

City Council – Action Request Form

Date: January 11, 2021

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Damon C. Dequenne, Assistant City Manager
S. Kirk Bjorling, Real Estate Administrator

Council Action Requested:
Resolution Authorizing the Sale of Easements to Duke Energy Carolinas, LLC Relating to the New Patterson Avenue Substation (North and East Wards)

Strategic Focus Area: Livable Neighborhoods
Strategic Objective: No
Strategic Plan Action Item: No
Key Work Item: No



Summary of Information:
 Duke Energy Carolinas, LLC (Duke) is developing a new substation at the corner of Patterson Avenue and Northwest Boulevard to provide additional electrical service due to load growth in the Winston-Salem area. In order to accomplish the project, Duke is requesting easements on five City-owned lots to merge this new facility with existing facilities. The easements requested are described in the attached Exhibit A.

Duke has offered \$143,291 in compensation for the five easements. The City has tentative plans for future development on two of these lots. In order to accommodate the City’s future development plans, Duke has re-engineered the easement plans for these two lots. The re-engineering will cost Duke an additional \$228,000 to accommodate the City’s request to allow more room for future housing. In recognition of the additional cost, Duke is requesting that the City accept, in lieu of compensation, Duke’s offer to re-engineer its easement plans and install, at no additional cost to the City, electrical service more conducive to the City’s use of the lot for development purposes, which re-engineered plan and installation has a value of at least \$228,000 which is comparable with the value of the easement. If this is done, the City will receive greater value in return than it would have if it had directly received the compensation for the easements.

Committee Action:

Committee	Finance 1/11/2021	Action	Approval
For	Unanimous	Against	

Remarks:

Staff is supportive of this sale of easements and the City's foregoing direct compensation.

The attached resolution authorizes the sale of easements to Duke Energy as described herein.