

REIMBURSEMENT AGREEMENT

THIS AGREEMENT ("Agreement") is made this _____ day of _____, 2023, by and between City of Burleson, whose address is 141 W. Renfro, Burleson, Texas 76028, hereinafter called COMPANY, and Texas Midstream Gas Services, a company whose address is 5601 East 1st Street, Fort Worth Texas 76103, hereinafter called "WILLIAMS".

WITNESSETH

WHEREAS, COMPANY is proposing the construction of a New Police Facility ("Project");

WHEREAS, WILLIAMS has an EASEMENT AND RIGHT-OF-WAY AGREEMENT, dated January 2, 2009, recorded in the records of JOHNSON COUNTY, Texas on January 23, 2009, at Book 4523 Page 0525 and EASEMENT AND RIGHT-OF-WAY AGREEMENT, March 3, 2009, recorded in the records of JOHNSON COUNTY, Texas on March 23, 2009, at Book 4556 Page 992 ("Applicable Easement") in which it now maintains and operates an 12" natural gas pipeline;

WHEREAS, the design and construction of the proposed COMPANY's Project is within proximity of the Applicable Easement, requiring necessary and appropriate preliminary engineering evaluation and field inspection by WILLIAMS; and

WHEREAS, the parties wish to enter into this Agreement for, among other things, the purpose of facilitating WILLIAMS' preliminary engineering evaluation and field inspection.

NOW AND THEREFORE, in consideration of mutual rights and benefits appertaining thereto, the parties hereto covenant and agree as follows:

- (1) WILLIAMS will perform necessary and appropriate preliminary engineering evaluation and field inspection during the design and construction of the COMPANY's Project (the "Work").
- (2) In connection with the Work, COMPANY shall pay to WILLIAMS \$1,197,000.00 on the date set forth above, **(the "Estimated Cost")**. This amount includes the estimated cost of WILLIAMS' employees, or contracted companies or vendors, to the extent such employees are assigned to or devote time to the Work. Such costs shall include, but not be limited to, the following as reasonably necessary and appropriate to perform the Work: (i) the pro rata portion of wage, salary and benefit costs (gross pay, payroll taxes and usual company fringe benefits), on a time devoted basis, in each case as in effect on the date of this Agreement and consistent with past practice (ii) reasonable and documented out-of-pocket transportation, meals, lodging and similar costs incurred by WILLIAMS directly related to the assignment of employees to perform the Work, (iii) the reasonable and documented out-of-pocket cost of materials (iv) overhead costs equal to 10% of the costs set forth in subparagraphs (i)-(iii) of this paragraph, (v) in the event COMPANY fails to make timely payments of any such invoices in accordance with Chapter 2251 of the Texas Government, then WILLIAMS shall be entitled to collect the amount of such invoice, together with interest at a rate set forth in Chapter 2251 of the Texas Government; provided, however, such interest will not be payable if such failure to pay is the result of a bona fide dispute of any such charges, (vi) such interest shall accrue on unpaid amounts beginning on the payment due date of WILLIAMS' invoice to COMPANY and shall terminate when such invoice is paid. If the amount of any invoice shall be disputed in good faith, COMPANY shall promptly pay the portion of the invoice not in dispute.
- (3) Any party to this Agreement may terminate this agreement after thirty (30) days prior written notice to the other party. If the project and/or this Agreement are terminated for any reason, WILLIAMS will reimburse

COMPANY for any remaining costs that cannot be reasonably avoided during the intervening 30 days between the written notice and the effective date of termination. All other funds paid to WILLIAMS for project reimbursement of costs are not refundable to COMPANY.

- (4) Within 15 days after the end of each calendar month during its performance of the Work, WILLIAMS shall deliver to COMPANY a statement showing in detail all costs incurred in connection with the Work under Paragraph (2) above during the preceding month. If, during the course of performing the Work, the aggregate reasonable and documented actual costs as set forth in such statements (the "Actual Cost") deviate from the Estimated Cost by a material difference then WILLIAMS and COMPANY will review the cost difference and the applicable party shall pay the difference between the Actual Cost and the Estimated Cost to the other party hereto.
- (5) COMPANY shall provide WILLIAMS drawings necessary for WILLIAMS to complete its preliminary engineering, easement, operational, asset integrity, and safety reviews. After receiving drawings that address all requirements, WILLIAMS will review the drawings, and upon resolution of all conflicts, WILLIAMS shall provide COMPANY with a conditional letter of no objection to such drawings.
- (6) Prior to commencement of daily construction activities in the Applicable Easement, COMPANY shall provide a construction schedule at least (5) business days prior to any activities for the following review: schedule, location, and scope of work. WILLIAMS and COMPANY will make all reasonable efforts to coordinate field work activities, including, but not limited to, attendance of WILLIAMS personnel or its third-party inspectors at COMPANY's weekly construction meetings. WILLIAMS or its third-party inspectors may not be available if changes in work plans occur from the submitted and approved work plan. If WILLIAMS or its designated inspector is not available, no work can occur in the Applicable Easement. Notification shall be made during normal business hours to Willie Lee, at willie.lee@williams.com 817-648-9920. COMPANY also agrees to provide the Chief and Assistant Chief(s) Inspector's 24hour contact information including cell phone number(s) including any contractors that will be working on the Applicable Easement. All contact information will be kept current.
- (7) Nothing contained herein shall be construed to reduce any of WILLIAMS' right, title, or interest in or to the Applicable Easement for the construction, operation and maintenance of its pipelines. COMPANY acknowledges and agrees that nothing in this agreement will operate or be construed as a representation or guarantee that the preliminary engineering evaluation and field inspection will be completed by any specific or anticipated date. The preliminary engineering evaluation and field inspection will be completed with NO WARRANTY, EXPRESS OR IMPLIED AND WILLIAMS DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO THE PRELIMINARY ENGINEERING EVALUATION AND FIELD INSPECTION OR ANY PRODUCTS RESULTING THEREFROM.
- (8) This Agreement shall be binding on the successors and assigns of the parties hereto. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- (9) This Agreement shall be governed by, and construed in accordance with, the laws of the State of TEXAS without regard to its rules of conflict of laws.

Executed this ____ day of _____, 2023

Attest (Witness):

City of Burleson

_____ By:

(Please type name and title)

Attest (Witness):

Texas Midstream Gas Services L.L.C.

_____ By:
