

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATIONS**

CC: 12C
Amend No. _____

Date prepared: September 2, 2008

Council Meeting Date: October 7, 2008

TO: Carl Swenson, City Manager
FROM: Dan Nissen, P.E., Acting Engineering Director
PREPARED BY: Chris Kmetty, P.E., Senior Civil Engineer
SUBJECT: Reimbursement to Carlyle/Cypress Lake Pleasant L.L.C. for relocation of approximately 350' of the existing El Paso Natural Gas Company (EPNG) 20" high pressure gas line (Engineering Project No. P-0111)

RECOMMENDATION:

Discussion and possible action to approve the reimbursement to Carlyle/Cypress Lake Pleasant L.L.C. for relocation of approximately 350' of the existing El Paso Natural Gas Company (EPNG) 20" high pressure gas line in the amount not to exceed \$214,000.

SUMMARY:

In order for the City of Peoria to construct the Happy Valley Road roadway and drainage improvements, the existing El Paso Natural Gas (EPNG) 20" high pressure gas line needs to be lowered. The existing gas line is located approximately 1,500' east of Lake Pleasant Parkway. Coincidentally, Carlyle/Cypress Lake Pleasant L.L.C. needs to lower a portion of the same gas line in order for them to construct certain off-site and on-site improvements associated with the Lake Pleasant Crossing development.

The developer and staff agreed that combining efforts to have the gas line lowered would be beneficial to both parties. Carlyle/Cypress Lake Pleasant L.L.C. took the lead on this project, negotiated and entered into an agreement with El Paso Natural Gas (EPNG) to lower a total of 350' of the existing gas line at a cost of \$428,000.

CITY CLERK USE ONLY:

- Consent Agenda
- Carry Over to Date: _____
- Approved
- Unfinished Business (Date heard previous: _____)
- New Business
- Public Hearing: No Action Taken

ORD. # _____ RES. # _____
LCON# _____ LIC. # _____
Action Date: _____

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Staff and the City Attorney's Office negotiated an agreement with Carlyle/Cypress Lake Pleasant L.L.C. to cost share in the lowering of the gas line. Under the terms of the letter agreement, dated February 25, 2008, the responsibilities are defined as follows:

Carlyle/Cypress Lake Pleasant L.L.C.

- 1) Submit to the City a copy of the agreement between Carlyle/Cypress Lake Pleasant L.L.C. and EPNG (complete)
- 2) Complete the relocation of 350' of gas line (complete)
- 3) Submit a copy of the EPNG invoice to the City for review (in progress)

City of Peoria

- 1) Execute a contract with Carlyle/Cypress Lake Pleasant L.L.C. for reimbursement of the funds in FY 09
- 2) Acceptance of trench backfill and street replacement
- 3) Review and approve EPNG invoice
- 4) Reimburse Carlyle/Cypress Lake Pleasant L.L.C. in the amount not to exceed \$214,000

The developer has provided the City with a copy of their agreement with EPNG and their payment made to EPNG. Payment by the City of Peoria Engineering Department will be made only upon satisfactory completion of the above items.

FISCAL NOTE:

Payment will be from the Happy Valley Road; 75th Avenue to Lake Pleasant Parkway, proposed MDA Bond Street System Account 4230-4230-543001-CIPST-PW00146CO.

There will be no further City obligation under this agreement once total reimbursement is made to Carlyle/Cypress Lake Pleasant L.L.C.

ATTACHMENT:

1. Location Map

