

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 06/25/24 M&C FILE NUMBER: M&C 24-0563

LOG NAME: 20CROMWELL MARINE CREEK RD ATMOS AGREEMENT

SUBJECT

(CD 2 and CD 7) Authorize Execution of a Reimbursement Agreement with Atmos Energy Corporation in an Amount Not to Exceed \$900,000.00 for a Gas Pipeline Relocation to Accommodate the Cromwell Marine Creek Road Widening Improvements Project (2018 and 2022 Bond Program)

RECOMMENDATION:

It is recommended that the City Council authorize execution of a Reimbursement Agreement with Atmos Energy Corporation in an amount not to exceed \$900,000.00 for a gas pipeline relocation to accommodate the Cromwell Marine Creek Road Widening Improvements project (City Project No. 101012).

DISCUSSION:

The existing roadway right-of-way for Cromwell Marine Creek Road will be widened for the purpose of constructing a four-lane divided thoroughfare. Atmos Energy Corporation has a gas pipeline within an easement that runs perpendicular to said right-of-way. Atmos Energy Corporation needs to relocate the pipeline within the easement. The 16-inch high pressure steel pipeline will be lowered 5-feet over a distance of 250-feet to clear the bottom of the roadway's stabilized base limits. The City is responsible for the costs associated with this relocation because of the City's project design.

Atmos Energy Corporation has agreed to lower the conflicting gas pipeline and the City will reimburse an amount not to exceed \$900,000.00. Construction for the gas pipeline relocation is anticipated to commence in July 2024.

The following table demonstrates the funding history for the project:

Fund	Existing Funding	Additional Funding	Project Total
34018-2018 Bond Program	\$30,099,483.92		\$30,099,483.92
34027-2022 Bond Program	\$10,970,000.00		\$10,970,000.00
30108-Transportation Impact Fee Cap	\$2,730,000.00		\$2,730,000.00
34017-Tax Note 2017	\$500,000.00		\$500,000.00
39008-Trans Impact Fee Cap Legacy	\$270,000.00		\$270,000.00
30106-Intergovernmental Contribution Fund	\$13,910,000.00		\$13,910,000.00
Project Total:	\$58,479,483.92		\$58,479,483.92

MWBE OFFICE – The M/WBE Office has determined that there is no MBE Diversity goal for this agreement.

This project is included in the 2022 Bond Program. The City's Extendable Commercial Paper (ECP) (M&C 22-0607; Ordinance 25675-08-2022) provides liquidity to support the appropriation. Available resources will be used to actually make any interim progress payments until debt is issued. Once debt associated with a project is sold, debt proceeds will reimburse the interim financing source in accordance with the statement expressing official Intent to Reimburse that was adopted as part of the ordinance canvassing the bond election (Ordinance 25515-05-2022).

The project is in COUNCIL DISTRICTS 2 & 7.

A Form 1295 is not required because: This contract will be with a gas utility: Atmos Energy Corporation

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budget, as previously appropriated, in the 2022 Bond Program Fund for the Cromwell-Marine Creek project to support the approval of the above recommendation and execution of the agreement. Prior to any

expenditure being incurred, the Transportation and Public Works Department has the responsibility to validate the availability of funds.

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