



## CITY COUNCIL COMMUNICATION

**DATE:** August 3, 2026

**FROM:** Ronnie Grace, Director of Electric

**AGENDA ITEM:** Consideration and possible action on a Supplemental Agreement to Standard Utility Agreement with TXDOT (Executed on July 9, 2023) for the relocation of Electric utilities for the I-35 Expansion project, including the reimbursing expenses spent and authorizing the City Manager to execute the supplemental agreement and all necessary documents.

**SUMMARY:**

- Standard Utility Agreement with TXDOT was for the relocation of Electric Utilities for the I-35 Expansion project, including the proposed IH-35 project will necessitate the adjustment, removal, and relocation of the Electric Utilities as indicated in the following statement of work: The City of Sanger Electric Department will relocate approximately 25,500 circuit feet of electric power distribution facilities that are in conflict with TXDOT construction from approximately STA 2542+20 to STA 2822+00; and more specifically as shown in the City's utility relocation plans.
- At the time of procurement, market conditions caused substantial increases in material pricing.
- As a result of market conditions and the accelerated procurement timeline, the overall costs of materials and labor increased substantially after the original estimate was prepared.
- On July 9, 2023, TXDOT approved an amendment to the Standard Utility Agreement to reimburse 100% of the project cost overages associated with the utility relocation. The original estimated reimbursement for the relocation was \$3,334,386.21. Under the amended agreement, TxDOT and the City of Sanger have agreed to an updated estimated reimbursement amount of \$4,703,960.80.

**FISCAL INFORMATION:**

Budgeted: N/A

Amount: N/A

GL Account: N/A

**RECOMMENDED MOTION OR ACTION:**

Staff recommends approval of the Supplemental Agreement to Standard Utility Agreement with TXDOT.

**ATTACHMENTS:**

TXDOT Supplemental Agreement to Standard Utility Agreement for Sanger Electric IH-35.