



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing City Manager to Execute Agreement for Pipeline Engineering and Inspection at Lodi Transit Station with SFPP, L.P., (Santa Fe Pacific Pipelines), of Orange, and Appropriating Funds (\$20,000)
MEETING DATE: July 17, 2013
PREPARED BY: Public Works Director

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute agreement for pipeline engineering and inspection at Lodi Transit Station with SFPP, L.P., (Santa Fe Pacific Pipelines), of Orange, and appropriating funds in the amount of \$20,000.

BACKGROUND INFORMATION: On March 20, 2013, City Council awarded a contract to A.M. Stephens Construction, Inc., of Lodi, to replace the concrete pavement, driveway, sidewalk and wheelchair ramps within the Transit Station; install reinforced concrete pavement with an asphalt concrete overlay within Sacramento Street; and perform other incidental and related work. During the preconstruction and utility locating phase, SFPP/Kinder Morgan Energy Partners marked their 10-inch petroleum-product pipeline located in an easement running through the driveway reconstruction area. They informed the City inspector about the required engineering, inspection and associated cost while the City's contractor works within 10 feet of the pipeline. City and SFPP/Kinder Morgan dispute whether the City is required to reimburse SFPP/Kinder Morgan Energy Partners for engineering and inspection during driveway reconstruction. However, to expedite the project and the agreement and to protect project funding, staff recommends Council approve the agreement with SFPP/Kinder Morgan. The estimated cost of their representation is \$20,000 for 20 days (allowance) of inspection. The City will be refunded the balance should the work be completed sooner.

FISCAL IMPACT: There will be decreased maintenance costs at the Lodi Transit Station and on Sacramento Street associated with these improvements.

FUNDING AVAILABLE: An appropriation of \$141,000 has been included for this project and will be carried forward to FY 2013/14 budget. An additional appropriation of \$20,000 is requested, for a total of \$161,000.

Table with 2 columns: Funding Source, Amount. Rows include Federal Transit Administration (FTA) Transportation Development Act (TDA) Funds (1251) for \$141,000, Requested Appropriation: TDA (1251) for \$20,000, and TOTAL for \$161,000.

Signature of Jordan Ayers, Deputy City Manager/Internal Services Director

Signature of F. Wally Sandelin, Public Works Director

Prepared by Lyman Chang, Senior Civil Engineer
cc: Deputy Public Works Director/City Engineer

Senior Civil Engineer

Transportation Manager

APPROVED: Signature of Konradt Bartlam, City Manager

## PIPELINE ENGINEERING/INSPECTION AGREEMENT

This Pipeline Engineering/Inspection Agreement (this "Agreement") is entered into as of \_\_\_\_\_ and between the **City of Lodi** and **SFPP, L.P.**, a Delaware limited partnership ("SFPP"), with reference to the following facts:

- A. SFPP owns, operates and maintains one 10" petroleum product pipeline and related appurtenances (the "Pipeline") located in Lodi, CA
- B. City of Lodi is planning on removing an existing driveway and re-installing a special commercial driveway with new sidewalk, curb and gutter additions. (plans attached)
- C. The construction of the Project will require the protection, and inspection of the Pipeline, and will therefore require SFPP to provide pipeline engineering services (the "Engineering Activities") to review City of Lodi plans for the Project and coordinate with City of Lodi during the progress of the Project. SFPP will need to provide inspection services for certain project activities that impact the pipeline.
- D. SFPP agrees to proceed with the Engineering and Inspection Activities that are necessary to facilitate progress of the Project, provided that City of Lodi agrees to pay all costs relating to such Engineering and Inspection Activities.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, along with other good and valuable consideration, the sufficiency of which is hereby acknowledged, SFPP and City of Lodi hereby agree as follows:

1. Engineering and Inspection Activities. SFPP shall proceed with Engineering and Inspection Activities that it determines are required from time to time to facilitate the construction of the Project and to protect the integrity of the Pipeline. SFPP shall conduct the Engineering and Inspection Activities in a good and workmanlike manner and in compliance with all applicable federal, state, and local laws, rules and regulations.
2. Timing of Engineering Activities. SFPP will commence with the Engineering Activities within 15 days after it has received a notice to proceed from City of Lodi along with the estimated cost of the Engineering and Inspection Activities as set forth in Section 3 below. Neither party to this Agreement shall be responsible to the other for damages resulting from delays in the performance of obligations hereunder resulting from action of the elements, fire, flood, "Acts of God", strikes, lockouts, or any other causes beyond said party's reasonable control.
3. Reimbursement for Engineering Costs. City of Lodi shall pay SFPP the actual cost of the Engineering and Inspection Activities associated with the Project. SFPP estimates that such initial cost will be \$20,000, including (i) consultant charges, (ii) equipment and materials, (iii) as well as for all other engineering and inspection work related to the Project), (iv) company labor and company engineering (including 42% for labor additives), and (v) 19.4% for administrative overhead costs.

City of Lodi shall pay the estimated cost with its notice to proceed with the Engineering Activities. When the final accounting of the actual cost of the Engineering Activities is completed, SFPP will submit an itemized billing to City of Lodi for review, together with an invoice for additional cost or SFPP's check to reconcile any difference between the actual and the estimated cost. If the actual cost was greater than the estimated cost, City of Lodi shall pay SFPP any invoiced amount within 30 days after

PIPELINE ENGINEERING/INSPECTION AGREEMENT

receiving such invoice from SFPP. SFPP shall maintain records for 3 years of the actual costs incurred and charged or allocated to the work in accordance with generally accepted accounting principles.

4 Entire Agreement This Agreement contains the entire agreement between the city of Lodi and SFPP with respect to payments to SFPP for engineering activities associated with the Project.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day first written above.

City of Lodi

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Randi Johl  
City Clerk

APPROVED AS TO FORM:

SFPP,L.P.

By: Kinder Morgan Operating L.P. "D,"  
its General Partner

By: Kinder Morgan G.P., Inc.,  
its General Partner

By: Kinder Morgan Management, LLC  
The delegate of Kinder Morgan, G.P., Inc.

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
D. Stephen Schwabauer  
City Attorney



Series	Begin E.S.	Reference Drawings	End E.S.	Reference Drawings (Cont.)
2000	2972+76	CSJ-2A2-2H	2100	2995+56 CSJ-2A3-5H
2000	2972+76	XH-B-2		
2000	2977+57	CSJ-2A3-1H		
2000	2977+57	XH-B-2		
2000	2977+71	CSJ-2A3-1R		
2000	2977+71	XH-B-1		
2000	2976+00	BEGIN 9-34-3		
2000	2981+25	END 9-34-3		
2000	2981+25	BEGIN 9-34-2		
2000	2982+82	CSJ-2A3-2H		
2000	2982+82	XH-B-2		
2000	2987+62	BEGIN 9-34-1		
2000	2987+62	END 9-34-2		
2000	2987+62	XH-B-2		
2000	2987+62	CSJ-2A3-3H		
2000	2992+08	XH-B-2		
2000	2992+08	CSJ-2A3-4H		
2000	2992+77	END 9-34-1		
2100	2995+56	XH-B-2		

  

Revision	DATE	DESCRIPTION
1	2010/10/05	INITIAL RELEASE OF LS-9 CC-BR 10" PODS GIS ALIGNMENT MAPS

  

Symbol	Description
(#)	CALCULATED MILEPOST
(A)	AERIAL MARKER
(XXX)	RAILROAD MILEPOST
(★)	STATION EQUATION
(T.S. REF. SECT.)	TOWNSHIP-RANGE-SECTION / or GRANT NAME
(—)	PIPE BEND
(—)	BRANCH CONNECT
(—)	STOPPLE-T
(—)	TEE
(—)	VALVE
(—)	CHECK VALVE
(—)	LAUNCHER
(—)	RECOVER
(—)	REDUCER
(—)	TAP
(—)	SLEEVE
(—)	CASING VENT PIPE
(—)	CASING
(—)	CONCRETE OVERCOAT
(●)	CATHODIC TEST STATION
(—)	GROUND BED
(—)	RECTIFIER
(—)	ANODE
(—)	BOND
(—)	RIVER WEIGHTS
(—)	CONCRETE SLAB
(—)	FLANGE
(—)	KM PIPELINE
(—)	OTHER KM PIPELINES
(—)	SECTION
(—)	COUNTY LINE
(—)	STATE LINE
(—)	WATER CROSSING
(—)	RAILROAD
(—)	RIGHT OF WAY
(—)	FOREIGN LINE CROSSING
(—)	ROAD CROSSING

  

Flow Direction
→ FLOW

  

<b>KINDER MORGAN</b>	
System	SFPP NORTH
Sub System	CC-BR
Line	LS-9; CONCORD - BRADSHAW 10"
Route	LS-9; CONCORD - BRADSHAW 10"
District	BRADSHAW / STOCKTON
Scale	1" = 100'
Line #	48500CCBR
Sheet #	092
Generate Date	03/22/2012



RESOLUTION NO. 2013-132

A RESOLUTION OF THE LODI CITY COUNCIL  
APPROVING AND AUTHORIZING CITY MANAGER TO  
EXECUTE AGREEMENT FOR PIPELINE ENGINEERING AND  
INSPECTION AT LODI TRANSIT STATION WITH SFPP, L.P.  
(SANTA FE PACIFIC PIPELINES) AND FURTHER  
APPROPRIATING FUNDS

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WHEREAS, on March 20, 2013, City Council awarded a contract to A.M. Stephens Construction, Inc., of Lodi, to replace the concrete pavement, driveway, sidewalk, and wheelchair ramps within the Transit Station; install reinforced concrete pavement with an asphalt concrete overlay within Sacramento Street; and perform other incidental and related work; and

WHEREAS, during the preconstruction and utility locating phase, SFPP/Kinder Morgan Energy Partners marked its 10-inch petroleum-product pipeline located in an easement running through the driveway reconstruction area; and

WHEREAS, the estimated cost of its representation is \$20,000 for 20 days (allowance) of inspection. The City will be refunded the balance should the work be completed sooner; and

WHEREAS, staff recommends approving the agreement with SFPP, L.P., authorizing the City Manager to execute the agreement, and appropriating funds for the project.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the agreement for pipeline engineering and inspection at Lodi Transit Station with SFPP, L.P., (Santa Fe Pacific Pipelines), of Orange, California, in the amount of \$20,000; and

BE IT FURTHER RESOLVED that the City Council does hereby authorize the City Manager to execute the agreement; and

BE IT FURTHER RESOLVED that funds for this project be appropriated in the amount of \$20,000 from Transportation Development Act funds.

Dated: July 17, 2013

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I hereby certify that Resolution No. 2013-132 was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 17, 2013, by the following vote:

- AYES: COUNCIL MEMBERS – Johnson, Katzakian, Mounce, and Mayor Nakanishi
- NOES: COUNCIL MEMBERS – None
- ABSENT: COUNCIL MEMBERS – Hansen
- ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL-OLSON  
City Clerk