ORDINANCE NO. _____

AN ORDINANCE APPROVING THE STANDARD UTILITY AGREEMENTS ("AGREEMENTS") BY AND BETWEEN THE CITY OF DENTON AND THE TEXAS DEPARTMENT OF TRANSPORTATION ("TXDOT"), FOR THE REIMBURSEMENT OF DESIGN, PROPERTY ACQUISITION AND RELATED SERVICES, CONSTRUCTION, INSPECTION AND PROJECT MANAGEMENT COSTS ASSOCIATED WITH THE ADJUSTMENT, REMOVAL, AND/OR RELOCATION OF BOTH WATER AND WASTEWATER UTILITIES ALONG I-35E FROM MAYHILL TO LOOP 288 MORE SPECIFICALLY CALLED THE I-35E/MAYHILL UTILITY RELOCATIONS PROJECT, WITHIN THE COUNTY AND CITY OF DENTON, TEXAS; AUTHORIZING THE CITY MANAGER, OR THEIR DESIGNEE, TO EXECUTE AND DELIVER THE AGREEMENTS; 1) STANDARD UTILITY AGREEMENT-UTILITY ID NO. U00008008 FOR WATER UTILITY RELOCATION EFFORTS IN THE AMOUNT OF $15,407,417.25 AND 2) STANDARD UTILITY AGREEMENT-UTILITY ID NO. U00011546 FOR WASTEWATER UTILITY RELOCATION EFFORTS IN THE AMOUNT OF $1,624,824.00; PROVIDING FOR THE EXPENDITURE OF FUNDS THEREFOR; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, TxDOT has expanded their right-of-way through the I-35E corridor within the Denton City Limits in anticipation of the State's I-35E Widening project with a current project letting schedule of September 2023; and

WHEREAS, The City of Denton is responsible for relocating the city's utilities currently located within the recently acquired TxDOT right-of-way; and

WHEREAS, In an effort to meet TxDOT's anticipated roadway construction schedule, the City's I-35E/Mayhill Utility Relocation Project will relocate both water and wastewater utilities out of TxDOT's recently expanded right-of-way between Mayhill and Loop 288; and

WHEREAS, The Water and Wastewater Standard Utility Agreements-Utility ID No.'s U00008008 and U00011546 will reimburse the City for all costs associated with the City's I-35E/Mayhill Utility Relocation Project between Mayhill and Loop 288 with the exception of the City's elective betterment where the City has upsized from the equivalent 20-Inch High Density Polyethylene ("HDPE") water pipe to a 24-Inch HDPE water pipe in anticipation of the City's continued growth. The cost of this elective betterment including design and construction that will not be reimbursed by TxDOT is $782,065.00; and

WHEREAS, TxDOT will pay the 90% of eligible costs and hold a 10% retainer of the cost until a final audit is done of the billing/invoicing package(s) submitted by the City of Denton after which TXDOT will release the funds owed and that will be the final payment of the reimbursement amount; and

WHEREAS, the City Council having considered the importance of the project to the citizens of Denton and finding that it is in the public's health and safety interest, is of the opinion that it should approve the Agreements; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The recitals contained in the preamble of this ordinance are hereby incorporated into the body of this ordinance are true and correct.

SECTION 2. The City Manager, or their designee, is hereby authorized to execute on behalf of the City the Water and Wastewater Standard Utility Agreements No's. U00008008 and U00011546, a copy of which is attached hereto as Exhibits " A" and " B " and made a part hereof for all purposes.

SECTION 3. The City Manager, or their designee, is further authorized to carry out all obligations and duties of the City as set forth in the Agreements, including but not limited to the expenditure of funds.

SECTION 4. That this ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by _____ and seconded by _____. The ordinance was passed and approved by the following vote [___ - ___]:

	Aye	Nay	Abstain	Absent
Gerard Hudspeth, Mayor:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Jesse Davis, District 3:	_____	_____	_____	_____
Alison Maguire, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Chris Watts, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2022.

_____
GERARD HUDSPETH, MAYOR

ATTEST:
ROSA RIOS, CITY SECRETARY

By: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

By: Benjamin N. Samples, II _____

"EXHIBIT A"

Water Standard Utility Agreement - ID No. U00008008

STANDARD UTILITY AGREEMENT

U Number: **N/A** Utility ID: **U00008008**

District: Dallas
Federal Project No.: N/A
ROW CSJ: 0196-01-114
Highway Project Letting Date: 09/01/2023

County: Denton
Highway: IH 35E
From: South of Mayhill
To: South of SL 288

This Agreement by and between the State of Texas, acting by and through the Texas Transportation Commission, **("State**"), and City of Denton, ("**Utility**"), acting by and through its duly authorized representative, shall be effective on the date of approval and execution by and on behalf of the **State**.

WHEREAS, the **State** has deemed it necessary to make certain highway improvements as designated by the **State** and approved by the Federal Highway Administration within the limits of the highway as indicated above (the "**Highway Project**");

WHEREAS, the proposed Highway Project will necessitate the adjustment, removal, and/or relocation of certain facilities of the **Utility** as indicated in the following statement of work:
- Water Line A: Install approximately 1,172 LF of 24" HDPE water line, 7,002 LF of 20" HDPE, 75 LF of 8" DIP, 63 LF of 12" PVC, 508 LF of 8" PVC, 1,020 LF of 6" PVC and 420 LF of 36" steel casing with carrier pipe and 463 LF of 30" steel casing with carrier pipe longitudinal to IH35 from IH35 Sta 1793+87 to IH35 Sta 1721+38 and one crossing of Mayhill/State School Road at Sta 20+75.
- Water Line B: Install approximately 1,079 LF of 8" PVC water line and 72 LF of 18" steel casing with carrier pipe longitudinal to IH35 from IH35 Sta 1750+24 to IH35 Sta 1739+91.
- Water Line C: Install approximately 563 LF of 12" PVC water line, and 629 LF of 24" steel casing with carrier pipe crossing IH 35 at IH 35 Sta 1762+66 and Mayhill/State School Road at Sta 10+87.
- Water Line D: Install approximately 816 LF of 12" PVC water line, 1,672 LF of 8" PVC, 55 LF of 6" PVC and 616 LF of 18" steel casing with carrier pipe longitudinal to IH35 from IH35 Sta 1832+18 to IH35 Sta 1803+52.
- Water Line E: Install approximately 1,057 LF of 24" HDPE water line, 60 LF of 8" DIP, and 131 LF of 36" steel casing with carrier pipe longitudinal to IH35 from IH35 Sta 1829+23 to IH35 Sta 1817+50.
- Approximately 142 LF of 16" water line 8,387 LF of 14" water line, 1,064 LF of 12" water line, 4,490 LF of 8" water line, 426 LF of 6" water line to be removed.
- Approximately 320 LF of 14" water line, 799 LF of 12" water line, 72 LF of 8" water line, 36 LF of 6" water line to be abandoned by grout fill.; and more specifically as shown in the **Utility's** plans, specifications and estimated costs, which are attached hereto as Attachment "A".

WHEREAS, the **State** will participate in the costs of the adjustment, removal, and relocation of certain facilities to the extent as may be eligible for State and/or Federal participation.

WHEREAS, the **State,** upon receipt of evidence it deems sufficient, acknowledges the **Utility's** interest in certain lands and facilities that entitle it to reimbursement for the adjustment, removal, and relocation of certain of its facilities located upon the lands as indicated in the statement of work above.

NOW, THEREFORE, BE IT AGREED:

The **State** will pay to the **Utility** the costs incurred in adjustment, removal, and relocation of the **Utility's** facilities up to the amount said costs may be eligible for **State** participation.

All conduct under this agreement, including but not limited to the adjustment, removal, and relocation of the facility, the development and reimbursement of costs, any environmental requirements, and retention of records will be in

accordance with all applicable federal and state laws, rules and regulations, including, without limitation, the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. §§ 4601, et seq., the National Environmental Policy Act, 42 U.S.C. §§ 4321, et seq., the Buy America provisions of 23 U.S.C. § 313 and 23 CFR 635.410, as amended, Texas Transportation Code § 223.045, the Utility Relocations, Adjustments, and Reimbursements provisions of 23 CFR 645, Subpart A, and the Utility Accommodation provisions of 23 CFR 645, Subpart B.

The **Utility** shall supply, upon request by the **State**, proof of compliance with the aforementioned laws, rules, regulations, and guidelines prior to the commencement of the adjustment, removal, and relocation of the facility.

The Utility shall not commence any physical work, including without limitation site preparation, on the State's right of way or future right of way, until TxDOT provides the Utility with written authorization to proceed with the physical work upon TxDOT's completion and clearance of its environmental review of the Highway Project. Any such work by the Utility prior to TxDOT's written authorization to proceed will not be eligible for reimbursement and the Utility is responsible for entering any property within the proposed limits of the Highway Project that has not yet been acquired by TxDOT. This written authorization to proceed with the physical work is in addition to the authorization to commence work outlined below. Notwithstanding the foregoing, the provisions of this paragraph are required only when TxDOT has not obtained completion and clearance of its environmental review of the Highway Project prior to the execution of this Agreement by the State and the Utility.

The **Utility** shall comply with the Buy America provisions of 23 U.S.C. § 313, 23 CFR 635.410, as amended, and the Steel and Iron Preference provisions of Texas Transportation Code § 223.045 and, when products that are composed predominately of steel and/or iron are incorporated into the permanent installation of the utility facility, use domestically manufactured products. TxDOT Form 1818 (Material Statement), along with all required attachments, must be submitted, prior to the commencement of the adjustment, removal, and relocation of the facility, as evidence of compliance with the aforementioned provisions. Failure to submit the required documentation or to comply with the Buy America, and Steel and Iron Preference requirements shall result in: (1) the **Utility** becoming ineligible to receive any contract or subcontract made with funds authorized under the Intermodal Surface Transportation Efficiency Act of 1991; (2) the **State** withholding reimbursement for the costs incurred by the **Utility** in the adjustment, removal, and relocation of the **Utility's** facilities; and (3) removal and replacement of the non-compliant products.

The **Utility** agrees to develop relocation or adjustment costs by accumulating actual direct and related indirect costs in accordance with a work order accounting procedure prescribed by the **State**, or may, with the **State's** approval, accumulate actual direct and related indirect costs in accordance with an established accounting procedure developed by the **Utility**. Bills for work hereunder are to be submitted to the **State** not later than one (1) year after completion of the work. Failure to submit the request for final payment, in addition to all supporting documentation, within one (1) year after completion of the work may result in forfeiture of payment for said work.

When requested, the **State** will make intermediate payments at not less than monthly intervals to the **Utility** when properly billed. Such payments will not exceed 90 percent (90%) of the eligible cost as shown in each such billing. Intermediate payments shall not be construed as final payment for any items included in the intermediate payment.

The **State** will, upon satisfactory completion of the adjustment, removal, and/or relocation and upon receipt of final billing prepared in an approved form and manner and accounting for any intermediate payments, make payment in the amount of 90 percent (90%) of the eligible costs as shown in the final billing prior to audit and after such audit shall make an additional final payment totaling the reimbursement amount found eligible for **State** reimbursement.

Alternatively, the **State** agrees to pay the **Utility** an agreed lump sum of $ N/A as supported by the attached estimated costs. The **State** will, upon satisfactory completion of the adjustments, removals, and relocations and upon receipt of a final billing, make payment to the **Utility** in the agreed amount.

Upon execution of this agreement by both parties hereto, the **State** will, by written notice, authorize the **Utility** to perform such work diligently and to conclude said adjustment, removal, and relocation by the stated completion date which is attached hereto in Attachment "C". The completion date shall be extended for delays caused by events outside the **Utility's** control, including an event of Force Majeure, which shall include a strike, war or act of

war (whether an actual declaration of war is made or not), insurrection, riot, act of public enemy, accident, fire, flood or other act of God, sabotage, or other events, interference by the **State** or any other party with the **Utility's** ability to proceed with the work, or any other event in which the **Utility** has exercised all due care in the prevention thereof so that the causes of other events are beyond the control and without the fault or negligence of the **Utility**.

This agreement in its entirety consists of the following elements:

Standard Utility Agreement – ROW-U-35;

- Plans, Specifications, and Estimated Costs (Attachment "A");
- Accounting Method (Attachment "B");
- Schedule of Work (Attachment "C");
- Statement Covering Contract Work – ROW-U-48 (Attachment "D");
- Utility Joint Use Agreement – ROW-U-JUA and/or Utility Installation Request – Form 1082 (Attachment "E");
- Eligibility Ratio (Attachment "F");
- Betterment Calculation and Estimate (Attachment "G"); and
- Proof of Property Interest – ROW-U-Affidavit (Attachment "H").

All attachments are included herein as if fully set forth. In the event it is determined that a substantial change from the statement of work contained in this agreement is required, reimbursement therefore shall be limited to costs covered by a modification or amendment of this agreement or a written change or extra work order approved by the **State** and the **Utility**.

This agreement is subject to cancellation by the **State** at any time up to the date that work under this agreement has been authorized, and such cancellation will not create any liability on the part of the **State.** However, the **State** will review and reimburse the **Utility** for eligible costs incurred by the **Utility** in preparation of this Agreement.

The State Auditor may conduct an audit or investigation of any entity receiving funds from the **State** directly under this contract or indirectly through a subcontract under this contract. Acceptance of funds directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the State Auditor, under the direction of the Legislative Audit Committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

The **Utility** by execution of this agreement does not waive any of the rights that the **Utility** may have within the limits of the law.

It is expressly understood that the **Utility** conducts the adjustment, removal, and relocation at its own risk, and that the **State** makes no warranties or representations regarding the existence or location of utilities currently within its right of way.

The signatories to this agreement warrant that each has the authority to enter into this agreement on behalf of the party represented.

UTILITY

Utility: City of Denton Water
Name of Utility

By: _____
Authorized Signature

Sara Hensley
Print or Type Name

Title: City Manager

Date: _____

EXECUTION RECOMMENDED:

_____
Director of TP&D (or designee), Dallas District

THE STATE OF TEXAS

Executed and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By: _____
District Engineer (or designee)

Date: _____

Attachment “A”
Plans, Specifications, and Estimated Costs

All material items within cost estimate that must meet Buy America or Steel and Iron Preference Provision requirements must be indicated with an asterisk (*).

☐ Currently, **we do not have** Buy America required materials planned for this project. In the event that Buy America compliant materials are used during construction on this project, compliance documentation will be provided.

☐ There are non-domestic iron and steel materials in this project that fall under the De Minimus equation. Calculation showing the total cost does not exceed one-tenth of one percent (0.1 %) of the individual utility agreement amount or $2,500.00, whichever is greater is required.

☒ We understand the Buy America Compliance Requirements and will supply the required documentation to TxDOT indicating compliance with this provision. The following documents will be supplied prior to installation of the materials:

1) Form 1818 - Material Statement
2) Material Test Reports or Certifications

Attachment “B”
Accounting Method

☒ **Actual Cost Method of Accounting**

The utility accumulates cost under a work order accounting procedure prescribed by the Federal or State regulatory body and proposes to request reimbursement for actual direct and related indirect costs.

☐ **Lump Sum Method of Accounting**

Utility proposed to request reimbursement based on an agreed lump sum amount supported by a detailed cost analysis.

Attachment “C”
Schedule of Work

Estimated Start Date: 01/16/23, (subject to physical work restrictions prior to the issuance of environmental clearance as required by the provisions of this agreement)

Estimated Duration (days): 240

Estimated Completion Date: 09/13/23

Attachment "D"
Statement Covering Contract Work

(ROW–U–48)
(ROW–U–48–1, if applicable)

Construction Contract:

☐ Utility performing with their own forces (timesheets will be required at the time of billing).

☒ Utility will use outside forces to perform the adjustment, complete attached ROW-U-48 or ROW-U-48-1 (joint bid).

Engineering Contract:

☐ Utility performing with their own forces (timesheets will be required at the time of billing).

☒ Utility will use consultant contract (continuing contract rate sheets or fee schedule will be required).

☐ TxDOT will procure utility consultant.

STATEMENT COVERING UTILITY CONSTRUCTION CONTRACT WORK
(AS APPEARING IN ESTIMATE)

Form ROW-U-48
(Rev. 10/20)
Page of

U-Number: N/A

Utility ID: U00008008

ROW CSJ Number: 0196-01-114

District: Dallas

County: Denton

Highway No.: IH-35E

Federal Project No.: N/A

I, Sara Hensley, a duly authorized and qualified representative of City of Denton, hereinafter referred to as **Owner**, am fully cognizant of the facts and make the following statements in respect to work which will or may be done on a contract basis as it appears in the estimate to which this statement is attached.

It is more economical and/or expedient for **Owner** to contract this adjustment, or **Owner** is not adequately staffed or equipped to perform the necessary work on this project with its own forces to the extent as indicated on the estimate.

Procedure to be Used in Contracting Work

☐ A. Solicitation for bids is to be accomplished through open advertising and contract is to be awarded to the lowest qualified bidder who submits a proposal in conformity with the requirements and specifications for the work to be performed. Associated bid tabulations will be provided to the **State**.

☑ B. Solicitation for bids is to be accomplished by circulating to a list of pre-qualified contractors or known qualified contractors and such contract is to be awarded to the lowest qualified bidder who submits a proposal in conformity with the requirements and specifications for the work to be performed. Associated bid tabulations will be provided to the **State**. Such presently known contractors are listed below:

1. Mountain Cascade of Texas, LLC
2. Oscar Renda Contracting, Inc.
3. S.J. Louis Construction of Texas, Ltd
4.
5.

☐ C. The work is to be performed under an existing continuing contract under which certain work is regularly performed for **Owner** and under which the lowest available costs are developed. The existing continuing contract will be made available to the **State** for review at a location mutually acceptable to the **Owner** and the **State**. If only part of the contract work is to be done under an existing contract, give detailed information by attachment hereto.

☐ D. The utility proposes to contract outside the foregoing requirements and therefore evidence in support of its proposal is attached to the estimate in order to obtain the concurrence of the **State**, and the Federal Highway Administration Division Engineer where applicable, prior to taking action thereon (approval of the agreement shall be considered as approval of such proposal).

☐ E. The utility plans and specifications, with the consent of the **State**, will be included in the construction contract awarded by the **State**. In the best interest of both the **State** and the **Owner**, the **Owner** requests the **State** to include the plans and specifications for this work in the general contract for construction of Highway _____ in this area, so that the work can be coordinated with the other construction operations; and the construction contract is to be awarded by the **State** to the lowest qualified bidder who submits a proposal in conformity with the requirements and specifications for the work to be performed. If this option is chosen, attach form ROW-U-48-1, the terms of which are incorporated herein by reference.

Contact/Help

Signature

Date

City Manager
Title

Attachment “E”
Utility Joint Use Agreement – (ROW-U-JUA) and/or Utility Installation Request – (Form 1082)

☐ Utility Joint Use Agreement (ROW–U–JUA)

☒ Utility Installation Review/Permit Number: DAL20210118130643

Attachment "F"
Eligibility Ratio

Eligibility Ratio established: 100 %

☐ Non-interstate Highway (Calculations attached)

☒ Interstate Highway

ROW Utility Manual Chapter 8, Section 2
In developing the ratio, line length or number of poles is restricted to facilities located within the existing and proposed highway right of way. Facilities located outside the existing and proposed right of way limits will not be used in developing the ratio.

Please see example of eligibility ratio calculations below.

Plan Sheet or Page#	In Easement (Eligible) Existing # of Poles or LF	In Public ROW (Ineligible) Existing # of Poles or LF
1	0	0
2	84	22
3	90	385
4	238	96
Totals	412	503

Total Existing # of Poles or LF (Eligible)	412
Total Existing # of Poles or LF (Ineligible)	503
Total Existing # of Poles or LF	915
Total Existing # of Poles or LF (Eligible) divided by the Total Existing # of Poles or LF	45.03%

Attachment “G”
Betterment Calculation and Estimate

☒ Elective Betterment Ratio established: 4.8307 %
(Calculation attached and justification below)

☒ Forced Betterment
(Provide supporting documentation)

☐ Not Applicable

Elective betterment justification statement:
The work required is 100% reimbursable with the exception of the upsize of a portion of 20-inch waterline to 24-inch waterline for Waterline A and all of Waterline E. One other poriton of engineering work that was not reimbursable per this CSJ is work to identify future conflicts with upcoming TXDOT projects.
Please see attached documentation.

Attachment “H”
Proof of Property Interest

☐ Supporting documentation of compensable property interest that establishes reimbursement eligibility as referenced in Texas Transportation Code §203.092.

☐ Property interest documented through applicable affidavits and required attachments.

☐ ROW-U-Affidavit

☒ The roadway improvement project is designated as an Interstate Highway project; therefore, no supporting documentation of compensable interest is required.

"EXHIBIT B"

Wastewater Standard Utility Agreement - ID No. U00011546

STANDARD UTILITY AGREEMENT

U Number: **N/A** Utility ID: **U00011546**

District: Dallas
Federal Project No.: TBD
ROW CSJ: 0196-01-114
Highway Project Letting Date: 09/01/2023

County: Denton
Highway: IH 35E
From: South of Mayhill
To: South of SL 288

This Agreement by and between the State of Texas, acting by and through the Texas Transportation Commission, **("State**"), and City of Denton, ("**Utility**"), acting by and through its duly authorized representative, shall be effective on the date of approval and execution by and on behalf of the **State**.

WHEREAS, the **State** has deemed it necessary to make certain highway improvements as designated by the **State** and approved by the Federal Highway Administration within the limits of the highway as indicated above (the "**Highway Project**");

WHEREAS, the proposed Highway Project will necessitate the adjustment, removal, and/or relocation of certain facilities of the **Utility** as indicated in the following statement of work:
- Sanitary Sewer Line: Install 1 manhole at Brinker Road at IH 35 Sta 1804+13.
- Reclaimed Water Line: Install approximately 331 LF of 20" HDPE water line, and 595 LF of 48" steel casing with carrier pipe crossing IH 35 at IH 35 Sta 1760+93.
- Approximately 238 LF of 18" reclaimed water line to be removed.
- Approximately 637 LF of 18" reclaimed water line and 554 LF of 8" sanitary sewer and 151 of 12" sanitary sewer to be abandoned by grout fill; and more specifically as shown in the **Utility's** plans, specifications and estimated costs, which are attached hereto as Attachment "A".

WHEREAS, the **State** will participate in the costs of the adjustment, removal, and relocation of certain facilities to the extent as may be eligible for State and/or Federal participation.

WHEREAS, the **State,** upon receipt of evidence it deems sufficient, acknowledges the **Utility's** interest in certain lands and facilities that entitle it to reimbursement for the adjustment, removal, and relocation of certain of its facilities located upon the lands as indicated in the statement of work above.

NOW, THEREFORE, BE IT AGREED:

The **State** will pay to the **Utility** the costs incurred in adjustment, removal, and relocation of the **Utility's** facilities up to the amount said costs may be eligible for **State** participation.

All conduct under this agreement, including but not limited to the adjustment, removal, and relocation of the facility, the development and reimbursement of costs, any environmental requirements, and retention of records will be in accordance with all applicable federal and state laws, rules and regulations, including, without limitation, the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. §§ 4601, et seq., the National Environmental Policy Act, 42 U.S.C. §§ 4321, et seq., the Buy America provisions of 23 U.S.C. § 313 and 23 CFR 635.410, as amended, Texas Transportation Code § 223.045, the Utility Relocations, Adjustments, and Reimbursements provisions of 23 CFR 645, Subpart A, and the Utility Accommodation provisions of 23 CFR 645, Subpart B.

The **Utility** shall supply, upon request by the **State**, proof of compliance with the aforementioned laws, rules, regulations, and guidelines prior to the commencement of the adjustment, removal, and relocation of the facility.

The Utility shall not commence any physical work, including without limitation site preparation, on the State's right of way or future right of way, until TxDOT provides the Utility with written authorization to proceed with the physical work upon TxDOT's completion and clearance of its environmental review of the Highway Project. Any such work by the Utility prior to TxDOT's written authorization to proceed will not be eligible for reimbursement and the Utility is responsible for entering any property within the proposed limits of the Highway Project that has not yet been acquired by TxDOT. This written authorization to proceed with the physical work is in addition to the authorization to commence work outlined below. Notwithstanding the foregoing, the provisions of this paragraph are required only when TxDOT has not obtained completion and clearance of its environmental review of the Highway Project prior to the execution of this Agreement by the State and the Utility.

The **Utility** shall comply with the Buy America provisions of 23 U.S.C. § 313, 23 CFR 635.410, as amended, and the Steel and Iron Preference provisions of Texas Transportation Code § 223.045 and, when products that are composed predominately of steel and/or iron are incorporated into the permanent installation of the utility facility, use domestically manufactured products. TxDOT Form 1818 (Material Statement), along with all required attachments, must be submitted, prior to the commencement of the adjustment, removal, and relocation of the facility, as evidence of compliance with the aforementioned provisions. Failure to submit the required documentation or to comply with the Buy America, and Steel and Iron Preference requirements shall result in: (1) the **Utility** becoming ineligible to receive any contract or subcontract made with funds authorized under the Intermodal Surface Transportation Efficiency Act of 1991; (2) the **State** withholding reimbursement for the costs incurred by the **Utility** in the adjustment, removal, and relocation of the **Utility's** facilities; and (3) removal and replacement of the non-compliant products.

The **Utility** agrees to develop relocation or adjustment costs by accumulating actual direct and related indirect costs in accordance with a work order accounting procedure prescribed by the **State**, or may, with the **State's** approval, accumulate actual direct and related indirect costs in accordance with an established accounting procedure developed by the **Utility**. Bills for work hereunder are to be submitted to the **State** not later than one (1) year after completion of the work. Failure to submit the request for final payment, in addition to all supporting documentation, within one (1) year after completion of the work may result in forfeiture of payment for said work.

When requested, the **State** will make intermediate payments at not less than monthly intervals to the **Utility** when properly billed. Such payments will not exceed 90 percent (90%) of the eligible cost as shown in each such billing. Intermediate payments shall not be construed as final payment for any items included in the intermediate payment.

The **State** will, upon satisfactory completion of the adjustment, removal, and/or relocation and upon receipt of final billing prepared in an approved form and manner and accounting for any intermediate payments, make payment in the amount of 90 percent (90%) of the eligible costs as shown in the final billing prior to audit and after such audit shall make an additional final payment totaling the reimbursement amount found eligible for **State** reimbursement.

Alternatively, the **State** agrees to pay the **Utility** an agreed lump sum of $ N/A as supported by the attached estimated costs. The **State** will, upon satisfactory completion of the adjustments, removals, and relocations and upon receipt of a final billing, make payment to the **Utility** in the agreed amount.

Upon execution of this agreement by both parties hereto, the **State** will, by written notice, authorize the **Utility** to perform such work diligently and to conclude said adjustment, removal, and relocation by the stated completion date which is attached hereto in Attachment "C". The completion date shall be extended for delays caused by events outside the **Utility's** control, including an event of Force Majeure, which shall include a strike, war or act of war (whether an actual declaration of war is made or not), insurrection, riot, act of public enemy, accident, fire, flood or other act of God, sabotage, or other events, interference by the **State** or any other party with the **Utility's** ability to proceed with the work, or any other event in which the **Utility** has exercised all due care in the prevention thereof so that the causes of other events are beyond the control and without the fault or negligence of the **Utility**.

This agreement in its entirety consists of the following elements:

Standard Utility Agreement – ROW-U-35;

- Plans, Specifications, and Estimated Costs (Attachment "A");
- Accounting Method (Attachment "B");

- Schedule of Work (Attachment “C”);
- Statement Covering Contract Work – ROW-U-48 (Attachment “D”);
- Utility Joint Use Agreement – ROW-U-JUA and/or Utility Installation Request – Form 1082 (Attachment “E”);
- Eligibility Ratio (Attachment “F”);
- Betterment Calculation and Estimate (Attachment “G”); and
- Proof of Property Interest – ROW-U-Affidavit (Attachment “H”).

All attachments are included herein as if fully set forth. In the event it is determined that a substantial change from the statement of work contained in this agreement is required, reimbursement therefore shall be limited to costs covered by a modification or amendment of this agreement or a written change or extra work order approved by the **State** and the **Utility**.

This agreement is subject to cancellation by the **State** at any time up to the date that work under this agreement has been authorized, and such cancellation will not create any liability on the part of the **State.** However, the **State** will review and reimburse the **Utility** for eligible costs incurred by the **Utility** in preparation of this Agreement.

The State Auditor may conduct an audit or investigation of any entity receiving funds from the **State** directly under this contract or indirectly through a subcontract under this contract. Acceptance of funds directly under this contract or indirectly through a subcontract under this contract acts as acceptance of the authority of the State Auditor, under the direction of the Legislative Audit Committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

The **Utility** by execution of this agreement does not waive any of the rights that the **Utility** may have within the limits of the law.

It is expressly understood that the **Utility** conducts the adjustment, removal, and relocation at its own risk, and that the **State** makes no warranties or representations regarding the existence or location of utilities currently within its right of way.

The signatories to this agreement warrant that each has the authority to enter into this agreement on behalf of the party represented.

UTILITY

Utility: City of Denton Wastewater
Name of Utility

By: _____
Authorized Signature

Sara Hensley
Print or Type Name

Title: City Manager

Date: _____

EXECUTION RECOMMENDED:

_____
Director of TP&D (or designee), Dallas District

THE STATE OF TEXAS

Executed and approved for the Texas Transportation Commission for the purpose and effect of activating and/or carrying out the orders, established policies or work programs heretofore approved and authorized by the Texas Transportation Commission.

By: _____
District Engineer (or designee)

Date: _____

Attachment “A”
Plans, Specifications, and Estimated Costs

All material items within cost estimate that must meet Buy America or Steel and Iron Preference Provision requirements must be indicated with an asterisk (*).

☐ Currently, **we do not have** Buy America required materials planned for this project. In the event that Buy America compliant materials are used during construction on this project, compliance documentation will be provided.

☐ There are non-domestic iron and steel materials in this project that fall under the De Minimus equation. Calculation showing the total cost does not exceed one-tenth of one percent (0.1 %) of the individual utility agreement amount or $2,500.00, whichever is greater is required.

☒ We understand the Buy America Compliance Requirements and will supply the required documentation to TxDOT indicating compliance with this provision. The following documents will be supplied prior to installation of the materials:

1) Form 1818 - Material Statement
2) Material Test Reports or Certifications

Attachment “B”
Accounting Method

☒ **Actual Cost Method of Accounting**

The utility accumulates cost under a work order accounting procedure prescribed by the Federal or State regulatory body and proposes to request reimbursement for actual direct and related indirect costs.

☐ **Lump Sum Method of Accounting**

Utility proposed to request reimbursement based on an agreed lump sum amount supported by a detailed cost analysis.

Attachment “C”
Schedule of Work

Estimated Start Date: 01/16/23, (subject to physical work restrictions prior to the issuance of environmental clearance as required by the provisions of this agreement)

Estimated Duration (days): 240

Estimated Completion Date: 09/13/23

Attachment "D"
Statement Covering Contract Work

(ROW–U–48)
(ROW–U–48–1, if applicable)

Construction Contract:

☐ Utility performing with their own forces (timesheets will be required at the time of billing).

☒ Utility will use outside forces to perform the adjustment, complete attached ROW-U-48 or ROW-U-48-1 (joint bid).

Engineering Contract:

☐ Utility performing with their own forces (timesheets will be required at the time of billing).

☒ Utility will use consultant contract (continuing contract rate sheets or fee schedule will be required).

☐ TxDOT will procure utility consultant.

STATEMENT COVERING UTILITY CONSTRUCTION CONTRACT WORK
(AS APPEARING IN ESTIMATE)

Form ROW-U-48
(Rev. 10/20)
Page of

U-Number: N/A

Utility ID: U00011546

ROW CSJ Number: 0196-01-114

District: Dallas

County: Denton

Highway No.: IH-35E

Federal Project No.: N/A

I, Sara Hensley, a duly authorized and qualified representative of City of Denton, hereinafter referred to as **Owner**, am fully cognizant of the facts and make the following statements in respect to work which will or may be done on a contract basis as it appears in the estimate to which this statement is attached.

It is more economical and/or expedient for **Owner** to contract this adjustment, or **Owner** is not adequately staffed or equipped to perform the necessary work on this project with its own forces to the extent as indicated on the estimate.

Procedure to be Used in Contracting Work

☐ A. Solicitation for bids is to be accomplished through open advertising and contract is to be awarded to the lowest qualified bidder who submits a proposal in conformity with the requirements and specifications for the work to be performed. Associated bid tabulations will be provided to the **State**.

☑ B. Solicitation for bids is to be accomplished by circulating to a list of pre-qualified contractors or known qualified contractors and such contract is to be awarded to the lowest qualified bidder who submits a proposal in conformity with the requirements and specifications for the work to be performed. Associated bid tabulations will be provided to the **State**. Such presently known contractors are listed below:

1. Mountain Cascade of Texas, LLC
2. Oscar Renda Contracting, Inc.
3. S.J. Louis Construction of Texas, Ltd
4.
5.

☐ C. The work is to be performed under an existing continuing contract under which certain work is regularly performed for **Owner** and under which the lowest available costs are developed. The existing continuing contract will be made available to the **State** for review at a location mutually acceptable to the **Owner** and the **State**. If only part of the contract work is to be done under an existing contract, give detailed information by attachment hereto.

☐ D. The utility proposes to contract outside the foregoing requirements and therefore evidence in support of its proposal is attached to the estimate in order to obtain the concurrence of the **State**, and the Federal Highway Administration Division Engineer where applicable, prior to taking action thereon (approval of the agreement shall be considered as approval of such proposal).

☐ E. The utility plans and specifications, with the consent of the **State**, will be included in the construction contract awarded by the **State**. In the best interest of both the **State** and the **Owner**, the **Owner** requests the **State** to include the plans and specifications for this work in the general contract for construction of Highway ____in this area, so____ that the work can be coordinated with the other construction operations; and the construction contract is to be awarded by the **State** to the lowest qualified bidder who submits a proposal in conformity with the requirements and specifications for the work to be performed. If this option is chosen, attach form ROW-U-48-1, the terms of which are incorporated herein by reference.

Contact/Help

Signature

Date

City Manager
Title

Attachment "E"
Utility Joint Use Agreement – (ROW-U-JUA) and/or Utility Installation Request – (Form 1082)

☐ Utility Joint Use Agreement (ROW–U–JUA)

☒ Utility Installation Review/Permit Number: DAL20220504165610

Attachment "F"
Eligibility Ratio

Eligibility Ratio established: 100 %

☐ Non-interstate Highway (Calculations attached)

☒ Interstate Highway

ROW Utility Manual Chapter 8, Section 2
In developing the ratio, line length or number of poles is restricted to facilities located within the existing and proposed highway right of way. Facilities located outside the existing and proposed right of way limits will not be used in developing the ratio.

Please see example of eligibility ratio calculations below.

Plan Sheet or Page#	In Easement (Eligible) Existing # of Poles or LF	In Public ROW (Ineligible) Existing # of Poles or LF
1	0	0
2	84	22
3	90	385
4	238	96
Totals	412	503

Total Existing # of Poles or LF (Eligible)	412
Total Existing # of Poles or LF (Ineligible)	503
Total Existing # of Poles or LF	915
Total Existing # of Poles or LF (Eligible) divided by the Total Existing # of Poles or LF	45.03%

Attachment "G"
Betterment Calculation and Estimate

☐ Elective Betterment Ratio established: 0 %
(Calculation attached and justification below)

☒ Forced Betterment
(Provide supporting documentation)

☐ Not Applicable

Elective betterment justification statement:
Due to long lead times for PVC of this non-standard size, the City offered HDPE as an alternate bid item to PVC. To achieve the comparable inner pipe diameter of the 18-inch PVC, a 20-inch HDPE pipe is required. Therefore, this is also considered a forced betterment as this is a direct benefit to the highway project, so there is no betterment ratio provided.

Attachment “H”
Proof of Property Interest

☐ Supporting documentation of compensable property interest that establishes reimbursement eligibility as referenced in Texas Transportation Code §203.092.

☐ Property interest documented through applicable affidavits and required attachments.

☐ ROW-U-Affidavit

☒ The roadway improvement project is designated as an Interstate Highway project; therefore, no supporting documentation of compensable interest is required.