

Ordinance No. \_\_\_\_\_

An ordinance approving an agreement between the Metropolitan Government and Piedmont Natural Gas, Inc. for the relocation of a natural gas pipeline on the existing Nissan Stadium campus. (Proposal No. 2026M-001AG-001).

WHEREAS, pursuant to BL2025-1150, the Metropolitan Council approved various agreements with the Tennessee Performing Arts Center Management Corporation relating to the construction of a new performing arts center on the Nissan Stadium campus; and,

WHEREAS, construction of the new performing arts center requires the relocation of a natural gas pipeline owned and operated by Piedmont Natural Gas, Inc.; and,

WHEREAS, pursuant to the terms of the agreement (the "Agreement") attached to this ordinance as Exhibit 1, Piedmont Natural Gas proposes to relocate the pipeline; and,

WHEREAS, it is in the best interest of the citizens of Nashville and Davidson County to approve the Agreement.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. The Agreement (Exhibit 1) is hereby approved, and the Director of Public Property or designee is authorized to execute and deliver it.

Section 2. Amendments to the Agreement may be authorized by resolution of the Metropolitan Council.

Section 4. This ordinance shall take effect from and after its adoption, the welfare of the Metropolitan Government of Nashville and Davidson County requiring it.

RECOMMENDED BY:

INTRODUCED BY:

Abraham Wescott

Abraham Wescott, Director  
Public Property Administration

\_\_\_\_\_

\_\_\_\_\_

Member(s) of Council

APPROVED AS TO THE AVAILABILITY OF  
FUNDS

Jenneen Reed / adm

Jenneen Reed, Director  
Department of Finance

APPROVED AS TO FORM AND  
LEGALITY:

Tom Kier

Assistant Metropolitan Attorney

## PIPELINE RELOCATION AGREEMENT

By and Between

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY  
and  
PIEDMONT NATURAL GAS, INC.

This Pipeline Relocation Agreement ("Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 2025 ("Effective Date"), by and between Metropolitan Government of Nashville and Davidson County ("Metro") and Piedmont Natural Gas Company, Inc. ("Piedmont").

WITNESSETH:

WHEREAS, Metro intends to initiate a project located at or in the vicinity of Victory Ave, Nashville, TN ("Project"), and the Project will come into conflict with Piedmont's existing 12-inch steel high pressure distribution pipeline and appurtenant facilities located in the vicinity of the Project ("Existing Piedmont Facilities").

WHEREAS, based upon information available as of the Effective Date of this Agreement, the modification of the Existing Piedmont Facilities will require, without limitation, abandonment, and the relocation and replacement of approximately 1,100 ft of 12-inch high pressure distribution pipeline with approximately 1,320 ft of 12-inch high pressure distribution pipeline (collectively, all work performed to accommodate the Project, including, without limitation, the procurement of any permits, licenses and inspections required in connection therewith and any scope changes made at the request of the Metro, are referred to herein as the "Modifications").

WHEREAS, Metro and Piedmont desire to modify the Existing Piedmont Facilities in accordance with the terms set forth herein.

NOW, THEREFORE, in order to facilitate the orderly and expeditious relocations of the Existing Piedmont Facilities, in consideration of the mutual undertakings and obligations exchanged and set forth herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Metro and Piedmont hereby agree as follows:

1. Metro has requested Piedmont complete work on or prior to October 31<sup>st</sup>, 2026 or no less than ten (10) months after the Effective Date; provided Piedmont will receive an extension date equal to a change in Metro's schedule. As of the Effective Date, Metro intends to commence work as of November 1<sup>st</sup>, 2026. Piedmont will make commercially reasonable efforts to complete the abandonment of the section of gas pipeline currently in conflict by the requested date provided that Metro pays the Advanced Payment and Estimated Cost (as such term is hereinafter defined) within the timeframes set forth below. Metro acknowledges and agrees there may be delays including without limitation force majeure events, weather events, failure of the Metro to timely pay the Estimated Cost, scope changes made at the request of the Metro, supply and material delays, any breach by Metro of this agreement, Piedmont's ability to obtain state and local permitting, and/or Piedmont's ability to obtain land rights on property owned by third parties; Metro



acknowledges that Piedmont will not be liable or penalized in any manner for said delay(s). Further, Metro acknowledges any action necessary to complete the Modifications are in Piedmont's sole and absolute discretion.

2. All Actual Costs (as defined in Paragraph 4) in connection with or related to the Modifications will be borne by Metro. Any improvements or modifications incorporated into the relocated facilities which Piedmont has reasonably determined are necessary to meet current operational policies and regulatory requirements shall be included as part of the Modifications and the Actual Costs.
3. (a) Metro shall submit a check or wire transfer, in immediately available funds, to an account designated by Piedmont, for TWO MILLION FIVE HUNDRED EIGHTY-THREE THOUSAND AND ONE HUNDRED DOLLARS (\$2,583,100) ("Advance Payment") within fifteen (15) calendar days of the execution date of this Agreement. Notwithstanding anything to the contrary herein, Piedmont shall not be obligated to begin performance of the Modifications in any capacity until the Advance Payment is received and the New Easement (as defined in Paragraph 5) has been executed and recorded.  
  
(b) This Advance Payment is not representative of total cost. Total costs based on a Class 5 Estimate (-20%/+50%) are estimated to be FIVE MILLION ONE HUNDRED SIXTY-SIX THOUSAND AND TWO HUNDRED DOLLARS (\$5,166,200) ("Estimated Cost"). Metro acknowledges that the estimate on which the Estimated Cost is based only represents a preliminary assessment and does not include provisions for any unforeseen conditions that may be encountered during installation including, without limitation, design scope changes, environmental contamination or other construction conditions, or labor or material challenges.

(c) The parties agree that the payment of the Estimated Cost shall occur as follows:

Project Phases	Payment Amount	Payment Due Date
Advance Payment for Engineering/Land/Materials	\$2,583,100	Within 15 days of the Effective Date of this agreement
Construction/Inspections	\$2,583,100	Within ten days of receiving an invoice from Piedmont as set forth in detail below.

At such time as Piedmont determines it is ready to enter into a contract for the performance of the construction work required to complete the Modifications, Piedmont shall have the option of affirming or revising the Estimated Cost. The full remaining balance of the then-current Estimated Cost must be paid to Piedmont by Metro within ten (10) days of receiving an invoice from Piedmont, and under no circumstances will Piedmont be obligated to enter into a contract for construction of the Modifications or otherwise take any action in connection with the construction of the Modifications prior to Piedmont's receipt of full payment for the then-current Estimated Cost. If Metro has not made full payment of the then-current Estimated Cost within the ten-day period, then Piedmont shall have the right to immediately cease any and all work until full payment is received. For clarity, Piedmont

may, in its sole and absolute discretion, enter into a construction contract for the Modifications or otherwise take actions in connection with construction of the Modifications prior to receiving Metro's full payment of the then-current Estimated Payment, but the decision by Piedmont to take such actions prior to receiving such payment shall in no way alter or diminish Piedmont's rights under this Agreement or otherwise obligate Piedmont to continue construction of the Modifications or other work of any kind until the full amount of the then-current Estimated Cost is paid by Metro.

(d) Metro acknowledges that any failure to pay amounts required hereunder by the applicable deadline may delay Piedmont's completion of the Modifications by the targeted completion date.

4. The actual costs of completing the Modifications shall include, without limitation, the costs associated with design, land, procurement, materials, equipment, supplies, labor, construction, commissioning, overheads, contingencies and all other work to be performed pursuant to this Agreement, plus (if applicable) an allowance for funds used during construction ("AFUDC") and any tax gross-up amount to the extent Piedmont has determined any amounts paid to or owed by Piedmont to be taxable (collectively, the "Actual Costs"). Upon completion of the Modifications, Piedmont agrees to reimburse Metro within thirty (30) days of determining the Actual Costs if the Actual Costs are less than the total value of the payments previously received from Metro pursuant to Paragraph 3, and Metro agrees to pay any additional costs to Piedmont within thirty (30) days of receipt of an invoice if the Actual Costs exceed the total value of the payments previously received from Metro pursuant to Paragraph 3.
5. Upon Piedmont's completion of preliminary design work and a survey for the Modifications, Metro shall facilitate the granting to Piedmont of an encroachment to facilitate construction, maintenance, and inspection of the Modifications across the right-of-way or easement owned or held by Metro, together with any access and/or temporary construction easements or rights which Piedmont reasonably deems necessary to support the new pipeline right-of-way, all as required for Piedmont to construct, operate, access, and maintain its relocated natural gas facilities. The Modifications shall be generally within Metro's right-of-way at the location indicated on Exhibit A, which is attached hereto and incorporated by reference. The encroachment granted by Metro shall be memorialized in the public record for Davidson County. Notwithstanding anything in Metro's Ordinances or Franchise Agreement to the contrary, Metro shall reimburse Piedmont for the reasonable costs of any future relocation of the Modifications as such relocation may be requested or required by Metro or any third party acting on Metro's behalf. To the extent reasonably possible, such future relocation of the Modifications shall be within a private easement in form and substance acceptable to Piedmont, or if private easements are unavailable then within Metro's right-of-way subject to the same terms and conditions of this Paragraph 5. Subject to further site inspection to determine Piedmont's needs for the Modifications, Piedmont currently expects any future easement to consist of pipeline right-of-way that is 10 feet in width and temporary construction easement of an additional 20 feet in width. Any deviations to Piedmont's standard terms and conditions in the New Easement shall be in Piedmont's reasonable discretion.

6. This Agreement applies solely to reimbursement of the work necessary to complete the Modifications including the granting of the New Easement. Permission to encroach on Piedmont easements by Metro or its employees, agents or contractors shall be reviewed separately through Piedmont's standard encroachment review process. If an encroachment is approved, it will be subject to such terms and conditions as deemed necessary by Piedmont including, without limitation, issuance of an encroachment permit.
7. Metro acknowledges that Piedmont may need to obtain land rights from third party landowners and that Metro will be solely responsible for the costs of obtaining such land rights and/or easements, which shall be included in the Actual Costs set forth in Section 4. Piedmont will not use condemnation to acquire new land rights under any circumstances for this Project. Metro agrees and acknowledges the possibility of Metro having to pay above fair market value for land rights or potentially utilizing a more costly and time-intensive route if certain rights cannot be obtained.
8. To the extent permitted by law, Metro shall indemnify, defend, and hold harmless Piedmont and its parent, affiliates, successors and assigns and their respective officers, directors, employees, agents, and contractors (collectively, the "Indemnified Parties") from and against any and all claims, actions, expenses (including, without limitation, reasonable attorneys' and consultants' fees), liabilities, damages, and losses (collectively, the "Damages") incurred by or asserted against the Indemnified Parties in connection with or related to this Agreement, by reason of the death of or bodily injury to any person, or the destruction of or damage to any property, real or personal, arising out of the negligent acts or omissions of the Metro or its employees, contractors, agents, or invitees, except to the extent caused by the negligence of Piedmont or its employees, agents or contractors. All terms providing for indemnification in this Agreement shall survive the termination of the Agreement.
9. Metro maintains a program of self-insurance for tort liability. The program complies with the requirements of Tennessee state law.
10. Upon thirty (30) days' written notice, Metro shall have the right to inspect all books and records of Piedmont pertaining solely to the work performed by it under this Agreement to the extent necessary to verify the accuracy of the costs billed. Metro may exercise such right at any time after work begins and for a period of one (1) year from the date final payment has been issued under this Agreement.
11. The parties, including their agents, employees and anyone acting on their behalf, shall not disclose any of the terms of this Agreement to anyone other than to their accountants, tax or financial advisors, and attorneys, or as required by law.
12. Both parties expressly agree that this Agreement will be construed in accordance with the laws of the State of Tennessee and that all disputes, controversies, or differences arising out of this Agreement or any breach thereof shall be resolved in a court of competent jurisdiction in Davidson County, in the State of Tennessee.

13. Piedmont's entry into this Agreement and willingness to be bound by its terms is subject to the New Easement not being subject to the lien of any mortgages or deeds of trust or any other easements, licenses, grants, rights-of-way or similar encumbrances and Company's signature hereunder shall expressly and unconditionally evidence such priority which shall be maintained throughout the term of the New Easement. Company agrees to indemnify, defend and hold Piedmont harmless from any Damages arising from or relating to the priority and adequacy of the property rights provided to Piedmont by the New Easement.
14. This Agreement benefits and shall be binding upon the parties hereto and their respective heirs, successors, and assigns. This Agreement constitutes the entire agreement between the parties with respect to matters addressed herein and supersedes all prior representations or contracts. No modification of the terms of this Agreement shall be effective except by written agreement of the parties. Company may not assign its rights and obligations under this Agreement without the express written consent of Piedmont, which shall not be unreasonably withheld. This Agreement was jointly drafted and prepared by the parties and no presumption, either in favor or against any party, shall be deemed to exist with respect to the interpretation of any provision of this Agreement. Each signatory below represents and warrants that he or she has all necessary authority to enter into this Agreement on behalf of whichever party on whose behalf he or she is signing this Agreement. Electronic signatures and transmission (such as pdf) shall be as effective as if originals and this Agreement may be signed in counterparts, the sum of which constitutes a single document.

IN WITNESS WHEREOF, the parties hereto have affixed their names by their duly authorized representatives as of the Effective Date.

**METROPOLITAN GOVERNMENT OF  
NASHVILLE AND DAVIDSON COUNTY**

Approved as to the availability of funds:

  
Jenneen Reed, Director of Finance

Approved as to form and legality:

  
Metropolitan Attorney

**PIEDMONT NATURAL GAS COMPANY,  
INC.**

BY: 

NAME: NEIL M. MAGER

TITLE: VP - NATURAL GAS MAJOR PROJECTS

