

AGENDA



Thursday, March 10, 2011

**Austin Energy
RECOMMENDATION FOR COUNCIL ACTION****Item No. 4**

Subject: Authorize the payment of an amount not to exceed \$875,000 to settle eminent domain proceedings relating to the acquisition of two 200-foot wide electric easements, being 1.055 acres each for a total of 2.110 acres, and the acquisition in fee of a 20.67-acre tract, all out of the James Gilleland Survey Number 13, Abstract Number 12, Travis County, Texas, in connection with the construction of a combination transmission/distribution substation and related improvements. The owners of the needed property interests are Fannie Ruth Salyer, Don Allen Salyer, and Sylvia Gay Meyer. Gravel rights interests are held by Ella Louise Lind, Ralph Daily Glass, James Robert Glass, Mary Francis Wisian, and James Parker, all of whom are parties to the eminent domain proceedings.

Amount and Source of Funding: Funding is available in the 2010-2011 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Sonny Poole, Manager, Public Involvement-Real Estate-Surveying, 322-6442.

Boards and Commission Action: Recommended by the Electric Utility Commission.

Prior Council Action: December 9, 2010 - Approved authorization to proceed with condemnation on the above referenced property.

Austin Energy must acquire two 200-foot wide electric easements and fee title to 20.67 acres of land for the construction of a combination transmission/distribution substation. The substation is needed to serve the growing load in the eastern service area, to address voltage issues and to improve switching capability during outages.

Austin Energy attempted to purchase the needed easements and acreage tract, but was unable to agree with the owners on the fair market value of the needed tract. Therefore, the Law Department requested authorization to file an action in eminent domain on behalf of the City of Austin. Through negotiations between the Law Department and the property owners, an agreement to settle the condemnation proceedings in the amount of \$875,000.00 was reached.