



City of San Antonio

Agenda Memorandum

File Number:15-1946

Agenda Item Number: 11.

Agenda Date: 4/16/2015

In Control: City Council A Session

DEPARTMENT: Transportation & Capital Improvements

DEPARTMENT HEAD: Mike Frisbie, P.E.

COUNCIL DISTRICTS IMPACTED: Council District 2

SUBJECT:

Utility Relocation Agreement: Koch Pipeline Company, L.P.

SUMMARY:

An ordinance for the Peggy Drive Extension Project, a 2012-2017 Bond funded project, located in Council District 2, authorizing the negotiation and execution of a Utility Relocation Agreement in an amount not to exceed \$1,021,959.00 payable to Koch Pipeline Company, L.P. for pipeline adjustments.

BACKGROUND INFORMATION:

Project Background

The 2012-2017 General Obligation Bond Program authorized \$5,600,000.00 for the Peggy Drive Extension Project and of that amount \$1,021,959.00 will be used for adjusting existing dual 16-inch fuel pipelines. The balance of the Project funds will be used to construct the Peggy Drive Extension Project once the pipeline adjustments are complete. A separate ordinance will be issued for the construction contract award for the Peggy Drive Extension Project once the pipelines have been adjusted. The Peggy Drive Extension project will provide for the construction of a new roadway with drainage improvements. The pipeline adjustments need to occur first in order for the Peggy Drive Extension project to move forward which is anticipated to begin construction in July 2015 and estimated to be completed in March 2016.

ISSUE:

This ordinance for the Peggy Drive Extension Project, a 2012-2017 Bond funded project, located in Council District 2, authorizes the execution of a Utility Relocation Agreement in an amount not to exceed \$1,021,959.00 payable to Koch Pipeline Company, L.P. for pipeline adjustments.

The existing dual 16-inch fuel pipelines are in an existing 55' pipeline easement and the fuel pipelines must be adjusted to allow for the extension of future stub-outs for future drainage improvements to the north in the Eastgate Subdivision. The pipeline will be lowered to a depth of approximately 10 feet from the existing grade to allow for proper clearance from the proposed drainage improvements in the Peggy Drive Extension project.

Koch Pipeline Company has tentatively scheduled the utility relocation to occur in mid-May 2015.

ALTERNATIVES:

As an alternative, City Council could choose not to allow for the execution of the Utility Relocation Agreement and any future drainage improvements to the Eastgate Subdivision will have to account for the pipeline adjustments at that time.

FISCAL IMPACT:

This is an authorized one-time utility relocation expenditure in the amount not to exceed \$1,021,959.00, payable to Koch Pipeline Company, L.P. Funds are available from the 2012-2017 General Obligation Bonds and are included in the FY 2015-2020 Capital Improvement Budget.

RECOMMENDATION:

Staff recommends the approval of the negotiation and execution of this Utility Relocation Agreement with Koch Pipeline, L.P. for the Peggy Drive Extension Project.