



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 9, 2014
Action Item for the City Council Meeting of December 16, 2014

DATE: November 20, 2014

TO: Ronald L. Olson, City Manager

THRU: Gustavo Gonzalez, P.E., Assistant City Manager, Public Works and Utilities
GustavoGo@cctexas.com

FROM: Valerie H. Gray, P.E., Interim Executive Director, Public Works
ValerieG@cctexas.com
(361) 826-3729

Michael Morris, Director of Park & Recreation
MichaelMo@cctexas.com
(361) 826-3464

Granting Revocable Easements to Eagle Ford Pipeline, LLC

CAPTION:

Ordinance granting two Revocable Easements to Eagle Ford Pipeline, LLC to construct, operate, maintain, repair and remove two (2) 20-inch pipelines across the north edge of a City park known as Hudson Park located south of Leopard Street and west of Main Drive; for the amount of \$38,412 as compensation to the City; authorizing the City Manager or designee to execute the two Revocable Easement instruments and other related documents for the conveyance of the revocable easements.

PURPOSE:

This ordinance conveys two Revocable Easements to Eagle Ford Pipeline, LLC which enables them to construct two pipelines across the northern edge of the City's park.

BACKGROUND AND FINDINGS:

The City has received a request from Eagle Ford Pipeline, LLC to acquire Revocable

Easements for two pipelines which would cross the City's park as shown on the attached City Council Exhibit. Both pipelines would be constructed by a horizontal boring process with a finished pipeline depth of approximately 57 feet deep. The pipeline boring entry will begin 115 feet west of the park and will surface approximately 1,000 east of the park. There will be no valves or other fixtures within the park property. The City's Capital Program and Park & Recreation staff have met to discuss the easement request and have no concerns or objections to their placement across the park property.

A negotiated amount of \$38,412 as compensation to the City has been agreed to by the parties. The Revocable Easements allow Eagle Ford Pipeline the right to construct and maintain both pipelines within these overlapping revocable easements. The City will monitor the boring operation and any other construction adjacent to the park.

The Revocable Easement instruments contain terms and conditions which pertained to construction standards and compliance with laws, including the City's Pipeline License Ordinance passed in 1993 under Ordinance No. 021776. A Pipeline License Agreement is in the process of being issued to Eagle Ford Pipeline by the Development Services since the pipeline also crossed various City street right-of-ways. The easement is revocable by the City if Eagle Ford violates and fails to correct any of the laws, rules, or regulations of the Department of Transportation, Railroad Commission, and certain City ordinances. Eagle Ford will also full indemnify the City against any and all liability, damage, loss claims and actions of any nature as stated in Section 12 of the attached Revocable Easement; Amendment No. 1 instrument. Authorization to convey or amend easements across City land is required by City Council. There is no title company participation required in the conveyance of this amended easement.

ALTERNATIVES:

Do not amend the easement granted to Eagle Ford Pipeline, LLC which could lead to eminent domain proceedings by them.

OTHER CONSIDERATIONS:

Eagle Ford Pipeline, LLC requires this Revocable Easement in order to be able to construct their pipelines.

CONFORMITY TO CITY POLICY:

The City is authorized under its home-rule authority, as well as under the grant of powers under Section 1, Article X of the Charter, to convey this easement. This ordinance also conforms to Section 1, Article IX of the Charter.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Engineering and Park & Recreation Departments

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2014-2015	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments: This is a revenue item. No expenditures are requested.

RECOMMENDATION:

Approval of the Ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Certification of Funds
Council Exhibit
Revocable Easement, #19069
Revocable Easement, #51994
Ordinance