City of Denton



City Hall 215 E. McKinney Street Denton, Texas www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Capital Projects

ACM: Mario Canizares

DATE: June 6, 2017

SUBJECT

Consider adoption of an ordinance authorizing the abandonment and release of certain blanket electric utility easements owned by the City, to the extent that they encumber certain real property owned by Micah Deweerd Holdings, LLC, a Texas limited liability company, containing approximately 1.61 acres, as described in that Deed recorded as Instrument Number 2016-140641, Real Property Records, Denton County, Texas; being located in the W. Garrison Survey, Abstract No. 1545, City of Corinth, Texas, and providing an effective date. [Partial abandonment of blanket electric utility easements as they encumber Micah Deweerd Holdings property aka Pecan Creek Addition Lot 2 located within the City of Corinth] Public Utility Board approved 7-0.

BACKGROUND

Micah Deweerd Holdings, LLC, a Texas limited liability company, has made a formal request for the City of Denton to abandon certain blanket electric utility easements as they encumber the property of Lot 2 (South part) Block A, Pecan Creek Addition. In 1946 and 1952, Brazos River Transmission Electric Cooperative was granted blanket electric utility easements, subsequently assigned to the City of Denton in 1987 by the Assignment of Easements recorded in Volume 2736, Page 825, Real Property Records, Denton County, Texas. The blanket electric utility easements are being requested for abandonment, as they affect the subject property, are as follows; 1.) Electric Utility Easement as recorded in Volume 332 Page 499, Deed Records, Denton County, 2.) Electric Utility Easement as recorded in Volume 381, Page 490, Deed Records, Denton County, Texas, 3.) Electric Utility Easement as recorded in Volume 384, Page 118, Deed Records, Denton County.

At the time the subject easements were granted, it was common practice to allow electric facilities to traverse a particular overall property, by means of a blanket easement, to forgo the expense of boundary survey work and the preparation of specific legal descriptions detailing the location of the electric facilities. Blanket easements also gave field installation crews some latitude to adjust alignments in the field as terrain and conditions warranted, on a tract by tract basis. A consequence of blanket easements is that, upon strict interpretation, the easement holder does have the right to place electric facilities at any location upon a property tract subject to that easement.

The subject abandonments are not essential to Denton Municipal Electric for any future projects and have no facilities located on the subject property. Abandonment of the subject easements would remove the blanket easement encumbrances from the subject property allowing it to be platted and developed within the City of Corinth.

The subject abandonment request was reviewed by The Development Review Committee, and staff recommends the approval

Staff performs an analysis on the request for abandonments as follows:	
	Are the electric utility easement tracts requested for abandonment considered "excess electric utility
	easements?"
	Does the electric utility easement tracts that are requested for abandonment have a continued public
	use?
	Is it in the best interest of the general public to abandon the government's rights in the subject
	abandonment tracts?
	Would the granting of this request establish a precedent for electric utility easement abandonments fo
	future requests?

Staff findings on this analysis are as follows:

- 1. The requested electric utility easement abandonment tracts fit the criteria of "excess electric utility easement." Typically, excess electric utility easement is defined as: Property acquired or used by the City for electric facilities subsequently declared excess (not needed for any public project, the continuation of operation and maintenance of public facilities, and/or no foreseeable utility application in the future). In this situation with the property owner is resolving an encumbrance that has affected its property since 1942 and 1952.
- 2. The electric utility easement abandonments have not been utilized and have no future electric use or placement of franchise utilities.
- 3. The electric utility easement abandonments are in the public interest, because the area for the subject abandonment are not needed by the general public or franchise utilities.
- 4. This abandonment will not set precedent, because the above three standards have been met.

OPTIONS

- 1. Recommend approval of the Ordinance.
- 2. Do not recommend approval the Ordinance.
- 3. Table for future consideration.

RECOMMENDATION

The Development Review Committee recommends approval of this request.

ESTIMATED SCHEDULE OF PROJECT

The abandonment will be completed upon approval of City Council.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

Development Review Committee recommended approval on April 7, 2017. Public Utility Board approved 7-0 on May 22, 2017

FISCAL INFORMATION

Not applicable.

BID INFORMATION

Not applicable.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Public Infrastructure

Related Goal: 1.1 Manage financial resources in a responsible manner

EXHIBITS

- 1. Agenda Information Sheet
- 2. Location Map
- 3. Site Map
- 4. Boundary Survey, Lot 2 (South part) Block A, Pecan Creek Addition
- 5. Applicant project narrative letter
- 6. Ordinance

Respectfully submitted: Paul Williamson Real Estate Manager

Prepared by: Mark A. Laird Real Estate Analyst