

City of Fort Worth, Texas

# Mayor and Council Communication

DATE: 02/27/24 M&C FILE NUMBER: M&C 24-0153

LOG NAME: 20CROMWELL MARINE CREEK ROAD RELOCATION

SUBJECT

(CD 2 and CD 7) Authorize Execution of a Reimbursement Agreement with BKV Midstream, LLC in the Amount of \$900,000.00 for a Gas Pipeline Relocation to Accommodate the Cromwell Marine Creek Road Widening Improvements Project (2022 Bond Program)

RECOMMENDATION:

It is recommended that the City Council authorize execution of a Reimbursement Agreement with BKV Midstream, LLC in the amount of \$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 (ROW) for Cromwell Marine Creek Road will be widened for the purpose of constructing a four-lane divided thoroughfare. BKV Midstream, LLC has a natural gas pipeline within an easement on the edge of said ROW. BKV Midstream, LLC needs to relocate the pipeline easement and gas pipeline beyond the City ROW and outside of the proposed ROW footprint. When utilities are forced to relocate beyond the ROW due to public improvements, the City is responsible for the costs associated with relocating the gas pipeline. BKV Midstream, LLC has agreed to lower and relocate the conflicting gas pipeline, and the Reimbursement Agreement is necessary to allow reimbursement to BKV Midstream, LLC for the total cost of \$900,000.00.

The relocation consists of the lowering of a 16-inch gas main by 33-feet for a distance of 1,000-feet . Construction for the gas pipeline relocation is anticipated to commence in February 2024.

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). Funding is budgeted in the Transportation and Public Works (TPW) Department Highway & Streets Department's 2022 Bond Program Fund for the purpose of funding the Cromwell-Marine Creek Road project, as appropriated.

Diversity and Inclusion (DVIN) Office: A waiver of the goal for Business Equity subcontracting requirements was requested and approved by the DVIN, in accordance with the applicable Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

This project is located in COUNCIL DISTRICTS 2 and 7.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: BKV Midstream, LLC

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.

Submitted for City Manager's Office by: Jessica McEachern 5804

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Additional Information Contact: Monty Hall 8662