Legislation Details (With Text)

File #:	ID 14-0533	**Version:**	1	**Name:**	
Type:	Ordinance				
File created:	8/29/2014			**In control:**	City Council
On agenda:	9/16/2014			**Final action:**	
Title:	Consider adoption of an ordinance authorizing the City Manager, or his designee, on behalf of the City of Denton, Texas, to execute Options to Purchase real property generally located in the 100 block of N. Bonnie Brae St., 2500 block of W. Hickory St., and 2300 block of W. Oak St., Denton, Denton County, Texas, for the public use of expansion, construction, maintenance, operation, and improvement of electric transmission and distribution lines, facilities, and structures, including substations; authorizing the expenditure of funds; and providing an effective date.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	1. Exhibit 1 - Ordinance				

Date	Ver.	Action By	Action	Result

Agenda Information Sheet

DEPARTMENT: **Denton Municipal Electric (DME)**

ACM: **Howard Martin, 349-8232**

Date: **September 16, 2014**

SUBJECT

Consider adoption of an ordinance authorizing the City Manager, or his designee, on behalf of the City of Denton, Texas, to execute Options to Purchase real property generally located in the 100 block of N. Bonnie Brae St., 2500 block of W. Hickory St., and 2300 block of W. Oak St., Denton, Denton County, Texas, for the public use of expansion, construction, maintenance, operation, and improvement of electric transmission and distribution lines, facilities, and structures, including substations; authorizing the expenditure of funds; and providing an effective date.

BACKGROUND

The DME Capital Improvement Plan includes the reconstruction of the Hickory Substation. The Public Utilities Board previously recommended the purchase of the site earlier this year for a lesser amount. Seller made a counteroffer that was generally acceptable by the PUB and eventually recommended by the PUB, but with concerns that two key adjacent lots also owned by Seller were not included thereby necessitating future transactions.

That counteroffer was eventually rejected by the City Council on July 15, 2014 with concerns that the public

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involvement process was not yet complete. City Council input and direction to staff suggested that securing an option from seller, while the public involvement process was pending, would be a preferable approach.

OPTIONS

1. Approval of the seller'(s) contract offer and recommend to the City Council that it approve and adopt an ordinance authorizing the purchase.
2. Do not recommend approval.

RECOMMENDATION

DME recommends approval of the Seller's option offers.

ESTIMATED SCHEDULE OF PROJECT

Q3 2018

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

- 2/10/2014 PUB recommended offers be made to sellers.
- 2/11/2014 CC approved offers be made to sellers.
- 7/14/2014 PUB recommended Seller's counteroffers be accepted (voiced some concern that not all of Seller's key adjacent property was included).
- 7/15/2014 CC rejected Seller's counteroffers but with recommendation for staff to consider an option.
- 7/15/2014 CC rejected Seller's counteroffers but with recommendation for staff to consider an option.
- 8/08/2014 PUB recommended that Council approve Seller's counteroffers of real estate options to purchase.

FISCAL INFORMATION

The costs for the proposed purchase will be funded out of amounts budgeted for specific projects. The work proposed will be in the transmission category. These costs for transmission projects will ultimately be recovered through the Public Utility Commission transmission cost of service program (TCOS).

BID INFORMATION

N/A

EXHIBITS

1. Ordinance and Option Contracts

Respectfully submitted:
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General Manager, DME

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