

Mayor and Council Communication

DATE: 08/20/19

M&C FILE NUMBER: M&C 19-0059

LOG NAME: 60M365A-GAS RELOCATIONS

SUBJECT

Authorize Execution of a Reimbursement Agreement with Barnett Gathering LLC, in the Amount of \$150,000.00 for a Gas Pipeline Relocation to Accommodate the Marine Creek Interceptor Improvements Phase II, Part 1 Project and Adopt Appropriation Ordinance (COUNCIL DISTRICT 2)

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Water and Sewer Capital Projects Fund in the amount of \$150,000.00 from available funds; and
2. Authorize the execution of a Reimbursement Agreement with Barnett Gathering LLC, in the amount of \$150,000.00 for a gas pipeline relocation to accommodate the Marine Creek Interceptor M279A and M-365 Improvements, Phase II, Part 1 Project (City Project No. 100274).

DISCUSSION:

The City's sewer easements for the Marine Creek Interceptor M279A and M-365 Improvements, Phase II, Part 1 Project are subject to the existing gas pipeline. In order for the City to construct its project, the gas pipeline needs to be lowered and relocated, and the City is responsible for the costs associated with relocating the gas pipeline. Barnett Gathering LLC, has agreed to lower and relocate the conflicting gas pipeline, and the Reimbursement Agreement is necessary to allow reimbursement of the total cost of \$150,000.00. Construction for relocation of the gas pipeline is anticipated to commence in September, 2019.

The relocation consists of the lowering of a six-inch gas main by 10 feet for a distance of 150-feet at a cost of \$150,000.00.

The project is located in COUNCIL DISTRICT 2.

A Form 1295 is not required for this contract because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: Barnett Gathering LLC

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the current capital budget, as appropriated, of the Water and Sewer Capital Projects Fund. The Fiscal Year 2019 Water Operating Budget includes appropriations of \$35,856,873.00 for the purpose of providing Pay-As-You-Go funding for Sewer Capital Projects. After this transfer for Fiscal Year 2019, the balance will be \$15,147,927.00.

Funding for the Marine Creek Interceptor M279A and M-365 Improvements, Phase II, Part 1 Project are as depicted below by fund:

FUND	Existing Appropriations	Additional Appropriations	Project Total*
W&S Capital Projects Fund 56002	\$604,873.00	\$150,000.00	\$754,873.00
W&S Commercial Paper Fund 56016	\$3,375,830.00	\$0.00	\$3,375,830.00
Project Total	\$3,980,703.00	\$150,000.00	\$4,130,703.00

*Numbers rounded for presentation.

Submitted for City Manager's Office by: Dana Burghdoff 8018

Originating Business Unit Head: Chris Harder 5020

Additional Information Contact: Walter Norwood 5026

