

## AGENDA



### Recommendation for Council Action

#### AUSTIN CITY COUNCIL

Regular Meeting : February 15, 2018

Item Number: 057

#### Eminent Domain

Approve a resolution authorizing the filing of eminent domain proceedings for the Bluff Springs Substation Project for the fee acquisition of approximately 10.447 acres, (455,086 square feet) of land in the Santiago Del Valle Grant Abstract Number 24, Travis County, Texas, being out of and a portion of the remainder of that called 166.598 acres of land as described to George W. Brewer in that certain partition deed as recorded in Volume 9106, Page 615, Real Property Records Travis County, Texas, in the amount of \$1,190,000, for the public use of an electric substation. The owners of the needed property interest are Billie Jo Figer, Michael G. Figer, Donald K. Figer, Betsy A. Lambeth, Keith H. Harmon and Bonnie G. Harmon as trustees of the Harmon Family Trust. The property is located within Austin's 2-mile extraterritorial jurisdiction (ETJ) between Council Districts 2 and 5, at 1101 East Slaughter Lane, Austin, Texas 78747. The public use necessitating this acquisition is the construction of a transmission/distribution substation. The general route covered by this project abut East Slaughter Lane, Austin Energy's existing Circuit 988 transmission line, and Onion Creek, just south of Brandt Road, within the Austin 2-Mile ETJ, in Travis County, Texas.

<b>Lead Department</b>	Austin Energy
<b>Fiscal Note</b>	Funding in the amount of \$1,190,000 is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy.
<b>For More Information</b>	Jeff Vice, Director, Local Government Issues (512) 322-6087; Dan Smith, Vice President, Electric Service Delivery, (512) 505-7009; Pamela England, Manager, Public Involvement & Real Estate Services, (512) 322-6442, Angela Rodriguez, Staff Attorney, Law Department (512) 974-6032.
<b>Council Committee, Boards and Commission Action</b>	November 13, 2017 - Recommended by the Electric Utility Commission on a 6-0-1 vote, with Stout abstaining, Fath and Hadden absent, and with two vacancies.

--	--

---

**Additional Backup Information:**

Construction of a new electric substation is required to serve growing electrical loads in the South IH-35 corridor. Large retail developments and increasing subdivision developments to the east of IH-35 have placed a strain on Austin Energy's existing distribution system infrastructure. Overloads and voltage problems will become an issue as circuits from the Slaughter Lane and Hi-Cross Substations are unable to accommodate these escalating electrical load requirements.

A new substation near East Slaughter Lane and Brandt Road will provide the capability needed to serve new developments and strengthen the electrical distribution system in this portion of Austin Energy's service territory. The substation will increase capacity, reliability, and safety for customers in this growing area of Austin. This approximate 10.5 acre tract of land is located within Austin's 2-Mile ETJ, in Travis County, and between Council Districts 2 and 5.

In April 2016, a plan to utilize City-owned tract of land for construction of a substation in this part of the service territory ended due to concerns from an adjacent neighborhood and limited tract size. The proposed new site for the substation is large enough to accommodate current infrastructure needs and will allow for future expansion, if necessary. It is also well suited to connect to existing transmission and distribution lines coming into and out of the substation. In addition, this tract will not require additional easements or rezoning.

Construction on a new substation needs to begin in October 2018 in order to provide reliable and safe electric service to customers in the South IH-35 corridor. Considering that an eminent domain case may take a year or more to resolve, it is important to begin the process as soon as possible. A delay in this critical electric system project will expose customers in this area to unacceptable load and voltage levels causing outages and instabilities in providing service.

The current fair market value, as determined by an independent, third-party appraiser, is \$1,190,000. The City attempted to purchase the needed property, however; the City and the property owner were unable to agree on its value. The Law Department is requesting authorization to file an action in eminent domain on behalf of the City.