

Mayor and Council Communication

DATE: 05/19/20

M&C FILE NUMBER: M&C 20-0342

LOG NAME: 55FTW DFW ONCOR UTILITY EASEMENT

SUBJECT

Authorize the Conveyance of a Perpetual Electrical Utility Easement on Property Located at DFW International Airport to Oncor Electric Delivery Company, LLC for the Construction and Continuous Maintenance of New Electric and Communication Lines (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the conveyance of a perpetual Electrical Utility Easement on property located at DFW International Airport to Oncor Electric Delivery Company, LLC; and
 2. Authorize the City Manager or his designee to execute and record the appropriate instruments.
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DISCUSSION:

Oncor Electric Delivery Company, LLC (Oncor) is expanding electric capacity in the vicinity of DFW Airport through the construction of new infrastructure, including the Vineyard 138kV Switch Station (Vineyard Station) adjacent to the Airport.

To connect to the Vineyard Station, Oncor has requested a permanent easement on Airport Board property to construct new overhead transmission lines. The area required for the permanent easement is +/- 3.941 acres. The alignment of the permanent easement creates a severed parcel of +/- 0.6622 acres which Oncor will maintain and pay damages. The easement will be located on the Dallas/Fort Worth International Airport property as shown in the attached exhibits. A property description outlining the specific property is also attached.

This Mayor and Council Communication authorizes the City to convey the necessary easement rights to Oncor for the development and maintenance of the new electric and communication lines discussed above.

The DFW International Airport Board (Airport Board) approved and authorized an Agreement with Oncor for the permanent easement rights on April 7, 2020, via Official Board Resolution No.2020-04-084.

The proposed easement area was appraised by a certified third-party appraiser.

Based on the appraisal, Oncor will pay total compensation to DFW in the amount of \$1,604,123.00 which includes \$1,373,360.00 for the permanent easement and \$230,763.00 in damages for the severed parcel created as a result of the permanent easement.

Oncor will construct and maintain the proposed improvements on the permanent easement at their sole cost and expense.

The Airport Board will not incur any operation or maintenance responsibility as a result of the action; Oncor will also maintain the severed parcel from a landscaping standpoint.

Both state law and the 1968 Contract and Agreement between the City of Dallas, Texas and the City of Fort Worth, Texas require that all real property transactions must be approved by the City Council of both cities. The Dallas City Council is expected to approve this transaction on May 27, 2020 or if not then, in early June of 2020.

Property is located in ALL COUNCIL DISTRICTS.

A Form 1295 is not required because: This contract will be with an electric utility: Oncor Electric Delivery Company, LLC

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of these recommendations will have no material effect on City funds.

Submitted for City Manager's Office by: Fernando Costa 6122

Originating Business Unit Head: Bill Welstead 5402

Additional Information Contact: Tyler Dale 5416

