RESOLUTION 2014-8

AGENDA ITEM

TO: Mayor and City Council

FROM: Drew Bontrager

DATE: April 7, 2014

RE: **Laclede Gas Company, Missouri Gas Energy Division**

DISCUSSION

The issue involves failed street patch work performed by MGE in the City's rights-of-way. In June 2013, Missouri Gas Energy ("MGE") relocated a gas main on S. Walnut, in the Cornhill area. There were a total of five utility cuts in this area that completely failed.

Due to the timing of the overlay completed by MoDOT's contractor, the City had to remove and re-pour these five patches in September of 2013. The City Street Department completed some of this work and our contractor, Amino Brothers Company, Inc. completed the rest. We requested reimbursement of our direct cost to Amino Brothers Co, Inc. in the amount of $4,297.80 and not any additional costs incurred from city staff and equipment.

MGE/Laclede also suffered damages caused by Amino Brothers totaling $1,874.71 from three different locations. We will recover this amount from Amino as part of our contract. Therefore, the agreement with MGE/Laclede is for the direct costs we incurred from Amino Brothers, $4,297.80, less the amount owed by Amino Brothers to Laclede, $1,874.71, for a total agreement between the City of Cameron and MGE/Laclede of $2,423.09.

RECOMMENDATION

We recommend that the Council adopt the attached resolution authorizing the City Manager to sign the release to Laclede Gas Company, Missouri Gas Energy.

Resolution 2014-8

A RESOLUTION FOR THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AUTHORIZING THE CITY MANAGER TO EXECUTE A CONFIDENTIAL RELEASE AND INDEMNITY AGREEMENT TO LACLEDE GAS COMPANY, MISSOURI GAS ENERGY DIVISION

WHEREAS, the City claims that on or about June 23, 2013, five utility cuts located at South Walnut in the Cornhill area failed and needed to be repaired ("Incident"); and

WHEREAS, the City claims that it incurred damages arising from the Incident and further claims that Laclede Gas Company, Missouri Gas Energy Division ("MGE") is responsible for such damages; and

WHEREAS, the City and MGE wish to resolve any disputes they have, or may have, between them, relating to the City's damages.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AS FOLLOWS:

Section 1: The City Manager is hereby authorized to execute a Confidential Release and Indemnity Agreement to Missouri Gas Energy substantially in the form as attached hereto and incorporated herein as Exhibit 1 on behalf of the City.

Section 2: This Resolution shall be in full force and effect from and after its passage and approval as provided by law.

Passed and approved by the City Council on this 7th day of April 2014.

_____
Mayor Dennis M. Clark

ATTEST:

_____
City Clerk/Finance Clerk

EXHIBIT 1

RELEASE TO LACLEDE GAS COMPANY, MISSOURI GAS ENERGY DIVISION