

**AGREEMENT
GAS FACILITIES RELOCATION
WESTERN ROAD, McELROY ROAD TO LAKEVIEW ROAD
CITY OF STILLWATER , PROJECT NO. STPW05
PAYNE COUNTY**

Oklahoma Natural Gas Company, a Division of ONE Gas, Inc., hereinafter called "Company," owns various medium-pressure distribution natural gas pipelines within the construction limits of the referenced project in the City of Stillwater, Payne County, Oklahoma, which Company utilizes in the discharge of its duties as a public service corporation.

City of Stillwater, Oklahoma, a municipal corporation, hereinafter called "City," has requested Company to relocate these facilities to accommodate the proposed construction as shown on plans therefore, the latest of which were received electronically by Company on July 18, 2016. City agrees to reimburse Company in the extent and manner hereinafter stated for that portion of the cost of relocating said facilities, which is for the benefit of City.

Company proposes to perform the necessary relocation of its facilities in substantial accordance with the six plan sheets and the three page cost estimate, all dated November 7, 2016, of which two copies each are attached. Company will bear the cost of relocating the portions of the facilities, which do not occupy private rights-of-way. The City's share of the estimated cost of the necessary relocation will be \$183,378 all of which is to be reimbursed to Company by City.

City by accepting the proposal agrees that City shall reimburse Company for its share of the total actual relocation costs, said costs being arrived at in the same manner as used in Company's estimated cost of the project attached hereto.

Such relocation costs will be based upon, but not necessarily limited to, material suppliers', work contractors', and equipment-rental invoices; and at then-current rates and prices, company's transfer and stores expense charges for warehoused materials; payroll time sheets; indirect labor charges; auto, truck, and equipment use records; expense statements; and standard allocated overhead charges. Company's award of and payment for contracted work will be based upon competitive bids or continuing contract, whichever appears to the Company will be most practical and economical.

It is further understood, and City by accepting this proposal agrees, that City will reimburse the Company in accordance with this agreement within thirty (30) days after the said relocation work has been completed and Company's statement for City's costs thereof has been submitted. Company agrees that in the event Company should determine prior to commencement of construction that the revised estimated amount of the reimbursement by the City may exceed the estimated cost as stated herein, Company shall notify the City of such determination in writing. City shall have the right to terminate this agreement within ten (10) days of receipt of such said written notice. If City elects to so terminate, City shall pay Company the City's share of any engineering cost incurred to date of termination. If the City does not terminate the agreement within the ten (10) days, it shall remain in full force and effect.

The Company by agreeing to or by abandoning, relocating, or modifying any of its facilities pursuant to this agreement shall not thereby be deemed to have abandoned, modified, released, or otherwise destroyed any of its rights existing at the time of the execution of this agreement under valid and subsisting private right-of-way easements granted to, obtained by or through condemnation, or otherwise vested in the Company unless the Company shall have released same by written instrument.

Further, should the Company in the course of relocating the above-described facilities relocate any of such facilities presently located on private right-of-way onto public right-of-way, the Company shall be deemed in respect to such facilities to have retained sufficient easement and other rights such that if said facilities are encompassed within any future governmental project requiring relocation, adjustment, or abandonment of such facilities, that the Company shall

be entitled to reimbursement for the cost of such relocation, adjustment, or abandonment from the governmental agency requiring the same; provided, however, this provision shall not be construed as requiring reimbursement by the City of Stillwater except when such relocation, adjustment, or abandonment is required for a project of the City of Stillwater.

Any changes made by the City in this proposal as submitted by the Company shall be subject to the written acceptance thereof by the Company before there is any binding contract between the parties.

City by accepting this proposal warrants that it now has or will have unencumbered funds available with which to pay the relocation costs to the extent herein above provided.

If this proposal is not accepted by the City within one (1) year from the date of this letter, this proposal shall automatically terminate and thereafter shall not be subject to acceptance by the City unless the proposal is reinstated by Company.

Company respectfully requests that the City of Stillwater agree to the terms of this proposal by signing in the space provided below and returning one executed copy to us.

ATTEST:

**OKLAHOMA NATURAL GAS COMPANY,
A DIVISION OF ONE Gas, Inc.**

Assistant Secretary

By: _____
Kent Shortridge
Vice President - Operations

Dated: _____

APPROVED as to form and legality this 28 day of Nov, 2016.



City Attorney

CITY OF STILLWATER, OKLAHOMA

Mayor

ATTEST:

City Clerk

This _____ day of _____, 2016.

OKLAHOMA NATURAL GAS COMPANY
 ESTIMATED GAS FACILITIES RELOCATION COST
 WESTERN RD., McELROY TO LAKEVIEW
 CITY OF STILLWATER, STATE JOB # 31595(04)

Sheet 1 of 3

From Attached Detailed Cost Estimates

COST SUMMARY

<u>Estimated Cost to Replace with Like Kind & Size</u>			<u>Estimated Cost of Actual Replacement</u>	
<u>Sheet 3 ONG Share</u>	<u>Sheet 3 CITY Share</u>	<u>Sheet 3 Total Cost</u>	<u>Total Cost</u>	<u>Betterment Cost</u>
\$37,237 16.88%	\$183,378 83.12%	\$220,615	Sheet 2 \$271,646	\$51,032
Total Estimated ONG Cost =			ONG SHARE +	BETTERMENT =
			\$37,237	\$51,032
Total Estimated CITY Cost =			CITY SHARE	=
				<u>\$183,378</u>
Total Estimated Cost of Actual Replacement =				<u>\$271,647</u>

Composite percentage for project

ONG SHARE	=	$\frac{88,269}{271,647}$	=	32.49%
CITY SHARE	=	$\frac{183,378}{271,647}$	=	67.51%

Eastern Region Engineering (Jonathon Mewadows)

Prepared By:
 Utility Design Services Inc. (Randy Stalcup)

11/7/2016

**OKLAHOMA NATURAL GAS COMPANY
ESTIMATED GAS FACILITIES RELOCATION COST
WESTERN RD., McELROY TO LAKEVIEW
CITY OF STILLWATER, STATE JOB # 31595(04)**

Actual Replacement

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MATERIAL COST:	QTY	UNIT COST	AMOUNT
8 5/8" PIPE-STEEL, .322" WALL, 28.58#/FT, API-5L, X-52 ERW FBE-14-16 ARO	285 ft	26.56	\$7,570
8 5/8" PIPE-STEEL, .219" WALL, 19.68#/FT, API-5L, X-52 ERW FBE-14-16 ARO	635 ft	20.24	\$12,853
8 5/8" PIPE-STEEL, .219" WALL, 19.68#/FT, API-5L, X-52 ERW FBE-14-16	240 ft	13.25	\$3,180
8" TEE-SPHERICAL, SERIES 150, ANSI 150, WELD 275# WP	2 ea.	1,914.74	\$3,830
4" TEE-SPHERICAL, SERIES 150, ANSI 150, WELD 275# WP	1 ea.	823.48	\$824
2" FITTING-THREADED, O-RING, 1500 LB WP	3 ea.	195.22	\$586
8" VALVE-GATE, WELD-END, SER 150 VELAN BW STD	2 ea.	1,420.00	\$2,840
8" ELBOW-ST WELD 90DEG LR STD GRADE B SMLS	10 ea.	98.75	\$988
8" ELBOW-ST WELD 45DEG LR STD GRADE B SMLS	2 ea.	70.36	\$141
8" CAP-STEEL, WELD, LT.WT. .219" GRADE B SMLS	4 ea.	43.80	\$176
4" CAP-STEEL, WELD, LT.WT. .188" GRADE B SMLS	2 ea.	21.00	\$42
8" TEE-WELD, STEEL, STD GRADE B SMLS	1 ea.	153.18	\$154
8"x4" REDUCER-ST, CONCENTRIC WELD, STD GRADE B SMLS	1 ea.	68.70	\$69
17# ANODE-EXTRUDED, MAGNESIUM, PACKAGED, 10FT LEAD, D3 HIGH POT	3 ea.	51.65	\$155
4"X9' WRAP-PIPE, MICROCRYSTALLINE #2 WAX, ROLL	96 ea.	10.64	\$1,022
PRIMER- TEMCOAT 3000, GALLON	4 ea.	33.71	\$135
COATING-PIPE, LIQUID EPOXY, HIFG BUILD, 2 PART, 2-LITER	4 ea.	46.25	\$185
41" x 54" BOX-VALVE, ABS POLY MATRL, FOR 8"VALVE, SCREW TYPE, ADJUSTABLE	2 ea.	55.79	\$112
MISC. MATERIAL			\$5,230
ESTIMATED MATERIAL COST			\$40,092

INSTALLATION COST:	AMOUNT
Stores Expense	\$7,217
Contract Construction Labor	\$110,367
Contract Engineering Services	\$12,747
Company Labor	\$16,556
Indirect Labor, Payroll, Insurance, and Taxes	\$8,610
Automotive Expense	\$3,312
Right of Way Cost	\$1,320
Restoration & Damages	\$2,460
TOTAL	\$202,882

ESTIMATED ABANDONMENT COST **\$5,068**

Administrative and General Expense \$43,628
Omissions and Contingencies \$20,268

TOTAL ESTIMATED RELOCATION COST **TOTAL of above** **\$271,646**

Eastern Region Engineering (Jonathon Meadows)

Prepared By:
Utility Design Services Inc. (Randy Stalcup)

11/7/2016

**OKLAHOMA NATURAL GAS COMPANY
ESTIMATED GAS FACILITIES RELOCATION COST
WESTERN RD., McELROY TO LAKEVIEW
CITY OF STILLWATER, STATE JOB # 31596(04)**

Replacement with Like Kind and Size (for comparison only)

<u>MATERIAL COST:</u>	<u>QTY</u>	<u>UNIT COST</u>	<u>AMOUNT</u>
6 5/8" PIPE-STEEL, 322 WALL, 28,56#/FT. API-SL, X-52 ERW FBE-14-16 ARO	285 ft	26.56	\$7,570
4 1/2" OD PIPE, STEEL, 0.237" WT, 10,80# ERW X-52 FBE 14-16	240 fl.	7.66	\$1,839
4 1/2" OD PIPE, STEEL, 0.237" WT, 10,80# ERW X-52 FBE 14-16 ARO	635 ft.	10.23	\$6,497
8" TEE-SPHERICAL, SERIES 150, ANSI 150, WELD 275# WP	2 ea.	1,914.74	\$3,830
4" TEE-SPHERICAL, SERIES 150, ANSI 150, WELD 275# WP	1 ea.	823.48	\$824
2" FITTING-THREADED, O-RING, 1500 LB WP	3 ea.	195.22	\$586
8" VALVE-GATE, WELD-END, SER 150 VELAN BW STD	1 ea.	1,420.00	\$1,420
4" VALVE-GATE, RF, FLANGED, ANSI 150 285#WP. STEEL W/SQ OPER NUT	1 ea.	864.61	\$865
4" FLANGE- WNRFL STEEL, ANSI 150	2 ea.	18.52	\$38
4" GASKET-TYPE F, 125", NON ASB, NITRILE COVERED PHENOLIC, ANSI 150, ASTM D149	2 ea.	5.86	\$12
8" ELBOW-ST WELD 90DEG LR STD GRADE B SMLS	6 ea.	98.75	\$593
4" ELBOW-ST WELD 90DEG LR STD GRADE B SMLS	4 ea.	23.96	\$96
4" ELBOW-ST WELD 45DEG LR STD GRADE B SMLS	2 ea.	21.47	\$43
8" CAP-STEEL, WELD, LT.WT. .219" GRADE B SMLS	4 ea.	43.80	\$176
4" CAP-STEEL, WELD, STD GRADE B SMLS	2 ea.	14.40	\$29
8" TEE-WELD, STEEL, STD GRADE B SMLS	1 ea.	153.18	\$154
8"x4" REDUCER-ST, CONCENTRIC WELD, STD GRADE B SMLS	1 ea.	66.70	\$69
17# ANODE-EXTRUDED, MAGNESIUM, PACKAGED, 10FT LEAD, D3 HIGH POT	3 ea.	51.65	\$155
4"X9" WRAP-PIPE, MICROCRYSTALLINE #2 WAX, ROLL	96 ea.	10.64	\$1,022
PRIMER- TEMCOAT 3000, GALLON	4 ea.	33.71	\$135
COATING-PIPE, LIQUID EPOXY, HIFG BUILD, 2 PART, 2-LITER	4 ea.	23.90	\$96
52" x 84" BOX-VALVE, ABS POLY MATRL, SCREW TYPE, ADJUSTABLE	2 ea.	60.65	\$122
MISC, MATERIAL			\$3,926
TOTAL ESTIMATED MATERIAL COST			\$30,097

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<u>INSTALLATION COST:</u>	<u>AMOUNT</u>
Stores Expense	\$5,418
Contract Construction Labor	\$89,476
Contract Design & Drafting Services	\$12,747
Company Labor	\$13,422
Indirect Labor, Payroll, Insurance, and Taxes	\$6,980
Automotive Expense	\$2,685
Right of Way Cost	\$1,320
Restoration & Damages	\$2,450
TOTAL	\$164,606

ESTIMATED ABANDONMENT COST **\$4,116**

Administrative and General Expense \$35,432
Omissions and Contingencies \$16,461

TOTAL ESTIMATED RELOCATION COST **TOTAL of above \$220,615**

FINANCIAL RESPONSIBILITY

Total within Private Right of Way = 1,044'

Total within Public Right of Way = 212'

CITY Share 1,044 ft. within additional required R/W 83.12% = \$183,378
1,256 ft. within total required R/W

ONG Share 212 ft. within present public R/W 16.88% = \$37,237
1,256 ft. within total required R/W

Eastern Region Engineering (Jonathon Meadows)

Prepared By

Utility Design Services Inc. (Randy Stalcup)

11/7/2016