



# City of San Antonio

## Agenda Memorandum

**File Number:**14-2064

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**Agenda Item Number:** 15.

**Agenda Date:** 10/30/2014

**In Control:** City Council A Session

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**DEPARTMENT:** Transportation and Capital Improvements

**DEPARTMENT HEAD:** Mike Frisbie

**COUNCIL DISTRICTS IMPACTED:** City-wide

### **SUBJECT:**

Acquisition: Real Property for the CPS Energy Bulverde Substation and Transmission Project

### **SUMMARY:**

An ordinance, on behalf of CPS Energy, authorizing the acquisition, through negotiation or condemnation, of interests in land sufficient for the CPS Energy Bulverde Substation and Transmission Project of approximately twenty-six (26) easement parcels and one (1) fee owned parcel of privately-owned real property located in Comal and Bexar Counties in County Blocks 4860, 4861, 4862, 4863, 4864, 4865, 4866, Bexar County, Texas and the Agapita Gaytan Survey No. 194, Abstract 174, the Guadalupe Herrera Survey No. 192, Abstract 206, the Luciano Bulverde Survey No. 195, Abstract 27, Comal County, Texas, all located outside of the City of San Antonio; declaring it to be a public use project.

This public use project is necessary for the expansion and operation of the CPS Energy electric system. Pursuant of enacted Texas Senate Bill 18 (SB 18), this item requires City Council to initiate a motion authorizing the use of power of eminent domain, should it be needed.

### **BACKGROUND INFORMATION:**

The CPS Energy Bulverde Substation and Transmission Project requires the acquisition of approximately twenty-seven (27) parcels for permanent easement and fee interests in certain privately-owned real property by negotiation or condemnation, if necessary.

In order for CPS Energy to provide reliable electric service within the northern portions of Bexar and Comal Counties, CPS Energy will be constructing a double circuit 4.05 mile-long transmission line and a substation located in northern Bexar County and southern Comal County, commonly referred to as the CPS Energy Bulverde Substation and Transmission Project. The transmission line will connect to an existing transmission line at the intersection of Bulverde Road and Smithson Valley Road and will continue westerly along Bulverde Road, cross US 281, continue along Bulverde Road, cross privately owned property to the east and then parallel the west line of US 281 up to the proposed substation site on the east side of US 281 in Comal County. The general transmission line route and location of the substation site are included herein as an attachment. CPS Energy anticipates project construction to begin June 2016 and be completed in June 2017.

CPS Energy intends to use every effort available to obtain the required permanent and temporary land rights for the transmission line and substation site through good faith negotiations, but may require eminent domain if the easement or fee negotiations are not successful. The City of San Antonio has the authority and power to exercise eminent domain (condemning property) under Article I, Section 17 of the Texas Constitution and Texas Local Government Code.

In order for CPS Energy to exercise its power of eminent domain, the City of San Antonio City Council must declare the project a public use project.

## **ISSUE:**

This ordinance, on behalf of CPS Energy, authorizes the acquisition, through negotiation or condemnation, of interests in 52.07 acres of land sufficient for the CPS Energy Bulverde Substation and Transmission Project purposes, in approximately twenty- six (26) easement parcels and one (1) fee owned parcel of privately-owned real property located in Comal and Bexar Counties in County Blocks 4860, 4861, 4862, 4863, 4864, 4865, 4866, Bexar County, Texas and the Agapita Gaytan Survey No. 194, Abstract 174, the Guadalupe Herrera Survey No. 192, Abstract 206, the Luciano Bulverda Survey No. 195, Abstract 27, Comal County, Texas, all located outside of the City of San Antonio; declaring it to be a public use project.

This public use project is necessary for CPS Energy to provide reliable electric service within the northern portions of Bexar and Comal Counties through this expansion of the CPS Energy electric system. The property acquisition, and subsequent project construction, will be completed by CPS Energy and the project will be funded through the CPS' FY 2015, FY 2016, FY 2017, and FY 2018 Capital Budget for the CPS Energy Bulverde Substation and Transmission Project.

Approval of this ordinance is a continuation of City Council policy to determine and declare certain projects necessary for public purpose and public use, and authorize the acquisition of private property by and through the CPS Energy Board of Trustees for the public use project by negotiation or condemnation.

## **ALTERNATIVES:**

City Council could choose not to approve this request and require CPS Energy to redesign the project, which may increase costs and result in project delay.

**FISCAL IMPACT:**

The passage of this ordinance will not have a financial impact on the City of San Antonio. Any condemnation costs including awards will be paid by CPS Energy. Costs are funded from the CPS FY 2015, FY 2016, FY 2017, and FY 2018 CPS Energy Capital Budget for the Bulverde Substation and Transmission Project.

**RECOMMENDATION:**

Staff and CPS Energy recommend approval of the ordinance authorizing acquisition by negotiation or condemnation for the needed land interests for the CPS Energy Bulverde Substation and Transmission Project, a CPS Energy managed, funded and construction project.