
16. Diary of Right of Way Activities.
17. If the property to be disposed of is or was a pit site, the following documentation needs to be submitted:
 - a. Reclamation plan, if appropriate. The reclamation plan shall be obtained from the Region Materials Lab or appropriate office.
 - b. Hazardous Materials Assessment and Remediation Report, if appropriate.
18. Information from county assessment records showing assessed value and property size for the disposal area as well abutting properties.
19. Recommendation of property value based on available information. If the value of the property appears to be \$25,000 or less and non-complex, as determined by the Region RES Manager or designee, the region specialist, in either Property Management or Appraisal, should prepare a value memorandum (Template for PM Staff & Template for licensed appraisers) citing the rationale and evidence obtained for the conclusion of value. Information to be included in the memorandum would be:
 - Size of parcel
 - Current use of parcel
 - Anticipated highest and best use
 - Support

The conclusion may indicate a range of value rather than a single dollar amount. Value Memos prepared in the region need to be approved by the Region RES Manager (or designee). Value memos prepared at Headquarters need to be approved by the PMPM (or designee).

If the value of the property appears to be over \$25,000, an appraisal will be required.

- a. Each disposal file submitted to Appraisal will contain an assignment sheet (RES-445) completed by the Region PM Supervisor, the Region staff person assigned to disposal or, the HQ Property Management Disposal Supervisor. If the appraisal is done in the Region by internal staff, the Appraisal Supervisor will work with the selected appraisal staff person to determine the cost and time related to the requested appraisal. If Region staff unavailable, the Region Appraisal Supervisor will request bids from fee appraisers based on appropriate contracting procedures. The form will provide the following information:
 - Type of Assignment (Appraisal or Value Memo)
 - Scope of Work (Abutter Value and/or Auction Value)
 - Dollar Amount HQ PM has available to pay for the appraisal work if done in-house. If a fee appraiser is solicited, that individual will provide the cost associated with providing the requested appraisal to WSDOT.
 - Due Date

Upon receipt of this form, the Region Appraisal Supervisor will assign the appraisal.

- If the Appraisal Supervisor does not believe adequate funding has been provided in order to complete the assignment the issue will be discussed with the HQ PM Disposal Section. HQ PM Disposal will decide whether there are additional funds available for this assignment or if the appraisal will need to be placed on hold.
 - If there is not current staff available (within HQ or Region) to complete the task by the due date provided, the Appraisal Supervisor will submit a request for an appraisal contract.
 - If at any time during the appraisal process it becomes apparent that the assignment will not be completed within the funding or timeframe provided, the individual assigned the appraisal will need to put in writing why additional funds or time is necessary. It will be up to the HQ PM Disposal Section to decide how they would like to proceed (i.e. provide additional funding, extend the due date or place a hold on the appraisal).
- b. Appraisal Reviews will only be required on a case-by-case basis and typically only on those appraisals that are complex, and/or multi-premise, appraisal completed by fee appraiser or if the request for surplus comes from an abutting property owner who will clearly benefit due to an enhanced value the surplus will provide. Once the appraisal/value memo has been completed the file will be returned to the individual that completed the assignment sheet.
- For appraisals that are non-complex (see the Appraisal Section of the *Right of Way Manual* M 26-01 for definition of non-complex), HQ PM Disposal will move forward with their standard process (i.e., no Determination of Value).
 - For appraisals that are of a complex nature, a copy of the appraisal will be given to the PMPM or the Region Real Estate Services Manager for approval of value(s). When necessary the PMPM will work with the appropriate region for an Administrative Desk Review (RES-446) to be completed.
20. The Region Property Management Specialist is responsible for inputting the following disposal information in IRIS:
- Disposal activation date
 - Disposal to Regional Administrator date
 - RA decision
 - Date of Regional Administrator decision
 - Disposal to Headquarters Approving Authority date
 - Headquarters Approving Authority decision
 - Date of Headquarters Approving Authority decision
 - Disposal to HQ date
 - Comments (diary entries)

21. At the beginning of each month, HQ will email status updates for disposal files currently being processed at HQ. The Region Property Management Specialist is responsible for relaying that information to the requester. This should be done at least once a month and continues until the property is sold or placed in auction. The Property Management Specialist closes the region file once the property is sold and notes it on the Property Management's right of way plan sheets. The Property Management Specialist will note the type of deed, the date, and color the property appropriately on the plan sheet(s). A copy of the recorded document of conveyance will be scanned and emailed to the Region in which the property is located and to Maintenance and Facilities as appropriate.

C. **HQ Processing** – Upon completion of the Electronic Review disposal package and the revised plan sheet, region will attach the revised plan sheet and send the package from the “Region PMA Final Queue” by selecting “Finish” and “Complete.” The Electronic Review System will automatically send an email to HQ letting them know that a new package has been approved.

Upon receipt of this email, HQ will complete the following tasks:

1. Review title check and legal description provided by region.
2. Review submitted value information; approve, concur, or order full appraisal as needed.
3. Verify that the required plan revisions have been completed and a copy of the revised plan has been provided
4. Prepare and mail 60-day notice to city/town and county as required by [RCW 47.12.055](#). Whenever possible, this notification will be sent by email.
5. Request FHWA approval for the disposal when the property was acquired for an interstate facility or purchased with federal funds and being sold for less than fair market value. If the plan revision requires that the limited access hachures be relocated, the FHWA disposal package and Access Break Package must be submitted together. Per the Programmatic Agreement, federally funded non-interstate disposals to local jurisdictions for continued highway purpose do not require FHWA approval.

Note: FHWA requested review and approval is in letter format and the response in letter format as well. Be sure to keep these items in the Disposal file.

- a. The review package to FHWA must be in the following order:
 - Cover Letter-Include IC Number and use template located on the G Drive under Property Management (FHWA Formal Request Letter)
 - R/W Plan Sheet & Vicinity Map
 - RES-ER Property Details Report
 - RES-ER Reviewer Details & any paperwork addressing issues raised in the review
 - RES-ER Environmental Checklist
 - Aerial & Property Photos
 - Legal Description

- NEPA Document
 - Additional/Misc. information pertaining to the request
 - Access Break Package (Prepared by HQ Highway Access staff)
- b. Log request into the FHWA Sharepoint Site (create link) under the Property Management tab.
6. Develop a negotiation range based on appraisal/DV or value information.
 7. Recommend method(s) of disposal considering the requirements of [RCW 47.12.063](#) and any region recommendations.
 8. Establish special conditions, restrictions, and/or terms for disposal.
 9. Obtain necessary approvals for disposal by completion of a Surplus Property Report and prepare package for appropriate method of disposal.
 10. Assure that all IRIS entries, including completion of the comment screen, are correct and current.
 11. See [Section 11-7.4.2](#) for further instruction on document preparation.
- D. Any disposal file that has been on hold (no activity) for two years or more will be terminated, closed and the HQ file will be archived. The ICN will remain open, the disposal will be terminated in IRIS, and comments will be entered by HQ explaining the termination of the disposal. A new region disposal package will be required for any files closed pursuant to this procedure.

11-7.3 Methods of Disposal

11-7.3.1 Trade or Exchange

- A. Project related lands to be traded or exchanged must be reviewed and approved by the Region Real Estate Services Manager (RES Manager). The RES Manager will have an appraisal or value memo prepared and approved to determine the value of the parcel to be traded or exchanged.
- B. Before any WSDOT-owned lands may be traded or exchanged, Region will complete a surplus property review.
- C. Once the trade is reviewed and approved and the Region has established value for the trade or exchange, the region may proceed with negotiation of the trade or exchange. Upon successful completion of negotiations, the Region Acquisition Specialist will have prepared, with the assistance of the Property Management Specialist, the Exchange Agreement. The Acquisition Specialist will deliver for execution the agreement and the acquisition documents to the property owner that is a party to the agreement.
- D. Trades or exchanges of surplus WSDOT property for other property needed for transportation purposes in a project will be negotiated by the region in accordance with [Chapter 6](#). The procedure for such a trade or exchange will follow the above noted steps.

Upon completion of the Electronic Review, execution of the agreement and acquisition document, HQ will complete the trade by issuing the proper conveyance document.

- E. WSDOT also has the ability to enter into exchange agreements for environmental mitigation pursuant to [RCW 47.12.370](#). This authority stipulates that the department may enter into exchange agreements with local, state, or federal agencies, tribal governments, or private nonprofit nature conservancy corporations as defined in RCW 64.04.130, to convey properties under the jurisdiction of the department that serve as environmental mitigation sites, as full or part consideration for the grantee assuming all future maintenance and operation obligations and costs required to maintain and operate the environmental mitigation site in perpetuity.

These transactions also require department review and approval, execution of an agreement and ultimately a quitclaim deed which must provide for automatic reversion if the site not used as a mitigation site or not maintained in a manner that complies with applicable permits, laws, and regulations.

11-7.3.2 Direct Sale

- A. All direct sales will be negotiated by HQ Property Management staff. The property will be sold in accordance with the approved Surplus Property Report. Under special circumstances, the file may be directed to the region for negotiation of the sale. If a parcel is assigned to the region for negotiation, the region should consult with Headquarters for proper procedures for payment processing and file documentation.

B. Cash Sale Terms

1. If the agreed upon sale price is \$1,000 or less, the purchaser must pay the full amount at the time of sale.
2. If the agreed upon sale price is below \$2,500, a deposit of 10 percent of the sale price on unimproved properties and 15 percent of the sale price on improved properties must be paid at the time of sale with the remaining balance to be paid within 60 days. If the purchaser decides not to complete the transaction, their deposit will be forfeited.

C. Contract Sale Terms

1. Contract terms may be offered on a purchase balance of \$2,500 or more upon approval of the purchaser’s credit. Once the credit report has been reviewed, a diary entry will be made stating the credit score and whether or not the entity has been approved for a Real Estate Contract. A copy of the credit report will not be kept in the disposal file.
2. The normal deposit of 10 percent of the sale price for unimproved property and 15 percent for improved properties may serve as the down payment. A larger down payment is required if payments other than monthly are requested, as detailed below:

Quarterly	15% Unimproved	20% Improved
Semi-Annual	20% Unimproved	25% Improved
Annual	25% Unimproved	30% Improved

If the purchaser decides not to complete the transaction, their deposit will be forfeited.

3. The contract term is not less than one year or greater than 20 years. Normally, the term will be one year for every \$1,000 owed.
4. The interest rate will be established by HQ.
5. Contracts may be assigned only upon written approval by HQ. A fee of 1 percent of the principal balance or \$500.00, whichever is greater, at the time of the assignment will be charged. If an assignment of the contract occurs without HQ approval, this fee will be charged and collected at the time of payoff and before a Quitclaim Fulfillment Deed is processed.
6. WSDOT will not refinance or renegotiate terms of executed contracts.
7. Only one Partial Fulfillment Deed will be processed per contract.

D. Sale to Abutting Owner(s)

1. A written offer to sell the property is mailed to all abutting owners as shown in the records of the county assessor. If the deadline provided in the offer letter expires with no response, HQ will proceed with other disposal options. If more than one abutting owner indicates an interest in purchasing the property, the property will be sold at public auction.
2. If a written agreement signed by all abutting owners is provided, the property may be sold to multiple abutting owners under one instrument.
3. If a prospective purchaser makes a counter offer that is within the approved negotiation range shown on the Surplus Property Report, the Negotiating Specialist must review the offer with the Property Management Program Manager before proceeding as follows:
 - a. If the counter offer is acceptable, HQ notifies the purchaser in writing of said acceptance and proceeds to complete the sale.
 - b. If the counter offer is not acceptable, HQ notifies the purchaser that the counter offer is not acceptable and requests an increased offer. If another counter offer at an increased amount is received that is acceptable, HQ notifies the purchaser in writing of said acceptance and proceeds to complete the sale.
 - c. If the counter offer is not acceptable and the purchaser does not wish to make another offer, the parcel is assigned for the next approved method of disposal.

11-7.3.3 Auction Sales of Real Property

Auction sales may be conducted by either oral bidding or sealed bids in accordance with [RCW 47.12.283](#). HQ will determine the type of auction sale and will schedule and conduct said sale.

A. Presale Processing for Both Oral and Sealed Bid Auctions

1. HQ will prepare a Real Property Notice of Auction (see [Appendix 11-3](#)) which includes:
 - a. Date, place, and exact time of auction.

- b. Abbreviated legal description of the property.
 - c. Location and site description sufficient to enable field location of the tract.
 - d. Detailed terms of the sale including deposit amounts.
 - e. Inventory Control Number of the parcel.
 - f. Minimum bid.
 - g. Type of instrument that will convey title.
 - h. Address and telephone number for securing further information or obtaining answers to questions about the sale.
 - i. Statement that “The state reserves the right to postpone or cancel all sales or to reject any and all bids.”
 - j. The address for the auction Web page, which includes the general sales terms and bid form.
2. HQ will give notice of the sale by the most appropriate methods available.
 3. Region staff (or HQ staff if Region staff isn’t available) will post the property with a “For Sale” sign at least three weeks prior to the scheduled sale.
 4. HQ will mail a postcard “Notice of Auction” to all parties on the auction mailing list. The postcard will include the date and time of the auction, the counties in which the properties are located, the auction Web address and contact information for the auction agent. An email “Notice of Auction” will be sent to all parties on the electronic mailing list containing the same information as the postcard notice. Abutting property owners and others who previously expressed an interest in the property will be mailed a notification regarding the auction.
 5. For sealed bid auctions, HQ Property Management Disposal will also complete the following tasks:
 - a. Answer any questions or inquiries.
 - b. Receive the sealed bids. The bids shall remain sealed until the bid opening. The bids will be date-time stamped and logged onto a bidder sheet. The bidder sheet will show the name, address and date of bid receipt and minimum bid before the bid opening with the official bid amount to be noted upon opening.

B. Sale Procedure for Oral Bid Auctions

1. At the advertised time and place, the auctioneer begins the auction sale by making the following announcements:
 - a. Announces the number of WSDOT employees who requested permission to bid and the number that have received approval, subject to the information provided to the HQ staff performing the auction.
 - b. The type of interest being sold.
 - c. Conveyance of the property will be by Quitclaim Deed with no title insurance or survey.

- d. Any guarantees, restrictions, reservations, or special contingencies that apply to any of the parcels being sold.
- e. Asks for and answers any questions before beginning the bidding.
2. The auctioneer begins the sale by asking for the minimum bid on the first parcel and continues until all bidding is completed on that parcel.
3. Upon completion of the bidding for a parcel, the auctioneer (or assistant) will record the name, address, telephone number, and bid amount of the successful bidder. The required deposit is collected and a receipt is issued.
4. Bidding will continue until all parcels have been offered.

C. Sale Procedure for Sealed Bid Auctions

1. The auctioneer begins the auction at the time and place advertised as follows:
 - a. Announces the names of the persons who will be opening the bids and recording the bids.
 - b. States that the bids are organized in order of ICN and in order received.
 - c. Announces sale procedures and any changes, withdrawals, or variations from those procedures.
 - d. States that WSDOT may waive minor informalities or irregularities in bids received or may reject any or all bids in whole or in part.
 - e. Announces the number of WSDOT employees who requested permission to bid and the number that have received approval, subject to the information provided to the HQ staff performing the auction.
2. The bid opener opens all sealed bids for a parcel, verifies that the minimum bid requirement has been met, that the bid form is complete and signed, and that the deposit payment meets minimum requirements. The opened bids are handed to the auctioneer.
3. The auctioneer announces each bidder's name and bid amount aloud. The bids are handed to the bid recorder who records the necessary information on the bidder sheets.
4. After all bids for a parcel have been opened and announced, the auctioneer then announces the apparent successful bidder (highest bid received). This process continues until all parcels have been sold. The auctioneer asks for and responds to any final questions before declaring the auction closed.
5. The auctioneer issues receipts to all successful bidders and deposits all purchase payments into the proper accounts.

D. Post Sale Processing

1. If the sale cannot be completed by the successful bidder, HQ:
 - a. Will notify the bidder that the sale is canceled and that their surety deposit has been forfeited.
 - b. Will notify the HQ RES Financial Analyst of the forfeiture and sale cancellation.

- c. Due to past issues, the property will NOT be offered to the next highest bidder.
 - d. Return the parcel to the auction drawer until the next auction is scheduled.
 2. If the sale cannot be completed by WSDOT, HQ will notify the bidders that the sale is cancelled and return all bids unopened.
 3. If two or more bidders submit identical high bids, HQ will:
 - a. Notify each bidder of the tie and return any surety deposits by certified mail within 24 hours of the bid opening.
 - b. Request a new bid with appropriate deposit from each tied bidder to be submitted within 30 days after the original bid opening.
 - c. Award the bid to the new high bidder.
 4. If any parcel or parcels are not sold at auction, HQ may:
 - a. List the parcel with a real estate agent at the minimum bid price in accordance with [RCW 47.12.283\(4\)](#).
 - b. Hold the parcel for sale at a later auction.
 - c. Negotiate a sale for the property for no less than the last advertised minimum bid price pursuant to [RCW 47.12.283\(4\)](#). All unsold auction properties will be listed on the auction website as available on a first come first serve basis at the minimum bid price.
- E. Per [RCW 47.12.063](#), the department may withhold or withdraw properties from an auction at the request of one of the entities or persons listed in subsection 3 of this statute but only after:
 1. Receipt of a nonrefundable deposit equal to 10 percent of the fair market value or \$5,000; whichever is less.
 2. The conveyance of the property must be completed within 60 days, or the property will be put back up for auction.

11-7.4 Final Processing and Document Preparation

11-7.4.1 Real Estate Contract

- A. A purchaser who wishes to enter into a real estate contract for the payment of any remaining balance due (must have purchase balance of \$2,500 or more) on a purchase of property must complete an Application for Real Estate Contract (DOT Form 263-008).
- B. HQ will order and review a credit report on the purchaser. If the credit report is not acceptable, the applicant will be informed of the disapproval and that the property may still be purchased for cash with payment in full being due 60 days from the date of notification of credit disapproval. If the purchaser/applicant cannot complete this sale for cash, the sale to that purchaser will be canceled and all surety deposits will be retained. If the purchaser/applicant can complete the sale for cash, the final processing will take place as described in [Section 11-7.4.2](#).

- C. When the purchaser's credit is approved, HQ will prepare a real estate contract and send it to the purchaser for signature together with a request for a check for recording fees, excise tax fee, other applicable fees, and additional down payment. When the contract has been signed and returned to HQ along with the requested checks, the Property Management Section Manager will execute the contract and it will be mailed to the appropriate county for recording.
- D. A diary entry will be made regarding the credit score; however, a copy of the credit report will not be printed and placed in the file.
- E. When the recorded contract is returned to HQ, copies will be distributed to the purchaser and the region; the original document will be retained in the HQ PM file and the file submitted to the HQ Plans Reviewer for posting.
- F. HQ will collect and enter all payments into IRIS until the contract is paid in full. Per the Office of Financial Management (OFM), all payments will be transmitted to HQ Accounting within 24 hours of receipt.
- G. If a purchaser defaults on a real estate contract, HQ will take the following steps, in accordance with [RCW 61.30.070](#):
 1. Where the payment is past due and no arrangements have been made for late payment, a reminder letter will be sent to the purchaser (Delinquency Letter #1).
 2. If no response is received to Delinquency Letter #1, a payment demand and notice that forfeiture proceedings will commence will be sent to the purchaser (Delinquency Letter #2).
 3. If the contract is not brought current by the date specified in Delinquency Letter #2, or as agreed upon by WSDOT and the purchaser, forfeiture proceedings will commence. HQ will order a title guarantee for court proceeding purposes. Based on the title guarantee, a "Notice of Intent to Declare Forfeiture" will be prepared, signed, and recorded in the county where the property is situated. Within ten days after recording, a copy of the "Notice" is sent to all interest holders and occupants by certified mail, return receipt requested, and regular mail. If unable to locate mailing addresses for all impacted parties, a copy is posted on the property either by HQ or Region PM. A photo of the posted notice on the property shall be retained in the HQ PM file.
 4. If the default is not cured within the statutory time period (at least 90 days), a "Declaration of Forfeiture" is prepared, signed, and recorded in the proper county.
 5. Within three days after recording the "Declaration," a copy is sent to all interested parties and occupants by both certified mail, return receipt requested, and regular mail.
 6. After the forfeiture is completed and a 30-day appeal period has expired, the parcel may be resold.
 7. HQ may make adjustments to the schedule of letters and notifications on delinquent payments.

- H. A purchaser may request a partial fulfillment deed. If such a request is received, HQ will prepare a map showing the total area under the contract and the area covered by the request for partial fulfillment deed. This map is submitted to the Appraisal section with a request for a determination as to how much additional payment, if any, is needed to facilitate the request. The purchaser is advised of any additional payment needed. Upon receipt of the additional payment, document preparation will be commenced.

11-7.4.2 Cash Sale, Final Contract Payment, and Conveyance

Upon receipt of full payment of the sales price either at the time of sale or in fulfillment of a real estate contract, HQ will prepare the appropriate conveyance document and send it to the AAG for approval. Upon receipt of approval by the AAG, the document is sent to the grantee for approval as to form along with a request for checks for payment of recording fees and an excise tax fee. When the document and the appropriate fees are returned to HQ, the document is executed by the Secretary of Transportation and is sent to the proper county for recording. After the document is returned from recording, the original is sent to the grantee and a copy is scanned and e-mailed to the region. A copy is also placed in the HQ file and the appropriate IRIS entries are made to close the disposal and ICN. The closed file is submitted to the HQ Plans Reviewer for posting and filing.

11-7.5 Modifications to Limited Access Highways

- A. The process and standards for requests for access modification are described in Section 530.10 of the *Design Manual* M 22-01.
- B. A conceptual approval of a modification in access must be obtained from the Access and Hearings Engineer.
- C. Upon preliminary approval of a modification in access, the region will process a disposal package as described in [Section 11-7.2](#). Upon completion of the disposal package and notification via email to HQ RES, HQ RES will submit a disposal package concurrently with the HQ Access Management Office to FHWA.
- D. Final approval of a modification in access is denoted by a signature on the right of way/access plan by the State Design Engineer or designee.
- E. HQ will negotiate the access modification, collect the payment, and prepare and record the proper conveyance document.

11-7.5.1 Turnback to Local Agency

- A. **General** – Properties for relinquishment (turnback) are shown on the right of way plan as areas of right of way, road, and/or streets that WSDOT acquires for the improvement or construction of roads that will not remain a part of the highway system, but will be conveyed to a city, town, or county. The rights transferred may be fee, easement, or a combination of both.
- B. **Rules** – The Turnback Agreement is used to facilitate the transfer of jurisdiction and ownership of right of way from WSDOT to a city, town, or county for highway purposes. Upon completion of the project, WSDOT will convey certain properties to the local agency by Quitclaim Deed.

Resources:

- [RCW 36.75.090](#), [RCW 47.52.210](#), [RCW 65.08.095](#), [RCW 47.24.020\(15\)](#), [RCW 47.12.080](#), [Chapter 47.50 RCW](#), [Chapter 47.52 RCW](#), [Chapter 47.24 RCW](#)
- [WAC 468-18-040](#), [WAC 468-30-070](#), [WAC 468-30-75](#)
- *Agreements Manual* M 22-99, Chapter 7
- Local Agency Agreement Summary (Master Deliverables List)

C. **Procedures** – The region maintains control of the process and monitors the agreement and construction of the highway. The original agreement and notes are retained in a folder at HQ RES for each turnback agreement. Through the course of the turnback process entries are made into IRIS. Up front, is the time to obtain the appropriate charge code that HQ RES staff will use to charge their time against in completing the turnback process.

1. **Preliminary Review**

- a. Agreements are reviewed prior to signing by the local agency.
- b. **Standard Turnback Agreement** – The region agreement writer (or other as may be designated by the region) requests the Agreement be reviewed by HQ RES. The review is to assure consistency with the HQ right of way plans and title records.
- c. **Nonstandard Agreement** – The Agreement Units of HQ Utilities, Railroad, and Agreements Section requests a review to be done by HQ RES of all nonstandard turnback agreements. The review is to assure consistency with the HQ right of way plans and title records.
- d. The agreement is checked for accuracy against the right of way plans:
 - (1) Plan revisions and dates, most recent, are those that become the exhibit to the agreement.
 - (2) Turnback lines (weight and location) and informational notes (easement and fee and area is noted for relinquishment).
 - (3) Verifies color designations on exhibits are in compliance with the agreement and right of way plans, access to be retained, fee, and/or easement to be transferred.
 - (4) State ownership – title may not be acquired at this time. Communicate findings.
 - (5) Sufficient right of way plan detail is available to prepare legal description to be put in the conveyance deed to the local agency.
 - (6) Right of way outside an incorporated city or town (county) of both managed and limited access facilities: Property acquired by the state from a third party that will ultimately be maintained or operated by a county as a county road. A turnback agreement is needed.

Determine if existing county roads will be acquired by deed or will work be performed by construction permit. If it is to remain a county road, work is performed under a permit. If any portion of the existing county road lies within the new state highway, a deed is required from the county for that portion of the county road within the facility and will become part of the highway. A nonhighway property acquired by the state as an uneconomic remainder must be surplused and cannot be part of a turnback agreement.

(7) Right of way within an incorporated city or town:

(a) **Limited Access** – For city/town turnbacks of right of way that is a limited access facility, WSDOT may relinquish any portion of the improvements acquired by the state and outside the limited access facility. Title to streets, roads, alleys, etc., in a city or town that are within the limits of a limited access facility become the property of the state without the need for a deed from the city or town pursuant to [RCW 47.24.020\(2\)](#) and [RCW 47.52.090](#).

(b) **Managed Access** – Property acquired from a third party by the state for right of way within a city/town becomes the property of the city pursuant to [RCW 47.24.020\(15\)](#) and so noted on the right of way plans. No turnback agreement is needed.

e. Communicate with Agreement Writer and/or HQ Utilities Agreement unit regarding acceptance of the agreement as is or provide guidance as to what changes are required. This is documented by email or other writing.

2. Final process upon completion of project construction. Per the terms of the turnback agreement, the deed must be recorded within one year of transfer of jurisdiction and maintenance to the local agency:

a. The region (Construction PE's Office) will send to HQ RES the original executed final Turnback Agreement and Transfer of Maintenance and Operations Letter, as sent to the local agency, and requests processing of the deed.

b. The right of way plans are reviewed against the agreement, checking:

(1) Right of way plan revision dates. A revision to the right of way plan after the date of the agreement that affects the area to be turned back to the local agency must be documented. This is accomplished with a modification or amendment to the Agreement.

(2) Make note from the right of way plan details to prepare the legal description including, location of limited access, the quarter quarter, section, township, and range of all areas to be turned back. These will be used in preparation of the deed.

(3) Assure all property rights for transfer to the local agency have been acquired, both fee and easement and that those areas match the color designations shown on exhibit to the agreement.

- (4) If an area identified for turnback to a local agency is also noted as an area of an easement is to be transferred to “others,” the deed cannot be processed until the easement transfer is complete and recorded. If and when that is done, the turnback deed will be prepared subject to the recorded easement.
 - (5) If any irregularities or discrepancies are discovered, work with the Agreement Writer and or the Construction P.E. to resolve. When these occur, it is usually due to a design change that resulted in a plan revision requiring a modification to the agreement.
- c. Determine if the agreement is a standard turnback agreement or nonstandard agreement. This is necessary for preparation of the appropriate deed.
 - d. Prepare the legal description of the property to be transferred, that includes the quarter, quarter, section, township, range, plan title and name, and date and number of the turnback agreement. If the conveyance is of both fee and easement, such recital is made in the deed.
 - e. Prepare conveyance deed
 - (1) All deeds will require review and approval by an AAG.
 - (2) Do not use Quitclaim Deed (RES-411) as the RCW referenced is not appropriate for turnback deeds. Turnbacks are authorized by either [RCW 36.75.090](#), [RCW 47.12.080](#), or [RCW 47.52.210](#).
 - (3) Caution must be used in preparing all Quitclaim Deeds.
 - (a) If the relinquishment is pursuant to a Standard Turnback, the deed format is similar from deed to deed.
 - (b) If the deed is a result of a Nonstandard Turnback Agreement or other agreement, the exceptions (clauses) in the deed must mirror those of the agreement.
 - (c) Be aware of limited access locations.
 - (d) Determine if special exceptions will be included in the deed such as, easements to “others” granted by WSDOT. These will be noted in the deed.
 - (e) All turnback deeds will contain the following clause: “The Grantee accepts said deed subject to all matters of record.”
 - f. After the deed is prepared, transmit it together with the corresponding agreement and modification(s) if any to AAG for review and approval.
 - g. After gaining approval from an AAG, the deed requires the local agency to approve it as to form. It may be necessary to contact region staff to obtain the local agency contact. Prepare a letter requesting the local agency approve the deed and return the signed deed and funds sufficient for recording and payment of excise processing fee per ([RCW 65.08.095](#)). Send deed to local agency.

- h. Certain local agencies, most frequently counties, request that the deed, after final processing, be returned to them for recording. They do not provide funds. That is acceptable.
- i. Upon receipt of the signed deed from the local agency, the deed is sent to the Secretary of Transportation for signature.
- j. When the fully executed deed is returned from the Secretary's office, prepare the deed for recording:
 - (1) If the local agency has requested that they record the deed:
 - (a) Prepare Real Estate Excise Tax Affidavit and sign for the WSDOT (grantor).
 - (b) Send a letter to local agency with the affidavit and deed, request the deed be recorded, and have a recorded copy returned to HQ RES.
 - (2) WSDOT to record deed with funds from the local agency:
 - (a) Prepare Real Estate Excise Tax Affidavit and sign it on behalf of the local agency (grantee) and the WSDOT (grantor) by two different WSDOT personnel.
 - (b) Send letter with the deed and Tax Affidavit by U.S. Mail to county treasurer/auditor to record; include the checks from local agency. Request the recorded deed be returned to HQ RES.
- k. When in receipt of the recorded deed, send a copy to the local agency (unless they recorded it); create a PDF image and email it to the Region Construction P.E., region agreement writer, Region RES Manager, WSDOT HQ Bridge Preservation, and WSDOT HQ Right of Way Plans personnel. Make one copy for the turnback file.
- l. Post the recorded deed to HQ right of way plans making note of the posting number(s). Prepare a posing sheet and send deed and sheet to be scanned and indexed for retrieval in Oracle.
- m. Complete notes to the turnback file, prepare the Property Management cover sheet, and prepare the file for storage. Turnback files are retained with the Property Management closed records. They are placed in files marked "Turnback" at the end of the closed property management files by the county where the property is located.

11-8 Leasing

11-8.1 General

Leases are generally used when an applicant's proposed use is for a nonhighway purpose.

A. Types of Leases Used by WSDOT

1. **Residential/Commercial Displacee Lease (NA)** – Used when WSDOT acquires an occupied property and the displaced grantor or tenant remains in tenancy until relocated. The tenant-signed displacee lease should be sent to HQ as soon as it is signed by the tenant. (Residential Displacee Lease – RES-415, Commercial Displacee Lease – RES-416)

2. **Airspace Lease (AA, AC)** – Used when tenancy lies within the right of way lines of the constructed facility. Be sure to check the approved right of way plan instead of using fence location or maintained area to denote constructed facility. “Airspace” is defined as the space above, at, and below the gradeline of all completed highways, as well as the area alongside the traveled way, which would include any proposal to lease property that straddles the right of way line. RES-ER Review Required. (Standard Airspace Lease – RES-420)
3. **Ground Lease (RA, RC)** – Used when premises lies outside the operating right of way or lies within unconstructed right of way.

Note: Operating right of way is that land lying within the right of way lines of a constructed highway facility. Therefore, ground leases will be used when leasing pit sites, stockpile sites, unconstructed rights of way and other similar properties. RES-ER Review Required (RES-418)

4. **Trail Lease (AA, RA, TR)** – Used when an applicant wishes to place a trail on WSDOT-owned property, either inside or outside the operating right of way. RES-ER Review Required (RES-419). Refer to [Appendix 11-7](#) for Trail Lease information.

Note: If a trail is constructed by WSDOT as part of its highway project and the trail is operated and maintained by an outside entity, even though the obligation to maintain that trail is WSDOT’s, a Maintenance and Operation Agreement (M&O) is acceptable. If the trail is constructed after the highway is complete and the local jurisdiction will own the trail, then a trail lease is required.

Additionally, funding sources must be confirmed in trail or recreational leases as there has been an increase in Recreation and Conservation Office (RCO) grants approved that impact WSDOT right of way. Allowing project construction using RCO grant dollars can have a significant impact on future WSDOT projects. These costs include increased environmental review and mitigation (including the expense of relocating the trail if impacted by 6f), denial of federal funds relating to additional construction activity required as a result of allowing an RCO funded project, and additional review and overall project timelines. For these reasons, FHWA and the AAG strongly recommend against WSDOT allowing any construction within right of way using these funds. If WSDOT makes the business decision to allow these uses of these funds within the right of way, specific grant information must be included in lease documents to make it clear WSDOT does not have any financial or legal obligations regarding the grant.

5. **Commercial Lease (AA, AC, RA, RC)** – Used when a commercial use is proposed by the applicant. The Airspace Lease Short Form format is used; however, the title of the lease is changed to fit the use. RES-ER Review Required (RES-441 – change the header to read “Commercial Lease”)
6. **Cooperative Agreements (CA)** – Used pursuant to [RCW 47.28.140](#). Primarily used in Real Estate Services when writing an agreement with a Transit Organization to operate and maintain a Park and Ride Lot in exchange for operating their transit amenities on the Park and Ride. RES ER Review Required. (RES-428)

7. **Event Lease (EV)** – Used for short term (for an event up to five days in duration). The minimum rental rate is \$100 per day up to five days. WSDOT may charge more for rent depending on individual event details. (RES-433)
8. **Monitoring Well Agreement (MW)** – This lease type will no longer be used by the Department. Future requests for the placement of “Subterranean Monitoring Devices” on WSDOT owned land will be processed as permits through each Region’s Development Services Office. Executed monitoring well agreements are still valid. Region PM can make the decision to convert to a permit at the end of a payment cycle, or keep the Monitoring Well Agreement in place until the term expires. For more information on the new processes/procedures for these Subterranean Monitoring Devices, please see the *Development Services Manual* under Chapter 5, (5.4.05 - Subterranean Monitoring Permits).
9. **Transit Facility Lease (TF)** – Used for transit facilities over 1000 square feet (do not include the bus pullout area when calculating). These requests are typically more elaborate transit facilities (in-line stations, transfer stations or hubs). These are not standard single bus shelters found typically on managed access highway facilities. Real Estate Services electronic review is required. (Standard Airspace Lease - RES 420).

Transit facilities less than 1000 square feet will be processed as permits through each Region’s Development Services Office. Executed leases for transit shelters under 1000 square feet are still valid. Region PM can make the decision to convert to a permit at the end of a payment cycle, or keep the lease in place until the term expires. For more information on the processes/procedures for Transit Stop Permits, please see the *Development Services Manual* under Chapter 5, (5.4.06 -Transit Stop Permits).

10. **Interagency Agreement (IA)** – Typically used when dealing with another governmental agency. Used primarily (at this time) for arrangements between WSDOT and WSP. RES-ER Review Required (This lease type uses the appropriate form for the location – Airspace or Ground. Does not have its own RES form.)
11. **Single Family Residential Lease (RA, RC)** – Used for nondisplaced residential occupancy. RES-ER Review Required. (RES-417).

Rental of state-owned housing must comply with [RCW 59.18](#) Residential Landlord Tenant Act. Deposits shall be collected from tenants to help cover any cleaning and damage repair expenses incurred during the tenancy. All residences leased after the initial 90 day displacee tenancy will need proper smoke and carbon monoxide detectors, as well as asbestos, lead, and mold notifications.

Note: Rental of state-owned housing to state employees is the same as for any rental of any other improved property. A state employee who rents a state-owned rental may not be obligated to pay Leasehold Excise Tax (LET) if it is determined that the state benefits from the employee residing on the leased premises.

12. **Wireless Lease (WF) (see Section 11-8.8.3)** – (Wireless Lease with Attachments (RES-421), Wireless Lease for Utility Pole Attachment (RES-432), Wireless Ground Lease (RES-424), Wireless Lease Application with process instructions (RES-429)) RES-ER Review required, unless the request comes from an internal WSDOT office.
 13. **Crane Weathervaning Lease (AA)** – Used when free swinging, unloaded cranes enter into the right of way. This form is to be used only when the swing of the crane is outside of traveled lanes and clear zones. If the crane's swing enters either of these areas, this form will need to be modified to include additional protective language that fits the situation RES-ER Review Required.
 14. **Aviation Lease (AR, AV)** – Used when preparing a lease document for the Aviation Division of WSDOT. Typically will be either a Hangar Lease or Tiedown Lease. (Again use appropriate lease document related to where the premises is located, but classify as AV. AR is only for those leases written prior to IRIS.) (Tiedown Lease (RES-440))
 15. **Ferries Lease (MA)** – Used when preparing a lease document for the Ferries Division. Since they typically do their own leasing, there is not a large call for these types of lease documents. They typically do their leasing activity as concessions. Contact the Ferries Division. (Again use appropriate lease document related to where the premises is located, but classify as MA.)
 16. **Rail Lease (RL)** – Typical document used is a Ground Lease format. (These are used very rarely.)
 17. During the 2011 legislative session, the legislature passed into law RCW 47.04.295. This law has specific language related to leases impacting park and ride lots. Most of the leases written here in RES utilize RCW 47.12.120 for leasing authority. RES does not anticipate a situation where the authority will change to the new statute. However, public transportation has advertised for formal proposals. Further updates regarding policy will follow.
- B. **Engineering Review Process** – Real Estate Services Electronic Review (RES-ER) commonly referred to as the Oracle Review. Certain leased premises require an engineering review to be routed through RES-ER, as delineated above with their appropriate lease description (see [Section 11-8.1.A](#)).

The Region PMA will need to gather the following documentation to route the review through RES-ER:

Note: If a 'J account' is created to cover the expense of the review and lease process, please include the appropriate J account information in the PMA Comments field found on the General Information Tab.

- Tenant application for proposed lease location (additional information can be found in Section 11-8.2).
- Aerial delineating the leased premises.
- Hachured RW Plan sheet of the leased premises.
- Acquisition documents (title verification of WSDOT ownership).

- Two property photographs from different angles. Only one photograph may be aerial.
- Region Diary.
- Tenant’s proposed use of the property (including any construction plan sets).
- Environmental review checklist (see additional requirements below based on property location – Limited Access or Interstate).
- Tenant’s Ad Date, if applicable
- Funding source information (for Trails or other improvements that may be using grant funds for construction)

Notifying Region Environmental Services office when NEPA is triggered because the proposed lease premises is located on an interstate. If any of these conditions are met, a federal nexus is created, and NEPA, NHPA, and ESA documentation must be completed during the RES-ER process. At a minimum, when NEPA is triggered, a completed Environmental Checklist for Surplus Properties form is required (DOT Form 220-015). Frequently with large projects, the tenant has an appropriate document that will suffice for FHWA’s environmental concerns. This may be a Findings of No Significant Impact (FONSI), Categorical Exclusion (CAT C) or a full NEPA study.

The Region PMA will select reviewers based upon the property types detailed below. For additional information on creating a review package in RES-ER, please see the document titled “PMA updated CheatSheet.pdf” located in the Oracle Help Menu.

Non-Limited Access Facilities and Specific Sundry Sites (Pit Sites, etc.) – Reviewed and approved by Region staff and HQ Access review staff with no HQ Approving Authority required.

Note: If the property is located on a state route within incorporated city or town limits, jurisdiction falls to the city or town pursuant to [RCW 47.24.020](#). The city or town shall exercise full responsibility for and control over any such street beyond the curbs and if no curb is installed, beyond that portion of the highway used for highway purposes. Also, as stated under [47.24.020\(15\)](#) no rental or any other non-transportation use of any unused portion of any such street may be made by the city or town without prior written approval from WSDOT, and all revenue derived from the rental or any non-transportation use of the right of way shall be shared by the city or town and the state in the same proportion as the purchase costs were shared.

Every proposal must be reviewed (unless noted) by the following disciplines. Region staff should be available for each of the disciplines shown below:

- Environmental
- Public Transportation/Planning
- Roadside Services/Landscape
- Local Programs (as determined by Region)
- Area Operations Manager for specific county (primarily NWR)
- Developer Services (as determined by Region)
- Region Access

- HQ Highway Access Staff
- Utilities
- Maintenance
- Hydraulics (hillsides, slopes, water issues)
- Traffic (in NWR ARA Maintenance/Traffic, Maintenance)
- Region right of way plans (see note below regarding HQ plans and access)

May also require review by the Special Circumstance Reviewers shown below if region does not have staffing that specializes in the needed area:

- Foundations (bridge structures, retaining walls, sloping issues, tiebacks and similar situations); per the Chief Foundations Engineer and Region Materials Engineers: if any Civil work to be completed involving cuts, fills, walls, bridges, ponds, or anything that is built in the ground or on the ground, we should be involved. Simple rule, if it touches dirt, you need geotechnical eyes looking at it. Include the Region Materials Engineer in the region the work is occurring and the WSDOT Chief Foundations Engineer in the review.
- Bridge
- Homeland Security (Infrastructure and Bridges)
- Ferries
- Bicycle and Pedestrian
- ITS Communication, Wireless, and Technology
- Aviation
- Project specific engineers (or field experts), as determined by region.
- Facilities (in the case of a Facilities site – HQ Facilities must be included in the review) Facility sites include the following property types: Pit Sites, Stockpile Sites, Quarry Sites Rest Areas, Waste Sites, and Capital Improvements.

Limited Access Facility (Non-Interstate – Established or Planned) – Standard Region Reviewers as well as the HQ Access reviewer assigned to that region.

The review is routed to all the necessary reviewers/field experts. Upon completion of their reviews, the Region PMA reviews their comments for concerns that limit the ability to lease the property and determine if the review is at a stage to be finalized by the Region Approving Authority and HQ Approving Authority.

The package will automatically go to the following queues. Please do not choose the following as reviewers:

- HQ Approving Authority
- HQ Plans Review

Region staff will facilitate the entire review (including any HQ reviewers), and complete the other elements of the transaction as detailed above.

Interstate Facilities – Standard reviewers, Special Circumstance Reviewers, HQ Access, HQ R/W Plans and FHWA.

As part of all FHWA reviews, appropriate NEPA documentation is required. This environmental documentation requires the help of Region Environmental staff to be sure that all areas of the federal nexus are covered. NEPA is triggered if the property being considered for lease or disposal is located on an interstate highway, or if the parcel was purchased with Federal funding and the parcel will be sold for less than fair market value. If any of these conditions are met, a Federal nexus is created, and NEPA, NHPA, and ESA documentation must be completed prior to lease or disposal (23 CFR 771.117(d)(6)). When a local jurisdiction is acquiring/leasing the property for a project, they often have this completed when applying to purchase/lease the property. An FHWA review is also required when an existing lease is being updated with a change in use or increase in the area being leased.

The remaining process will be the same as stated above, however, upon completion of the review. The HQ PMA will verify with HQ Access that FHWA approval is necessary for an access break. If an FHWA access break approval is necessary, the lease/disposal package will be delivered concurrently with the HQ Access break request.

FHWA requires a minimum of 60 days to complete their review. Upon approval, finalization of the process will be facilitated by Region/HQ Property Management staff.

Upon completion of the package review:

In the case of Airspace Leases, region staff will prepare lease documents for review by HQ RES and AAG if appropriate. (AAG review is required for Standard Airspace lease documents.)

Note: If Region wishes to begin the lease document prior to completed review, the Region PMA must provide HQ leasing staff with electronic lease and sufficient documentation to review proposed use.

- C. **Consideration/Economic or Market Rent** – All leases must be based on economic or market rent, or consideration equivalent to economic or market rent. Each appraisal for properties acquired should include information related to the appropriate rental rate for remaining tenants. If no rental rate is provided, then the procedure for determining short term rent for residential properties will be done as detailed in the memo attached as [Appendix 11-6](#).

There are three approved ways to determine the rental rate of WSDOT property.

1. **Appraisal** – An appraisal is the most accurate determination of fair market rent. Appraisals are required on all leases that have an annual total rent of \$25,000 or more.
2. **Value Memo** – A value memo is acceptable for all rental rate determinations under \$25,000/year for rent.

3. **Formula Method** – The formula method is used on properties expected to bring in less than \$10,000/year in rent. The formula method uses the True Value Calculator. The PM Agent is required to gather abutting properties' tax assessed values in order to create an average price per square foot value. The calculator takes the inputted assessed values and uses the latest percentage adjustment provided by the Department of Revenue (DOR) to adjust the assessed value to a price per square foot or acre to the DOR's 'true value' of the land. This 'true value' is then applied to the size of the leased premises and factored with the applicable capitalization rate (which can be requested from the region's appraisal staff).

Note: If the Formula Method determines that the annual rent will be over \$10,000, a value memo or appraisal will be required.

Non-payment of rent, except in those instances of consideration in lieu of economic/market rent, is considered illegally gifting an asset of the Motor Vehicle Fund. Exceptions to collecting economic rent may be considered where:

- **Displace Lease** – Pursuant to WAC 468-30-060, the rental rates are based on the following: the rental rate is economic rent as determined by either a market data report of rentals or a written determination by appraisal (if subject to LET, that must be charged as well), where the acquired improvement is tenant occupied, the rental rate in effect at the time of acquisition shall continue for ninety days. Thereafter the rental rate shall be economic rent. Should the tenant be paying more than economic rent, the rent is to be immediately lowered to economic rent.

Note: If the tenant is making no rental payment, then the consideration is something other than money. An appropriate rental rate must be established upon possession.

- Property is leased for a "highway purpose" or when the economic rent can be justifiably offset by benefits to the motoring public which equal rent value and is so documented. Rent-free occupancy of improved properties may be offered as an inducement to settlement only with prior written approval from the Property Management Program Manager or designee. If approved, both region and HQ files must be appropriately documented.
- Oftentimes, economic rent is less than WSDOT's costs to perform management activities throughout the term of the lease. Therefore, a minimum rental rate has been established based on property location (urban versus rural based on the WSDOT Highway Log). For rural properties, the minimum rental rate will be \$350 per year (to be paid annually) plus LET. For urban properties, the minimum rental rate will be \$500 per year (to be paid annually), plus LET.

- D. **Document Review** – The document review, first by the Region PM Supervisor, if one is available, then HQ leasing staff, consists of:
- Reviewing the comments made in the RES-ER by the PMA, reviewers and approving authorities (Region, HQ, and FHWA) and making sure they are addressed in the lease/agreement.
 - Confirming the requested use has the appropriate language limiting the use of the premises to the use approved in the RES-ER.
 - Checking to see if any additional language is needed in the document to protect WSDOT.
 - Creating a finalized lease/agreement that properly reflects the intent of the use of WSDOT owned lands.
1. WSDOT has worked with the Attorney General’s Office and created several boilerplates that are ready for Region PMA’s to complete and have signed if no material modifications to the document are required. No review is required by HQ RES or AAG on the following documents:
- a. Residential Displacee Lease
 - b. Commercial Displacee Lease
 - c. Event Lease
- Note:* When WSDOT acquires an occupied property, a Displacee Lease will be entered into with the tenant if they remain in occupancy. The lease may be prepared by the region and signed by the tenant without prior approval of the form if there are no material modifications. Any material modification requires HQ review and approval prior to signature. If the region wishes to allow a displacee lease to continue beyond the standard 90-day term, documented approval from the project office must be provided to HQ and additional language added to the displacee lease. Additionally, after the initial 90-day term, if the rents paid are below market, rents must be adjusted to market and remain at market for the remaining lease term.
2. Lease documents (without material modification) that require HQ RES PM review only:
- a. Ground Lease
 - b. Single Family Residential
 - c. Commercial Lease (outside constructed facility)
 - d. Airspace Lease Short Form (RES-441)
3. Lease proposals and documents that require HQ and AAG document review:
- a. Commercial Lease (within constructed facility)
 - b. Standard Airspace Lease
 - c. Wireless Lease
 - d. Trail Lease

- e. Monitoring Wells
 - f. Cooperative Agreements (typically used for park and ride lots)
 - g. Interagency Agreements
 - h. Crane Lease (*creation of lease in progress as well as appropriate processing information*).
4. Any leases falling within interstate must be approved by the Federal Highway Administration (FHWA). NEPA documentation must be included in the package sent to FHWA for review and approval.

How to Create a New Lease in IRIS Under an Existing IC # see [Appendix 11-10](#).

11-8.2 Application for Lease

11-8.2.1 Initial Application

- A. An application has been created to address a proposal to lease or purchase. The form is identified as the RES Application (RES-436). The region will provide the application to any person or party who is interested in leasing any property owned by or under the control of WSDOT. The Single Family Residential Supplement form should only be sent to applicant if they are applying to rent a department owned residence; this is very uncommon. The application must be completed by the applicant and returned to the region prior to any reviews or drafting of documents.
- B. Once the application has been completed by the applicant and submitted to the region, the application will be reviewed for completeness, clarity of the proposal, eligibility and credit history of the applicant, and availability of the property for lease. For trails, Section 4 of the application must be completed, including evidence that the trail is part of a Comprehensive Trail Plan adopted by a federal, state, or local governmental authority.
- C. For requests to lease property for Wireless Communications purposes the region directs the requestor to the Wireless Communications Leasing website: www.wsdot.wa.gov/RealEstate/WirelessComm.htm, where information regarding the Wireless Communications Leasing process can be found along with the Wireless Lease Application (RES-447). Applications for Wireless Communication Leases will be handled pursuant to Section 11-8.8.3.

11-8.2.2 Review/Approval of Application

- A. **The Region Process** (for Airspace Leasing Request on Nonlimited Access Highway Facilities)
1. Upon initial acceptance of the application by the region, the lease proposal or application is routed electronically through the Real Estate Services Electronic Review (RES ER) to the appropriate Region and Headquarter's (HQ) offices for review, comment, and approval/disapproval. (See [Section 11-8.1.B](#), Engineering Review Process, for the steps necessary to complete the Region and HQ engineering review.) If the premises has been previously leased for the same or similar use, a full engineering and electronic review may not be needed. The region should verify that no present or future construction or maintenance projects will conflict with the proposed use. If so, the region shall provide written approval to extend the use of premises.
 2. Update IRIS as appropriate ensuring comments are entered.
- B. **The Region Process** (for Airspace Leasing Request on Established or Planned Limited Access Facilities)
1. Upon initial acceptance of the application by the region, the lease proposal or application is routed electronically through the RES ER to the appropriate Region and HQ offices for review, comment, and approval/disapproval. (See [Section 11-8.1.B](#), Engineering Review Process, for the steps necessary to complete the Region and HQ engineering review.) If the premises has been previously leased for the same or similar use, a full engineering and electronic review may not be needed. The region should verify that no present or future construction or maintenance projects will conflict with the proposed use. If so, the region shall provide written approval to extend the use of premises.
 2. Once the review is completed, the lease proposal is electronically submitted to the Regional Administrator and HQ Approving Authority or their designees for approval/disapproval.
 3. Update IRIS as appropriate ensuring comments are entered.
 4. The region then electronically submits the draft lease to HQ for review using the WSDOT RES Lease-Agreement Review mailbox.
- C. **The HQ Process** – When the electronic review has been completed and a draft lease prepared, the application package is forwarded to HQ Property Management. Limited access breaks will require coordination with the HQ Highway Access office. FHWA approval is necessary if the proposed lease premises is associated with the interstate. If FHWA review is required, any limited access breaks must be completed and sent to FHWA in coordination with the lease review package. The FHWA application package shall include the access break and NEPA documentation. Minimum timeframe to allow for FHWA review is 60 days.

11-8.3 Lease Preparation

11-8.3.1 Region Process

- A. The region establishes economic rent for the lease. Rent shall be paid from the time the tenant starts using WSDOT property or upon Region discovery of a non-highway use and the provision of written notice from WSDOT regarding unlawful use (encroachment). Non-payment of rent, except in those instances of consideration in lieu of economic/market rent, would be considered illegally gifting an asset of the Motor Vehicle Fund. If the property is valued under \$10,000, the formula method may be used. This method utilizes assessed values plus a risk premium established by the Department of Revenue. If the property is valued between \$10,000 and \$25,000/year and is not complex, as determined by the Region RES Manager or designee, a value memorandum can be completed to determine economic rent. The region prepared value memorandums must be reviewed and approved by the RES Manager or designee. Approvals can also be provided by Appraisal Review staff statewide. If the premises is valued over \$25,000 an appraisal must be completed and reviewed by HQ Appraisal Review staff.

Note: Maintenance savings alone cannot constitute consideration. Extraordinary maintenance may be allowed as consideration but not without considering rental value.

Owner-occupied displacee lease rental rates are established by the appraiser and are referenced in the parcel acquisition appraisal.

Tenant-occupied rent for the initial 90 days shall be based on current rate. After the initial 90-day period, rent shall be adjusted to market rent. See [WAC 468-30-060](#) regarding displacement rentals.

If no rent is being charged by the previous owner, the region must determine economic rent and, upon WSDOT ownership, a lease and payment of economic rent must commence.

- B. The region determines whether the lease is subject to Leasehold Excise Tax (LET) pursuant to [RCW 82.29A.020](#) and [RCW 82.29A.130](#). If LET is appropriate, the region obtains the “County Location Code” and “Levy Code” (Tax Area Code). The “County Location Code” can be obtained from the Department of Revenue Office or website. The “Levy Code” can be obtained from the county assessor’s office or website. To enable the assessor to locate the property, the tax parcel number, subdivision, lot, block, section, township, range, or other information will likely need to be provided by the region. All this information must be entered into IRIS. If there are any questions, problems, or discrepancies, HQ should be consulted.
- C. The region prepares a draft lease using the appropriate lease document. HQ maintains all lease formats and the region *must* access and use the most current lease formats, available in the Property Management forms folder in Microsoft Outlook and/or on the WSDOT intranet page. All RES-ER comments must be addressed in the lease or in writing with the package submittal of the lease to HQ.

- D. The region assures all permits are issued as necessary for leasing activities. An Access Connection Permit is required for all leases where a lessee enters into managed access right of way to occupy or gain access to the leased premise.
- E. The region submits the draft lease and all required documentation listed on the PM Lease Review Checklist (RES-437) via email to WSDOT RES Lease-Agreement Reviews mailbox, unless these items are included in the RES-ER review package, including:
- All exhibits – pictures.
 - Right of way maps showing the location of the parcel and improvements.
 - All covenants or other documents that create restrictions or encumbrances on the property.
 - Underlying leases, licenses, permits (e.g., if the property is being subleased or if there are multiple tenants).
 - Acquisition documents.
 - All documents referenced in the agreement including electronic copy of existing lease.
 - Pertinent facts that may have some bearing on the agreement.
 - Emails, including those with engineers.
 - Value memo/appraisal.
 - Permits, if required (general permit, access connection permit).
 - Completed application form.
 - If a legal description is included in document, legal description *must* be reviewed and approved by a Region Title Specialist.

Note: To lessen duplication of information submittal, the region should include in the email submittal a reference to any information listed above that is found in the RES-ER review package. Additionally, please remember to send the above detailed information regarding any lease submitted to HQ, whether or not an electronic review was completed (e.g., Ground Lease, Displacee Lease).

HQ reviews lease document, including terms, rent, and special provisions before final approval is granted.

- F. Upon receipt of the approved lease, the region will secure tenant signature. If the lease is for a single family residence built prior to 1978, appropriate lead base paint/asbestos information will be supplied to the tenant with receipt acknowledged in writing by the tenant. Additionally, WSDOT must provide tenants with information provided or approved by the Washington State Department of Health about the health hazards associated with exposure to indoor mold.

11-8.3.2 HQ Process

- A. HQ will review the draft lease submitted via email by the region together with all other required documentation. If applicable, a credit check will be processed by HQ. If the lease is acceptable, and if necessary, it will be forwarded to the Assistant Attorney General (AAG) for review and approval as to form. Upon AAG approval, the lease and any exhibits will be returned to the region via email to obtain tenant signatures. The region may deliver the document to tenant in paper or electronic form. If electronic delivery is selected, document should be delivered to tenant in pdf format to minimize alterations to the document.
- B. Once the lease has been executed by the tenant, the signed lease should be reviewed by region to assure no changes have been made and that all signatures, notary actions, and documents have been properly processed, after which the lease should be returned to HQ with the following attachments:
1. Completed Rental Agreement Transmittal (DOT Form 263-009), including federal aid information.
 2. A completed Property Inspection Status Report (PISR), (to close out the existing lease if the new lease is superseding an existing lease with a different rental agreement number).
 3. Completed lease application, with Regional Administrator or designee's approval and regional review comments/recommendations.
 4. Right of way plan sheet showing leased premises hachured and labeled as Exhibit "A" as shown on [Appendix 11-4](#).
 5. Declaration of Acceptance as to Form (RES-408).
 6. Tenant executed Memorandum of Lease, if appropriate.
 7. Cross sections showing elevations of leased premises, the roadway, and abutting lands, (if the lease requires vertical limitations, e.g., under bridge structure).
- Note:* This information is required if not already provided via RES-ER and/or with the PM Lease Review Checklist (RES 437).
- C. HQ will secure the appropriate signatures. If necessary, the lease and/or a Memorandum of Lease (MOL) will be recorded. Current procedure is to record the MOL when the lease benefits the appurtenant owner. The original lease will be kept in HQ with copies of the fully executed lease being sent to the region and the tenant.
- D. HQ assures that all data entered into IRIS is correct and complete.

11-8.4 Rent Collection

11-8.4.1 Procedure

- A. In compliance with accounting requirements, all rental payments must be deposited within 24 hours of receipt. The initial rental payment, which may be paid at the time the rental agreement is signed, may be paid and deposited in the region or mailed directly to HQ by the tenant.
 1. If the initial rental payment is paid in the region, the Property Management Specialist issues a receipt for said payment to the tenant and immediately delivers the payment to the Region Accounting Office for handling.
 2. The Region Accounting Office deposits the payment into a suspense account and immediately forwards a copy of the payment receipt, a cash receipt from TRAINS, and any other supporting information describing the rental payment to HQ.
 3. HQ then redistributes the rental payment into the proper accounts.
- B. All other rental payments, after the initial rental payment, are to be paid directly to HQ. Computer generated Rental Statements are obtained through IRIS twice a month in advance of the rental due date. Rental Statements are reviewed for correctness and mailed to the tenant (along with a return envelope) approximately 10 days prior to the due date.
- C. The rental payment is processed by HQ upon receipt and appropriate entries are made in IRIS.

11-8.4.2 Rent Adjustments

When a lease contains a provision for rent review or adjustment, rent should be adjusted as follows:

- A. Adjust the rent every year by either: (1) the percentage change that occurred during the preceding calendar year in the U.S. Consumer Price Index for All Urban Consumers (U.S. CPI-U), using the data as published by the United States Department of Labor's Bureau of Labor Statistics; or (2) in an amount that reflects changes in comparable rents as identified in an appraisal/market evaluation. After the fifth year, rent should be reviewed and revised based on an appraisal/market evaluation.
- B. Wireless Lease adjustments: Rent will be increased annually throughout the term of this Lease, on the second Payment Date by four percent (4%) of the rent amount in effect at the time of the adjustment.

11-8.4.3 Refunds for Early Vacation

- A. If a tenant vacates prior to the end of the term, the region confirms the following:
 1. All rent payments are current.
 2. The tenant gives proper notice as required by the lease prior to vacating.
 3. The premises are left reasonably clean and in a condition similar to that which existed prior to leasing.

- B. The region initiates a refund by transmitting a Property Inspection and Status Report (PISR) (DOT Form 263-007) to HQ and photos of the vacated premises.
 - 1. For displacee leases, the region must verify, in IRIS, that the tenant has paid rent. Rent shall be refunded if the tenant vacates within the first 30 days and meets the requirements of Section 3 of the lease. (Refund, - subsections 1) and 2) of the Standard Residential and Commercial Displacee Leases.)
 - 2. For nondisplacee leases, rent may be refunded based on the terms of the individual lease.
- C. HQ reviews and approves, if appropriate, the refund request, prepares and processes the appropriate voucher, and mails the refund to the tenant when it becomes available. Once processed, a copy of the final PISR will be forwarded to the region.

11-8.4.4 Delinquent Rentals

- A. HQ runs the Delinquent Rental Agreements report, which lists all leases that are more than 15 days delinquent. With the aid of the report, and in conjunction with the region, HQ completes the following:
 - 1. Prepares and mails a delinquency letter to each tenant that is more than 15 days delinquent requesting payment.
 - 2. Attempts to contact tenant by either region or HQ staff.
 - 3. Follows up on the delinquency in the next billing cycle and checks IRIS to determine if the delinquent rent has been paid; the final attempt to collect delinquent rents due and owing by mailing is done by certified letter to the tenant setting forth goals and deadlines for payment of the delinquent rent. The Certified Mail Receipt number must be noted in the letter to the tenant and copies of the letter must reside in both the region and HQ file.
 - 4. If the tenant remains on the leased premises and does not submit payment follow the procedures set forth in Appendix 11-5, How to Prepare For Unlawful Detainer Actions.
 - 5. The region inspects the leased premises after a completed unlawful detainer action to verify that the leased premises is vacated and has been left in an acceptable condition. The region and HQ will work together to enforce any court judgment.
 - 6. The region prepares a detailed report with photos of the leased premises and damaged items, if any, including a list of any missing items. The report should include a description of any abandoned personal property, excessive debris, and/or hazardous materials.
- B. If a property is vacated and rent is still due and owing, HQ may turn the delinquent account over to a private collection agency for further handling.
- C. If the debt is uncollectible, HQ proceeds to write off the debt and makes appropriate entries in IRIS.

11-8.5 Monitoring the Lease

The region shall be responsible for monitoring the lease during the tenant's occupancy. Monitoring of the lease shall include:

- A. Acting as liaison between the tenant and WSDOT by answering questions and resolving any problems which arise.
- B. Inspecting the leased premises as necessary to ensure compliance with the lease terms.
- C. Adjusting rental rates, in accordance with the lease provisions and Section 11-8.4.2, excluding HQ initiated annual CPI adjustments.

11-8.6 Assignment of Lease

- A. A tenant may make a written request for WSDOT approval to assign the lease to another party. HQ and the region jointly review the request and determine whether an assignment of the lease is appropriate or if a new lease is necessary. The review should include a property inspection to determine if the present tenant is in compliance with the lease terms, if a rental rate adjustment is needed, and a credit check of the assignee, if applicable. Existing rental account must be current with no outstanding balance prior to completion of assignment of lease to the new tenant.
- B. Once the review is complete and determined to be acceptable, the region prepares an Assignment of Lease (RES-426) or examines any other assignment form submitted by the requesting parties. Any assignment form other than an approved WSDOT form must be approved by HQ and the Assistant Attorney General (AAG) and must include the following:
 1. Release by the present tenant (Assignor).
 2. Assumption by the new tenant (Assignee).
 3. Approval by WSDOT.
 4. The assignee's address for notification and rental statement purposes.
- C. Once the assignment form has been approved, the region will secure signatures from the old and new tenant(s), and submits the assignment to HQ for further handling together with a PISR. The PISR shall include the new tenant's notification and billing addresses and current photo(s) of the leased premises.
- D. HQ obtains the appropriate WSDOT signatures. Once the assignment is fully executed, the original will be placed in HQ file and copies will be sent to the region, the assignor, and the assignee.

11-8.7 Termination of Lease

- A. Leases may be terminated for the following reasons:
 1. Expiration of the term of the lease.
 2. Noncompliance with the terms of the lease (default).
 3. As requested by tenant or as otherwise allowed in the lease document.

Note: Prior to any lease termination requiring notice, care must be taken to ensure that all parties having any interest in the lease are identified and given notice.

- B. To complete the termination process, the region will:
1. Provide written termination notice to the tenant. Submits draft termination letter to HQ for review and approval; upon review and approval, written notification should be signed by the Region Property Management Supervisor.
 2. Review lease termination language and, if appropriate, moves to next step in process if the tenant is initiating lease termination.
 3. Inspect the property to verify it has been vacated and the conditions of the site conform to the lease. If the property has not been vacated, an unlawful detainer may be required.
 4. Complete a PISR and submit it, along with photos of the vacated leased premises to HQ. The completed PISR shall include the signature of both the region specialist and the region Property Management Supervisor.
 5. Update IRIS comments accordingly. Region **should not** enter close date or tenancy end date.
- C. Upon receipt of the PISR from the region, HQ will:
1. Review the PISR and obtain signature(s) from the HQ approving authority.
 2. Ensure that the last month's rent is credited, if appropriate.
 3. Request payment of any rents due, refund overpayment to tenant as appropriate, or initiate a collection action if necessary.
 4. Closes lease file unless collection action has been initiated.

11-8.8 Airspace Lease Specifics

11-8.8.1 Coordination

Since airspace leases involve the shared use of operating right of way and land use issues, a greater degree of coordination is required between Real Estate Services, Engineering, Traffic, Maintenance, FHWA, and local governmental agencies. Early involvement of all interested parties, as well as communication between the region and HQ, should facilitate a successful lease process.

11-8.8.2 Rental Income

Income from airspace leases with effective dates after April 3, 1987, and covering right of way in which federal funds participated in any phase of the project (preliminary engineering, right of way acquisition, or construction) is to be used as part or all of the state's portion of any project eligible for federal assistance under Chapter 1 of Title 23 United States Code. Any such income is to be deposited into two separate accounts (one state and one federal) in the same proportion as the state and federal participation in the project. Rental income is NOT to be commingled.

11-8.8.3 Wireless Leasing

Key [RCWs 47.04.045](#), [47.12.120](#), and [47.12.125](#).

1. Things to keep in mind when discussing new wireless site development with a communications site developer:
 - Encourage collocation whenever possible.
 - Sites located within the right of way on an interstate and/or needing FHWA review and approval, require a complete NEPA. FHWA review and approval adds an additional 60-90 days to the review process.
 - There is no access to communications sites from the interstate mainline in urban areas.
 - There is no access to communications sites from ON or OFF ramps, (some existing sites are currently “grandfathered” in and do not meet these standards).
 - Any trenching in the right of way requires a WSDOT Utility Permit issued by the Region Utility office.
 - The developer must include a utility trench cross section with their construction drawings (CDs).
 - Towers and monopoles must be painted “Washington Gray” (an actual paint color).
 - Diesel back-up generators must have double wall fuel tanks and the CDs must show/describe fuel tank details, include the location of spill containment materials, the parking location of the fuel truck when refueling the tank, and specify the decibels of the generator when running under full load.
 - Use native vegetation to conceal fenced compound, no Douglas fir trees.
 - Provide the developer with the lease application and process instructions (RES 447 - Wireless Lease Application with Process Instructions) and e-mail address to submit the application to (WirelessRequests@wsdot.wa.gov). This information is also available on our website at www.wsdot.wa.gov/RealEstate/WirelessComm.
 - Let the developer know they can submit their plans for a no cost “Conceptual Review” to the email address listed above. No cost conceptual reviews are a quick review for the location only. This is to let the developer know if WSDOT is against the site location. WSDOT does not review much beyond that unless we feel that it could lead to a “no” answer.
 - There is a minimum fee of \$3,500 for direct administrative expenses for Site Upgrades (requests requiring an amendment to the lease) and/or New Sites.

A. Wireless Application on a Light Standard/Utility Pole:

The following will happen on each pole with a wireless application:

- **Permit With Utility Company** – The wireless company should be in the process of obtaining or already have a document in place with the utility company.
- **WSDOT Lease With Utility (Franchise Permit)** – The utility company should already have a document in place allowing the utility company use of WSDOT property and allows the utility to have a wireless application on their pole. Non-utility use.

- **WSDOT Lease With Wireless Company** –RES 432, Wireless Lease for Utility Pole Attachment, allows the wireless company to operate in the right of way or on WSDOT owned/operated property.
- **Wireless Company and Utility Lease** – The Utility should enter into an agreement with the wireless company to allow the wireless company to attach communications equipment to the pole. The wireless company will be required to provide WSDOT with a copy of the document between the utility company and the wireless company for use of the pole and sign (RES 425) Light Standard/Utility Pole Endorsement which releases WSDOT from all liability concerning the pole and the communication equipment attached to the pole.

Note: If this is a new request, Region Utilities must approve the install.

B. Complete Lease Application Package:

1. Complete the Reimbursable Agreement: Real Estate Services Review and Approval of Personal Wireless Services Facilities (DOT Form 224-031) and Create UCB Number in the Agreement Review Transmittal (ART) system.
 - a. Only the information in the box at the top of the form (DOT Form 224-031) can be filled in. No changes to the body of the document are acceptable without AAG review and approval.
 - b. The Agreement Number (UCB number) is created in ART; DO NOT use NA in any of the fields that need to be left blank and DO NOT use capital letter unless needed, such as the first letter of your name.
 - Sign into ART and select “Add New.”
 - In the Select Prefix, select UCB and select continue, then OK.
 - The Task and Amendment fields are left blank, unless you are amending the UCB for additional funds to complete your review.
 - Region: Select HQ-RES
 - Agreement Manager: Enter your name
 - Org Code: Enter your Org Code
 - Agreement Type: Select WSDOT Standard Form
 - Form No.: Select 224-031
 - Agreement Retention; Check six (6) years
 - Payee Name and Address: Should match what you entered Service Provider Billing Address field in the Reimbursable Agreement.
 - Project Title: Use site location name – This is usually a combination of WSDOT location/site name, rental agreement number, and the wireless companies site ID or location name, which is found on their CDs.
 - Project Description: Use what was entered on the Reimbursable Agreement. This should accurately describe how, who, what, where, why and when.

- Federal ID Number/Statewide Vendor Number: This is the number provided by OFM in lieu of the Tax Identification Number (TIN) for the wireless provider or contractor submitting for the upgrade or new site.
- Project Location: DO NOT enter SR or I, but only the numerical number that corresponds to the roadway found in the plan title, if applicable.
- Allowed Overrun Percent: Enter 25%, per Section 2.3 of the Agreement
- Amount reimbursable to WSDOT: Minimum of \$3,500.
- Advance Payment Amount: Leave Blank
- Under “Reportable Under Performance Based Contracting Policy” leave it blank. The blank selection is after the other options.
- Notes to HQ: Leave Blank
- Initialed By: Enter your name.
- Date: Enter date.
- Phone: Enter your phone number.

Forms Search – If you search for a form number, the search format is three letters (UCB), space, four numbers (1234), (ex. UCB 1234)

2. Processing Signed UCB Agreement – Transmitting to HQ Accounting – Establishing Charge Numbers

HQ RES office (RES) will submit the signed and executed UCB Agreement along with an Agreement Review Transmittal directly to Laura Sanborn (ext. 7108) via Lorri Riches (ext. 7112). Laura’s accounting group will complete data entry into ART and create charge code information. The following outlines the process from Program Analysis and Management Services (PAMS).

- A. These procedures outline the process between Real Estate Services (RES) and PAMS to create reimbursable charge codes for Real Estate’s Wireless Leases.
- **RES** – A Service Provider contacts RES with a request for work to be completed at a communications site, which may include a variety of activities including new site development and/or upgrade.
 - **Service Provider** –Submits a Wireless Lease Application to RES.
 - **RES** – The RES employee initiates the creation of an agreement (UCB prefix) by: accessing ART to assign the next sequential UCB agreement number to the applicant, and creates a UCB agreement that outlines the **terms** of the agreement between WSDOT and the Service Provider.
 - **RES** – Will send one UCB agreement to the Service Provider for signature.
 - **Service Provider** –Will obtain signature(s) on the UCB agreement, and mail or e-mail (signature must be in blue ink) 1 (one) original document to the RES employee.

- **RES** – Will send the original UCB agreement to the RES Property Management Program Manager for signature (as long as the agreement isn't over \$10,000.00) along with a cover page (memorandum) explaining why their signature is being requested. Send one original UCB agreement to the PAMS Office for work order creation, scan and e-mail the Service Provider a copy for their files.
- **PAMS** – Will create a new reimbursable work order (RO) for the amount of the UCB Agreement, complete the customer's Agreement Review Transmittal system record for the UCB Agreement, and send one signed original to: the Accounting and Financial Services Office & the Project Support and Receivables Unit. Once the work order has been added to TRAINS, a copy of the work order authorization will be sent to a predetermined list of RES staff notifying them of the work order/work order group number.
- **RES** – Will charge the work order group for activities related to the UCB Agreement.

Please **Note:** An increase to the UCB Agreement will be required in those instances where the amount of expenditures exceed the amount of the agreement. The RES Office will be responsible for supplementing/amending the UCB Agreement, including obtaining Service Provider's signature, if necessary.

- **Service Provider** – Will submit payment(s) to the Headquarter Accounting, Cashier as indicated on the remittance letter.
 - **RES** – Will notify the PAMS Office Staff when the work has been completed and the UCB Agreement and work order can be closed.
 - **PAMS** – Will audit the work order and reimbursable activity to determine if any refund is due to the Service Provider or if any additional expenditures should be invoiced. The PAMS staff will notify the Accounting and Financial Services Office, Project Support and Receivables Unit of their findings and the RES office when the final work order and UCB Agreement closures have processed.
3. Review the construction drawings (CDs) to ensure they included/identified the items described above in the initial conversation with the Service Provider.
 - Review for the following items: Access to the site, are they locating equipment on a PSE Pole (see PSE Pole Section if so), size of site, including utility trench area. Most trenches are approximately 18" – 24" deep and a 6" conduit will require 1' width or more to accommodate it. If conduit is located within the parameter of the site, ex. 20' x 20', then the conduit trench is not an issue.

Note: Most power is trenched from a utility cabinet. From the cabinet to the site is considered private use and not a public utility. This area should be included in the site square footage assessment, this also includes fiber.
 4. Is the project located within an interstate? If so, notify Region Environmental that a NEPA review will be necessary and provide charge numbers. If project is not within interstate, NEPA is not required.
 5. Prepare the review package in ORACLE for distribution.

6. Reviewers have 30 business days to review and comment. Failure to respond in 30 business days is an automatic approval. With the exception of region and HQ Environmental and HQ Access, you must have these.
7. Write the lease and email it to AAG for review and approval as to form.

There are three primary leases used in wireless leasing:

- **Wireless Lease With Attachments (RES-421)** – To be used when a tenant requests to install equipment inside WSDOT’s equipment shelter AND attach to WSDOT’s tower.
 - **Wireless Ground Lease (RES-424)** – To be used when a tenant requests to lease space inside OR outside of the right of way (used when tenant is not attaching to WSDOT’s tower, but is installing equipment inside WSDOT’s equipment shelter).
 - **Wireless Lease for Utility Pole Attachment (RES-432)** – To be used when a tenant requests to lease space on a Utility Pole/Light Standard located on WSDOT owned property located inside OR outside of the right of way (used in conjunction with (RES 425) Light Standard/Utility Pole Endorsement, if the pole is not WSDOT owned).
8. Send the lease to the tenant to start their review of the document, which can be done concurrently with the Oracle review. If the lease application is denied by the region or FHWA, notify the tenant and archive the Oracle review. Do not execute the lease.
 9. If the project is not on interstate or within limited access FHWA review and approval is not needed, unless the leased premises was purchased with federal funds.
 10. If the leased premises is located on interstate and you have the region’s approval to lease, you must wait until you have NEPA approval (interstate only) and Access Break information before you forward the following items to FHWA for review and approval of use of the leased premises and the lease document:
 - NEPA approval letter from region.
 - Region and HQ approval to lease.
 - Reviewer comments with answers to questions.
 - Original Oracle Review package.
 - Access Break package is sent to FHWA at the same time as the lease package.
 11. Wait for FHWA letter granting permission of use of the premises and the lease. Once received, notify the tenant.
 12. The lease language negotiations with the tenant should be completed or nearly completed at this point. AAG signature on two copies of the original lease document is required.
 13. The lease with the AAG’s original signatures and all the exhibits are mailed to the tenant for signature.
 14. Once the lease documents are signed, notarized, and returned to WSDOT by the tenant, final WSDOT signature is obtained.

15. Return one fully executed original lease to the tenant along with a rental statement for rent due at the time of execution.
16. Process one fully executed WSDOT original lease, including all IRIS comments.

Wireless Rent Schedule

See the Tower Rate Calculator V6. Instructions are imbedded in the document.

How to Enter a New Lease Into IRIS When You Have Existing IC #:

1. Click on PM Tab.
2. Click on IC # pull down menu.
3. Click on “Find related items” to the right.
4. Click on Search.
5. Go to top header to “PM” in red drop down to “Leases” click on leases.
6. Go to the bottom of the screen click on “New.”
7. Enter data.
8. Tenant not on list:
9. Click on add tenant.
10. Enter tenant data.
11. Click on “Save.”
12. Click on “Insert.”
13. Scroll back up and get the WF #.
14. Enter new lease into spreadsheet.
15. Create label for file folder.
16. If LET is charged, provide RES Fiscal Analyst Location and Levy Codes.
17. Send file to RES Fiscal Analyst to enter rent schedule.
18. Ensure the lease is added to the CPI list.

How to complete a WSDOT Land Acquisition When a Communications Leasehold Interest Must Be Cleared

- A. Communications sites are not considered a utility because they are not regulated by the UTC and are not eligible to receive relocation benefits under the Uniform Act. They are however, eligible to receive compensation in the acquisition process.
 - a. In situations where a WSDOT project is purchasing property (land) with an existing communications site located on it, the acquisition specialist must obtain a full release of lease from each tenant located at the communications site; the release of lease clears the tenant’s leasehold interest in the property (land) WSDOT is acquiring.

- b. Examples of situations:
1. A communications site is located on property (land) not needed for the WSDOT project, WSDOT should enter into a new lease with ALL tenants located at the site who wish to continue use of the site.
 2. The communications site is located on property (land) needed for a WSDOT project, but the project construction isn't scheduled, WSDOT can enter into a temporary lease with ALL tenant(s) located at the site who wish to continue use of the site until construction requires that they relocate.
 3. The property (land) the communications site is located on is needed for an immediate WSDOT construction project; the tenant(s) are eligible to receive compensation to relocate through the acquisition process (not relocation). No lease(s) would be executed.
 - Statutory authority covering wireless leases is covered by either [RCW 47.12.120](#) or [RCW 47.04.045](#).
 - All wireless lease matters are the responsibility of HQ RES PM and are handled by the Leasing and Special Projects Manager or designee. In order to process requests in an orderly and timely manner, an application procedure has been developed (for more information see the WSDOT Wireless Communications Leasing website: www.wsdot.wa.gov/RealEstate/WirelessComm.htm).
 - Requests to locate wireless equipment on WSDOT-owned or controlled property, either inside of a right of way or outside, requires the execution of one of three wireless communication site lease templates.
 - In order to assist wireless providers in determining the feasibility of a particular location a "Conceptual Review" process is available upon request and free of charge.

11-9 Right of Way Encroachments

- A. **Purpose** – All real property, including airspace (e.g., operating highways, pit sites, mitigation sites, park and ride lots) owned by WSDOT acquired for highway purposes is devoted to public highway purposes. Right of way includes the property rights necessary to meet the needs of construction, operation, and maintenance of the highway. WSDOT is responsible for preserving the right of way free of public and private installations or facilities that are not a part of the highway facility and are not consistent with its safe operation, maintenance, and use.

The purpose of this encroachment policy is to ensure safe conditions on the highway facility, to allow for efficient and effective maintenance, and to protect the public investment in the original cost of the right of way and of the highway facility. This policy sets out a process for protecting WSDOT rights of way from unauthorized use. This is necessary to avoid delays to transportation projects caused by clearing encroachments prior to project construction bids and to maintain the safety and operations of the highway facility.

This policy is not intended to suggest that the regions must allow existing encroachments but it is merely a tool that provides options for how to handle encroachments whether the decision is made to remove or authorize their existence. Upon proper review and authorization as further described in this chapter, certain encroachments may be permitted to remain on the right of way. These must be under agreement with the Department and are subject to removal if they subsequently interfere with the safe operation and maintenance of the highway.

B. Authority – In establishing and enforcing its encroachment policy, WSDOT’s actions conform with the legal authorities listed below. The full text of legislative enactments and regulations should be read for a complete understanding of the provisions. These legal authorities include:

- [RCW 47.32.010](#), *Order to remove obstructions – Removal by state*
- [RCW 47.32.020](#), *Notice of order, contents, posting – Return*
- [RCW 47.32.120](#), *Business places along highway*
- [RCW 47.32.130](#), *Dangerous objects and structures as nuisances – Logs – Abatement – Removal*
- 23 CFR 1.23(b), *Use for Highway Purposes*

All real property, including airspace, within the right of way boundaries of a project must be devoted exclusively to public highway purposes. Exceptions are permitted for informational sites and for uses defined in 23 CFR 1.23(c) below.

23 CFR 1.23(c), *Other Use or Occupancy*. Temporary or permanent occupancy or use of right of way for nonhighway purposes, or reservation of subsurface mineral rights, may be approved if it is determined that it is in the public interest and that it will not impair the highway or interfere with the free and safe flow of traffic.

C. Definitions

Authorized Use – The occupation of WSDOT’s right of way may be allowed by an executed permit, lease or other appropriate document.

Monitoring – Systematic and purposeful observation that occurs on a regular basis to determine if any changes to the right of way have occurred.

Encroachment – An encroachment is any installation, device, object or occupancy that is located at, above or below the grade line of the highway and within the right of way limits, and that is not installed as part of the highway facility and which has not been authorized by the execution of a permit, lease or other appropriate document.

Encroachments include but are not limited to the following within the right of way:

- Overhanging projections of signs, where the base is installed off the right of way.
- Fences, walls, and gates.
- Abandoned vehicles and equipment.
- Advertising devices, including political banners.
- Buildings or structures.
- Projections from buildings (e.g., stoops, decks, porches).

- Tree plantings or landscaping.
- Driveways/approaches in violation of WSDOT's Access Control Policy.
- Crane booms.
- Excavations or fill material.
- Private signs, emblems, symbols, posters, monuments.
- Highway memorials, i.e., crosses, flowers.
- Stormwater or surface runoff from abutting lands directed to the highway.
- Mailboxes that are considered a safety hazard.

The following installations are not encroachments:

- Utility facilities that were installed pursuant to WSDOT's Utility Accommodation Policy.
- Private approaches (including residential, commercial, and farm) that were installed in compliance with WSDOT's Access Management Policy.
- Trails or pathways that were installed in compliance with WSDOT's Airspace Leasing Policy.

WSDOT reserves the authority to remove any public or private installation on the public right of way without notice if it presents a hazard to public safety, or interferes with traffic operations as allowed by [RCW 47.32.130](#).

11-9.1 General

The basic principle underlying this policy is that no person or entity may lawfully occupy or use the department's rights of way without authorization to do so. This policy provides guidance for how the region will prioritize their efforts to cure encroachments (unless state legislature provides new law). This policy also will describe the expectations when creating a master region inventory, and the expected level of monitoring to maintain the inventory.

11-9.2 Identifying and Managing Encroachments

11-9.2.1 Monitoring and Inspections

All WSDOT employees should be alert to the possible existence of encroachments.

When identified, the encroachment should be reported to the appropriate office for handling. Historically, the following offices have been delegated responsibility:

- **Advertising/Business Signs** – Region Traffic and Region Real Estate Services Office if necessary.
- **Periodic, Intermittent, and/or Temporary Encroachments (e.g., vendors, parked vehicles)** – Region Maintenance Office and/or Region Real Estate Services Office.
- **Permanent Improvements** – Region Real Estate Services Office.
- **Unauthorized Accesses** – Development Services, Maintenance, Region Real Estate Services Office and Access and Hearings Unit.
- **Unauthorized Wireless Communications Equipment** – HQ Real Estate Services Office.

Each region has the authority to vary or establish different areas of responsibility to meet the region's operational needs.

11-9.2.2 Encroachments Discovered During Project Development

All WSDOT employees involved in delivering a highway project should be alert to the possible existence of encroachments. When an employee identifies an encroachment, they should report it to the Region Real Estate Office as early as possible.

Encroachments can affect project delivery timeframes and budgets.

11-9.2.3 Encroachment Inventory

A master inventory should be created for each region and will be managed by the appropriate location, either at the region or HQ. This inventory should be regularly updated to include encroachments discovered during routine monitoring and inspections and through project development activities.

It is not expected that the regions will go out and perform a survey to create a master inventory. All offices in the regions will submit their known/confirmed encroachments on (date) and it will be updated as project lists are created and regular surveillance/monitoring/inspections are performed.

At a minimum, the inventories should include the following information:

SR#	IC#	Location on SR	Description of Encroachment	Priority of Encroachment	Status/Cure
999	99-99-99999	East side of roadway.	Espresso building encroaches into ROW by 2 feet, for a total of 16 square feet.	Select 1-5 as listed in 11-9.3 below when type is known	Lease, disposal, request owner to remove, etc., depending on the situation.
This information is fictional and is for illustrative purposes only.					

IRIS (or the latest electronic data management) or other appropriate application is used to generate the master inventory. It is recommended that IRIS be used.

11-9.3 Developing an Action Plan

WSDOT will utilize a prioritized approach when determining the timing for curing encroachments per the order listed below:

1. Encroachments determined to be a safety hazards shall be removed as soon as possible (under statutory authority previously referenced).
2. Encroachments determined to be an operational impediment will be removed as soon as possible (under statutory authority previously referenced).
3. Encroachments discovered during project development activities will be cured or removed as part of the project.
4. An encroachment on property that will be needed for transportation purposes within the near future will likely be cured or removed as part of the future project.

Other encroachments as discovered during monitoring and/or inspections will be cured or removed as resources become available.

11-9.4 Removing the Encroachment

If the encroachment has been determined to be immediately or eminently dangerous to the traveling public, it may be removed immediately per [RCW 47.32.130\(1\)](#).

For other encroachments that WSDOT determines need to be removed, a notice will be posted upon any and all structures, buildings, improvements, and other means of occupancy of the state highway with the support of region management. WSDOT will also notify the AGO of the encroachment and their intention to post a notice. The notice needs to include the date of the posting and the encroachment owner. The notice states the encroachment owner must remove all property from the ROW within ten days following the posting of the notice.

If the encroachment is not removed within ten days following the posting of the notice, WSDOT will submit this file to the AGO for action.

11-9.5 Curing the Encroachment

When a determination has been made to allow an encroachment to remain, a decision must be made as to the appropriate document to be used. Each decision should be coordinated between the appropriate staff. If there is a question on how to cure the encroachment, the region should contact Property Management staff at HQ to discuss.

11-9.5.1 Determining the Appropriate Document for Allowing the Encroachment

Selecting the appropriate document for authorizing uses of WSDOT rights of way depends on the purpose, type, and duration of the use. The following may be used as a guide:

- Permits, airspace leases, ground leases, easements, cooperative agreements, or conveyance documents.
- If there is real property encroaching on WSDOT property, leases will be recorded.

11-9.5.2 Market Value

[RCW 47.12.063](#) and [WAC 468-30-060](#) and 110 require that department property must be leased or sold at market value. Market value may be established through an appraisal, a value memorandum for properties valued between \$10,000 and \$25,000, and the formula method for leased properties valued under \$10,000.

In addition to the rent, the lessee may be responsible for paying the Leasehold Excise Tax (LET).

- There are exemptions to the LET, please see [RCW 82.29A.130](#).

11-10 Assessments Against State-Owned Lands

A. General

1. Even though the state is exempt from the payment of general real estate taxes, it enjoys no such exemption from the lien and charge of certain assessing districts. Some assessments are collected as part of the real estate taxes and are generally for administrative and operational costs of the districts, not capital improvement costs. Assessing districts with statutory authority to assess department-owned lands include: diking, drainage, sewerage, storm water, fire protection, irrigation, fire patrol, and weed districts.
2. Other assessing districts have no authority to assess department-owned lands but may assess such lands when they follow the legal requirements to establish the district and the assessment values and the proposed improvement “specially benefits” the assessed lands. Such districts include: local improvement districts (LID), utility local improvement districts (ULID), water districts, sewer districts, sanitary sewer districts, port districts, public utility districts, reclamation districts, park districts, river and harbor improvement districts, and rodent extermination districts.
3. All assessment statements are received in the region and must be quickly checked to see if they are for an existing obligation, or if they represent a new improvement or proposal along with the region recommendation. Because appeal periods are so short (road improvement districts have a 10-day appeal period after mailing, most others have a 30-day period), prompt review and processing for payment is essential.
4. Generally, this section applies to assessments against parcels in the Real Property Inventory. The obligation of the department for storm water control assessments is detailed in [RCW 90.03.525](#) and these are processed by the HQ Operations Division.

B. Rules

1. [Chapter 79.44 RCW](#) provides that any region proposing a new improvement/assessment must provide a Hearing Notice to the Office of Financial Management with a copy to the head of the impacted agency at least 30 days prior to the date of the required public hearing.
2. Any such hearing notices received by the region are to be promptly directed to the HQ Real Estate Services Manager for further processing. The notice is to include the region recommendation to either honor or protest the assessment.

C. Procedures for Processing Assessments

1. Most assessment statements are mailed to region offices; those mailed to HQ are returned to the region and processed.
2. After preliminary review, the statements are routed to the appropriate region office for the following actions:
 - a. Verifies that the assessment is for lands still owned by WSDOT and that the benefit provided by the assessment still exists.
 - b. Prepares a payment voucher including coding for the charges and routes it to the region accounting office to process the payment.

D. Payment of Assessment on WSDOT-Owned Property

1. All assessments will be mailed by the assessing district to the appropriate WSDOT region organization (Operations or Real Estate Services).
2. The Region Operations or Real Estate Services Office will:
 - a. Prepare the voucher distributions, including the required expenditure coding and purchase authorities. Care should be taken to ensure that:
 - (1) The assessments are only for property WSDOT owns.
 - (2) The assessments are valid.
 - (3) The payments are processed in batches small enough (contact the region accounting office for batch sizes) to be paid on a timely basis without causing an extraordinary workload impact on the region accounting staff.
 - b. Make two copies of the voucher distribution and attachments plus whatever copies the originating office requires.
 - c. Forward the original and one copy to the region accounting office for processing.
3. The region accounting office will:
 - a. Perform the normal voucher audit process.
 - b. Process the original through the normal voucher process and maintain one copy (as usual) of the voucher in the region accounting office.

11-11 Facilities

Disposing of Capital Facilities Properties

A. Introduction

1. **Purpose** – To provide a procedure for WSDOT to follow which will ensure that surplus HQ Facilities Office properties are disposed of properly and with “just compensation.”
2. **Definitions**
 - a. HQ Facilities Office properties include all real property, buildings, and structures used for the planning, design, construction, maintenance, or administration of WSDOT’s construction management and support program. Excluded are Marine, Aviation, and infrastructure support facilities.
 - b. Just compensation is the equivalent reimbursement value for the loss of the property owned by WSDOT. The dollar amount shall be established by approved real estate methods.
 - c. RES-ER (Real Estate Services – Electronic Review) (Oracle) is the computerized electronic review system to track Disposal and Lease Reviews administered by WSDOT Property Management section. This system and process includes properties managed by Capital Facilities.

B. Policy

1. All HQ Facilities Office properties must be disposed of for “just compensation.”
2. Proceeds from the sale of any HQ Facilities Office properties shall be deposited into Fund 108 (the Motor Vehicle Fund).
3. Prior to surplus, the facility must be deemed ready for release by the Fields Operations Support Service Center Environmental Support Branch Manager.
4. The disposal/leasing processes for Facilities properties as well as any additional reviewers are detailed in Sections 11-7 and 11-8.

Radio Site Acquisition

A. Introduction

1. **Purpose** – To provide a procedure to document the steps necessary to acquire radio/communications sites at locations where WSDOT is required to provide uninterrupted coverage for WSDOT’s statewide emergency radio operations network.
2. **References**
 - a. [RCW 47.12.010](#) *Acquisition of property authorized*
 - b. *Design Manual M 22-01, Chapter 1050 Intelligent Transportation Systems*
 - c. *ITS Communications & Wireless Technology: 2010-2020 Strategic Plan*
 - d. *Facilities Inventory System Manual*
 - e. *Right of Way Manual M 26-01, Chapter 6 Acquisitions*

3. Definitions

- a. **Acquisition** – The acquisition of real property in fee or by leasehold interest.
- b. **Facilities Control Record Number (FCR#)** – The number assigned to each site and building owned, leased, and/or operated by WSDOT.
- c. **Real Estate Services (RES)** – The department responsible for the acquisition of land acquired in fee or by leasehold interest for placement of radio communications towers or radio equipment buildings to support the office of ITS Communications and Wireless Technology.
- d. **Integrated Realty Information System (IRIS)** – The computerized inventory system used by RES to track all real property owned and leased for the benefit of ITS Communications and Wireless Technology.
- e. **Propagation Study** – A computerized analysis carried out by ITS Communications and Wireless Technology as an initial test to determine the area of coverage a specific radio signal is capable of radiating from a given location.
- f. **Path Analysis Study** – A computerized analysis carried out by ITS Communications and Wireless Technology as an initial test to determine the feasibility of point to point communications between radio facilities.
- g. **Right of Way Work Order (RW Work Order)** – Job numbers used to accumulate costs for appraisal, review appraisal, title information, land purchase, acquisition costs, necessary related labor expenses, production of sundry site plan, and document recording.
- h. **ITS Communications Strategic Plan** – The 10-year strategic plan to identify the direction of the wireless program. One of the objectives of the strategic plan is to create individual regional communications plans. The regional communications plans will provide detailed regional communications projects. The ITS communications project process will provide proposed schedules, general scopes, and budgets for each project.
- i. **ITS Communications and Wireless Technology Site Comparison Form** – A form used to document all of the pertinent data for site comparison purposes.

B. Responsibilities

If a facility is to be leased:

1. ITS Communications and Wireless Technology is responsible for the following:
 - a. Perform the necessary tests, analysis, surveys, reports, etc. to determine if a site is viable to acquire via fee acquisition or other means necessary to obtain property rights.
 - b. Contact the RES Liaison and provide the information necessary for the RES Liaison to contact the Landlord and request a lease.
 - c. Upon execution of the lease, ITS may install equipment to make the site operational.

2. HQ Facilities Office is responsible for the following:
 - a. Assign a Facilities Control Record Number (FCR#) and provide the FCR# to the RES Liaison.
 - b. Create and provide a work order number to fund the site selection work.
 - c. Upon execution of the lease begin payment process.
 - d. If lease is not for land, but is for space in building, update existing FCR# and data.
3. HQ RES Liaison is responsible for the following:
 - a. Create an Inventory Control Number (ICN) in IRIS.
 - b. Contact land/facility owner to begin lease negotiations in accordance with [Chapter 6](#).
 - c. Contact the region RES office and request a parcel number for the property, create an ICN by adding the leased parcel to IRIS, and cross-reference to the appropriate FCR#.
 - d. After lease has been drafted, any operations or policy concerns are reviewed by ITS Communications and Wireless Technology.
 - e. Transmit to the Assistant Attorney General for review and signature.
 - f. Transmit to WSDOT Title section for processing and signature, including the Memorandum of Lease to be signed at the same time as the lease document.
 - g. Once fully executed and copies of the lease have been returned to RES, transmit to HQ Facilities Office to begin payment process.
 - h. Notify ITS Communications and Wireless Technology that facility can now be occupied.

If facility is to be purchased:

1. ITS Communications and Wireless Technology will be responsible for the following:
 - a. Perform the necessary tests, analysis', surveys, reports, etc. to determine if a site is viable to acquire.
 - b. Notify the HQ RES Liaison of the decision to purchase the site and request that the Liaison begin the acquisition of the property.
 - c. Provide the information necessary for the RES Liaison to contact the Landowner and request to purchase.
 - d. Provide the required funding/work order to purchase the property.
 - e. Upon acquisition of the property, ITS can move in and make site operational.

2. HQ Facilities Office will be responsible for the following:
 - a. Creating and provide a work order number to fund the site selection work.
 - b. Notifying HQ Accounting Office to add FCR# to tax table.
 - c. Updating the existing work order used for the comparison study to fund the site development, tower construction, and building installation.
3. HQ Real Estate Services Liaison will be responsible for the following:
 - a. Securing the right of entry permit from property owner and transmitting to Region Facilities Planner.
 - b. Arranging for detailed site investigations to include:
 - Random soil testing for chemical contaminants (analysis by a Department of Ecology (DOE) certified independent laboratory).
 - Ground water tests for contaminants (analysis by DOE certified independent laboratory).
 - Test borings to determine soil bearing capacity (typically by state force).
 - Determination of highest and lowest groundwater levels for impact to foundations, drain fields and water wells (typically by state force).
 - Inventory level assessment for wetlands, endangered species and biology.
 - c. If none of the results from above preclude the intelligent purchase of the prime site send all results to HQ Facilities office for concurrence. If not, repeat steps a and b for the number two site.
 - d. Order an appraisal.
 - e. Procuring services of local land surveyor to provide:
 - Recorded site boundary survey.
 - Legal description.
 - Formatted on current WSDOT electronic media.

Note: Advise surveyor that additional tasking will be forthcoming at a later date to augment boundary survey with site utilities, topography, contours, etc.
 - f. Acquiring parcel with funding program's approval.
 - g. Contacting land owner and begin negotiations for a purchase in accordance with [Chapter 6](#).
 - h. Contact the region RES office and request a parcel number for the property, create an ICN by adding the parcel to IRIS, and cross-reference to the appropriate FCR#.
 - i. Notifying ITS Communications and Wireless Technology that purchase has been finalized.

4. Region Facilities Planner will be responsible for the following:
 - a. Arrange for detailed site investigation to include:
 - Random soil testing for chemical contaminants (analysis by a Department of Ecology (DOE) certified independent laboratory).
 - Ground water tests for contaminants (analysis by DOE certified independent laboratory).
 - Test borings to determine soil bearing capacity (typically by state force).
 - Determination of highest and lowest groundwater levels for impact to foundations, drain fields and water wells (typically by state force).
 - Archaeological investigation.
 - b. When deed is recorded, update existing FCR# and data.

11-12 Appendices

- Appendix 11-1 WSDOT Owned Land – Property Types
- Appendix 11-2 Notice of Auction for Improvements
- Appendix 11-3 Property Inventory Instructions
- Appendix 11-4 Lease Exhibit Example
- Appendix 11-5 Unlawful Detainer Action in Washington
- Appendix 11-6 Short-Term Rent
- Appendix 11-7 Trail Lease Package Requirements
- Appendix 11-8 Land and Related Intangible Asset Inventory Practices for Financial Reporting Compliance
- Appendix 11-9 Contact Information
- Appendix 11-10 Creating a New Lease

