

## REIMBURSEMENT AGREEMENT

This Reimbursement Agreement ("Agreement") is made and entered into and effective the 3rd day of November 2016, by and between Atmos Energy Corporation (hereinafter referred to as "Utility"), and Williamson County, Texas, (hereinafter referred to as "County").

### WITNESSETH:

WHEREAS, Utility is the owner of certain 8" HDPE pipeline crossing County Road 110 South (herein called Facilities).

WHEREAS, County desires to construct proposed CR 110 South: From US 79 to 850' North of Limmer Loop. (hereinafter called "Project") and make improvements to Project as shown on plans submitted to Utility;

WHEREAS, to accommodate the Project, County desires Utility to perform certain facility modification/relocation work herein referred to as the "Work" and described as follows:

- Atmos Energy relocation consist of: Installation of approximate 641 linear feet of 8" HDPE pipeline with approximately 175 feet of 12" steel casing within the Right of Way of County Road 110 near County Road 122 to accommodate Williamson County Road Improvement Project.
- County will reimburse Utility for 100% of eligible costs related to Engineering Services, Relocation, Inspection Services, Internal costs and other associated project costs as reflected in Attachment "A" Project Cost Estimate.
- Upon completion of Project, Contractor will provide an as-built drawing of the relocation to the Utility and County.

WHEREAS, Utility, under the terms hereinafter stated, has evaluated the Project and is willing to perform Work to its Facilities to accommodate the Project, provided the County reimburses Utility for 100% of its eligible costs for labor and materials to do the Work.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, Utility agrees to perform the Work and permit the Project subject to the following terms and provisions:

1. County agrees that the description of the Work listed above contains a complete representation of the Work requested of Utility to accommodate the Project.
2. County shall, at its own expense, inspect the Work by Utility hereunder, to assure itself that the Work is being performed in compliance with the standards of County.
3. Though this agreement is based on the proposed "Good Faith Estimate" herein referred to as the "Estimate" listed below: (See Attachment "A" for detailed estimate)

Estimated 641 lf of gas line along with apparatus defined as Work = \$198,445.90

County agrees to bear 100% of the eligible costs incurred by Utility relating to the Work as referenced in attached estimate. Final eligible costs may be more or less than the Estimate, which shall

not be construed as a limitation of costs for such Work. County recognizes that Utility may use one or more contractors to perform the Work. Should the County delay or cancel the Project for any reason, County agrees to reimburse Utility for all associated costs, including but not limited to, preliminary design, engineering, survey, material purchasing, contract labor, etc.

4. Upon completion of said Work, Utility shall make an accounting of final costs and provide County an invoice of the same. The final eligible cost may be greater or less than the Estimate and County shall be liable to Utility for 100% of the eligible final cost. After receipt and approval of invoice, County shall pay the full amount within 30 days.
5. County shall perform all operations and construction activities below or adjacent to the Facilities in a workmanlike and safe manner and in conformance with all applicable industry and governmental standards and conditions that may be imposed by Utility from time to time. No construction activity by County shall be performed under, across, or adjacent to the Facilities until the Work of Utility has been completed.
6. Notice shall be given to Utility by County, at least 48 hours in advance of commencement of any construction activity on or adjacent to the Facilities, excepting only cases of emergency. Said notice shall be given to Texas One-Call: 1-800-245-4545. In the event County breaches any of the terms, covenants or provisions of this Agreement and Utility commences litigation to enforce any provisions of this Agreement, the cost of attorneys' fees, interest and the attendant expenses will be payable to Utility by County upon demand.
7. To the fullest extent permitted by law, the County shall indemnify, save, hold harmless, and at Utility's option, defend Utility and its affiliated companies and their directors, officers, employees and agents from any and all claims, demands, cost (including reasonable attorney and expert witness fees and court costs), expenses, losses, causes of action (whether at law or in equity), fines, civil penalties, and administrative proceedings for injury or death to persons or damage or loss to property or other business losses, including those made or incurred by Utility or its directors, officers, employees, or agents and including environmental damage in any way arising from or connected with the existence, construction, operation, maintenance, removal or other operations arising out of the Work as described in this Agreement and the construction, operation and/or use of the Project by County, except those arising from Utility's sole negligence.
8. This Agreement supersedes every antecedent or concurrent oral and/or written declaration and/or understanding pertaining to the Work or construction activity by and between Utility and County.
9. As soon as possible after the document is prepared, Utility and County shall sign a Utility Joint Use Agreement and make a part hereof.

Unless an item below is stricken and initialed by the County and Utility, this agreement in its entirety consists of the following:

1. Utility Agreement - Wilco –U-35 – 100% County – Off System
2. Plans, Specification, and Estimated Costs (Attachment “A”)
3. Utility’s Schedule of Work and Estimated Date of Completion (Attachment “B”)
4. Eligibility Ratio (Attachment “C”)
5. Betterment Calculation and Estimates (Attachment “D”)
6. Proof of Property Interest – ROW-U-1A (Attachment “E”)
7. Wilco-U-80A – Joint Use Agreement (Attachment “F”)

IN WITNESS WHEREOF, we have hereunto set our hands on the day and year below.

**UTILITY**

Utility: Atmos Energy Corporation  
*Name of Utility*

By:   
*Jeffrey S. Knights*

Jeffrey S. Knights  
*Print or Type Name*

Title: VP Technical Services, Mid-Tex Division

Date: 11/3/16

**WILLIAMSON COUNTY**

By: \_\_\_\_\_  
*Authorized Signature*

Dan A. Gattis  
*Print or Type Name*

Title: Williamson County Judge

Date: \_\_\_\_\_

1. Utility Agreement - Wilco-U-35 - 100% County – Off System
2. Plans, Specification, and Estimated Costs (Attachment "A")
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IN WITNESS WHEREOF, we have hereunto set our hands on the day and year below.

UTILITY

Utility: Atmos Energy Corporation  
Name of Utility

By: Jeffrey S. Knights  
Jeffrey S. Knights

Jeffrey S. Knights  
Print or Type Name

Title: VP Technical Services, Mid-Tex Division

Date: 11/3/16

WILLIAMSON COUNTY

By: Lisa L. Birtman  
Authorized Signature  
Dan A. Gattis  
Print or Type Name

Title: Williamson County Judge Commissioner

Date: 11-15-16

## **Attachment A**

### **Plans, Specifications, and Estimated Costs**



PROJECT COST ESTIMATE  
C.R. 110 Widening Project  
Round Rock, TX (Williamson County)  
080.52459 / 7993415  
October 18, 2016

Installation of approximately 641 linear feet of 8-inch HDPE pipeline with approximately 175 feet of 12-inch steel casing within the R.O.W. of C.R. 110 near C.R. 122 to accommodate Williamson County Road Improvement Project. Approximately 670 feet of 8-inch poly will be abandoned in place.

**MATERIAL**

Qty	Unit	Description	Unit Cost	
641	feet	PIPE POLY 8 PE 3408/4710 YLW STRIPE SDR11	\$ 10.33 /foot	\$6,621.53 ✓
175	feet	PIPE ERW 12 X .250W CS BARE BEV DRL X42	\$ 28.27 /foot	\$4,947.25 ✓
10	ea	ELL BF 8 90 DEG PE 4710	\$ 61.45 /ea	\$614.50 ✓
4	ea	ELL BF 8 45 DEG PE 3408	\$ 71.32 /ea	\$285.28 ✓
8	ea	CAP BF 8 PE 4710	\$ 32.22 /ea	\$257.76 ✓
8	ea	COUPLING EF 8 PE 3408/PE 4710 SGL PIN GFCP 5757010	\$ 38.16 /ea	\$305.28 ✓
10	ea	TEE TAP SDL FUS 8 X 3/4 PE 3408 BF (MONITOR)	\$ 9.60 /ea	\$96.00 ✓
10	ea	TEE TAP SDL FUS 8 X 2 HV PE 3408/PE 4710 BF (BYPASS)	\$ 41.65 /ea	\$416.50 ✓
10	ea	CAP BF 2 PE 4710	\$ 1.43 /ea	\$14.30 ✓
10	ea	CAP BF 3/4 PE 3408	\$ 2.17 /ea	\$21.70 ✓
1	lot	misc fittings, tape and coating		\$160.00 ✓
		Stores and Materials Overheads (16.441%)		\$2,259.01 SEE NOTE #1
		<b>TOTAL MATERIAL COSTS</b>		<b>\$15,999.11 ✓</b>

**COMPANY LABOR**

90 hours	Operations	\$ 22.96 /hour	\$2,066.40 ✓
38 hours	Engineering/Construction Management	\$ 32.03 /hour	\$1,217.14 ✓
2 hours	Environmental	\$ 33.31 /hour	\$66.62 ✓
	Labor Overhead (49.4257%)		\$1,655.84 SEE NOTE #2
	<b>TOTAL COMPANY LABOR COSTS</b>		<b>\$5,006.00 ✓</b>

**CONSTRUCTION**

641 feet	INSTALL 8 INCH HDPE MAIN	\$122.00 /foot	\$78,202.00 ✓
175 feet	INSTALL 12 INCH CASING PIPE	\$118.85 /foot	\$20,798.75 ✓
670 feet	ABANDONMENT OF EXISTING GAS MAIN		\$500.00 SEE NOTE #3
	<b>TOTAL CONSTRUCTION COSTS</b>		<b>\$99,500.75 ✓</b>

**CONTRACT EXPENSE**

156 hours	Engineering Design & Project Management	\$ 150.64 /hour	\$23,499.84 ✓
2 day	Survey	\$ 4,250.00 /day	\$8,500.00 ✓
1 day	Cross Bore Inspection	\$ 1,400.00 /hr	\$1,400.00 ✓
5 day	Right of Way	\$ 688.29 /day	\$3,441.45 ✓
1 lot	misc expenses (postage, freight, etc)	\$58.58 /lot	\$58.58 ✓
	<b>TOTAL CONTRACT EXPENSE COSTS</b>		<b>\$36,899.87 ✓</b>

<b>TOTAL DIRECT COSTS</b>	<b>\$157,405.73</b> ✓
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**Indirect**

Corporate Overhead (Corp A&G, BU A&G, etc)	\$41,040.17 ✓
<b>TOTAL INDIRECT COSTS</b>	<b>\$41,040.17</b> ✓

<b>TOTAL ESTIMATED PROJECT COSTS</b>	<b>\$198,445.90</b> ✓
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**Notes**

- 1 - Stores and Materials Overheads: Overhead costs associated with warehousing of materials which is allocated to open capital projects.
- 2 - Labor Overheads: Benefits and associated overhead costs for company labor allocated as a percentage for company labor charged to open capital projects.
- 3 - Existing pipe abandoned in place or removed with \$0 salvage value.

*Bob*  
11/3/14

## **Attachment B**

### **Utility's Schedule of Work and Estimated Date of Completion**

**Estimated Start Date: Approx. 2 Weeks From NTP (Subject to Contractor Availability)**

**Estimated Completion Date: Approx. 3 Weeks Construction Duration**

## **Attachment C**

### **Eligibility Ratio**

**See Attachment "E" for proof of property interest, which is established at 30.51% ✓  
eligible.**



# ATTACHMENT "C"

## CR 110 South

DATE: 10/3/2016

### ELIGIBILITY RATIO SUMMARY

#### Atmos Energy

SHEET No. & Sta. Limits

	LF Non-Eligible	LF Eligible	LF Outside of Project
UEI-080.52459-23044-1303	280 ✓	20 ✓	0
UEI-080.52459-23044-1304	287 ✓	0 ✓	0
UEI-080.52459-23044-1305 (W)	0	165 ✓	0
UEI-080.52459-23044-1305 (E)	0	64 ✓	0
<b>TOTAL =</b>	<b>567 ✓</b>	<b>249 ✓</b>	<b>0</b>

Eligible = 249  
 Non-Eligible = 567 ✓  
 GRAND TOTAL = 816

ELIGIBILITY RATIO =

30.51% ✓

## **Attachment D**

### **Betterment Calculation and Estimates**

Betterment does not exist in this agreement.

**Attachment E**

**Proof of Property Interest**

**Attachment F**

**Wilco – U-80A – Joint Use Agreement**

## Utility Joint Use Agreement 80A

Agreement No. WC-JUA-UTILITY-CR 110 South- Atmos

THE STATE OF TEXAS}  
COUNTY OF WILLIAMSON}

County: Williamson  
Road Location: CR 110 South:  
From U.S. 79  
To north of Limmer Loop

**WHEREAS**, Williamson County, hereinafter called the **County**, proposes to make certain roadway improvements on that section of the above indicated roadway; and

**WHEREAS**, Atmos Energy Corporation, hereinafter called the **Owner**, proposes to relocate certain of its facilities on, along or across, and within or over such limits of the roadway right of way as indicated on the plans attached, executed by **Owner** on the 3rd day of November 2016, or on location sketches attached hereto except as provided below;

**NOW, THEREFORE**, it is hereby mutually agreed that joint use for both roadway and utility purposes will be made of the area within the right of way limits as such area is defined and to the extent indicated on the aforementioned plans or sketches. Where **Owner** by reason of ownership within the area described above of an easement or fee title has the right to alter, modify or add to facilities presently located within the area described or construct additional facilities therein, such right is hereby retained, provided, however, if existing facilities are to be altered or modified or new facilities constructed within said area the **Owner** agrees to notify the **County** prior thereto, to furnish necessary sketches showing location, type of construction and methods to be used for protection of traffic, and if, in the sole opinion of the **County**, such alteration, modification or new construction will injure the roadway or endanger the traveling public using said roadway, the **County** shall have the right, after receipt of such notice, to prescribe such regulations and rules for the work proposed by **Owner** as the **County** deems necessary for the protection of the roadway facility and the traveling public using said roadway; provided further, however, that such regulations and rules shall not extend to the requiring of the placement of intended overhead lines underground or the routing of any lines outside of the area of joint usage above described.

In the event of an emergency, it being evident that immediate action is necessary for protection of the public health and safety and to minimize property damage and loss of investment, either party hereto may at their own responsibility and risk make necessary emergency repairs, notifying the other party hereto of this action as soon as is practical.

Participation in actual costs incurred by the **Owner** for any future adjustment, removal or relocation of utility facilities required by roadway construction shall be in accordance with this Agreement and the laws of the State of Texas. Except as expressly provided herein, (1) the **Owner's** rights of access to the through-traffic roadways and/or ramps shall be subject to the same rules and regulations as apply to the general public, and (2) the **Owner** and the **County**, by execution of this agreement, do not waive or relinquish any right which they may have under the law or Constitution of this State.

In the event the **Owner** fails to comply with the requirements as set out herein, the **County** may take such action, as it deems appropriate to compel compliance.

**IN WITNESS WHEREOF**, the parties hereto have affixed their signatures.

Owner: Atmos Energy Corporation  
Utility Name

Williamson County

By *Jeffrey S. Knights*  
Jeffrey S. Knights

By \_\_\_\_\_  
Authorized Signature

Title: VP Technical Services, Mid-Tex Division

Title: Williamson County Judge

Date: 11/3/16

Date: \_\_\_\_\_



IN WITNESS WHEREOF, the parties hereto have affixed their signatures.

Owner: Atmos Energy Corporation  
Utility Name

By *Jeffrey S. Knights*  
Jeffrey S. Knights

Title: VP Technical Services, Mid-Tex Division

Date: 11/3/16

Williamson County

By *Jim J. Bonbraman*  
Authorized Signature

Title: Williamson County Judge Comm., Pct. 1

Date: 11-15-16

## LETTER OF TRANSMITTAL

Received

NOV 07 2016

HNTB Corporation  
Round Rock

To: HNTB  
101 East Old Settlers Blvd. Suite100  
Round Rock, Texas 78664

Date: November 7, 2016

CobbFendley Job: \_\_\_\_\_

Re: CR 110 SouthAtmos' Utility Agreement PackageATTENTION: Eddie Church 512-744-9082WE ARE SENDING YOU THE FOLLOWING VIA: hand delivered☐ Prints☒ Originals☐ Other

\_\_\_\_\_

QUANTITY	DESCRIPTION
5	Atmos' Utility Agreement Package

## PURPOSE OF TRANSMITTAL:

☒ For Approval☐ For Your Use☐ As Requested☐ For Review & Comment

Mr. Church:

We have reviewed and recommend execution of PEC's Utility Agreement Package in the amount of \$198,445.90, which and eligibility of 30.51% that begins the amount of this agreement to \$60,545.84

If you have any questions, please let me know.

Thank you,

Copy To

File

Received By: \_\_\_\_\_

Date &amp; Time: \_\_\_\_\_

SIGNED



Melissa Horn, Principal