



# Metropolitan Nashville and Davidson County, TN

## Legislation Text

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**File #:** RS2024-316, **Version:** 1

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A resolution approving Supplement #2 to an Intergovernmental Agreement by and between the State of Tennessee, Department of Transportation, and The Metropolitan Government of Nashville and Davidson County, acting by and through the Department of Water and Sewerage Services, to construct PIN Number 105766.02, SR-11, (Nolensville Pike), from North of Mill Creek to near SR-254, located in Davidson County, Tennessee, (State Project No. 19028-2245-14, MWS Project No. 16-WG-0060 and Proposal No. 2024M-008AG-001.)

WHEREAS, RS2018-1094 approved an agreement between The Metropolitan Government of Nashville and Davidson County, through the Department of Water and Sewerage Services ("Metro"), and the State of Tennessee, Department of Transportation ("TDOT"), for plans to construct Project No. 19028-2245-14, PIN Number 105766.02, SR-11, (Nolensville Pike), from North of Mill Creek to near SR-254, located in Davidson County, which requires the relocation of utilities, and included betterment to The Metropolitan Government of Nashville and Davidson County's facilities, as described in the Intergovernmental Agreement dated April 11, 2018; and,

WHEREAS, RS2023-2274 approved Supplement #1 of the Intergovernmental Agreement from June 23, 2023 reflecting the updated cost estimate of the project including betterments; and,

WHEREAS, the parties wish to amend Supplement #1 of the Intergovernmental Agreement from June 23, 2023 to reflect the updated cost estimate of the project including betterments; and,

WHEREAS, TDOT is liable for the relocation of utility facilities located on private utility right-of-way and is authorized, in accordance with TCA 54-5-804, to reimburse the Utility for the relocation of utility facilities located on public highway right-of-way but is not liable for any utility betterment costs; and,

WHEREAS, in accordance with TDOT policy, reimbursement for relocating utility facilities on public highway right-of-way for municipally owned utilities, Utility Districts, or Utility Cooperatives, as defined in TDOT's Policy #340-07, is capped at a maximum reimbursement of \$1,750,000; and,

WHEREAS, pursuant to the terms of Supplement #2 to Utility Relocation Contract No. 8756, the estimated cost of relocating the facilities is \$9,227,148.00 and the Department of Water and Sewerage Services agrees to pay a deposit to TDOT of \$4,237,697.76, consisting of \$2,997,436.00 in betterment costs; and,

WHEREAS, Tennessee Code Annotated, Section 12-9-104(a)(2)(b), authorizes The Metropolitan Government of Nashville and Davidson County to approve an agreement with TDOT by resolution; and,

WHEREAS, it is in the interest of the Metropolitan Government of Nashville and Davidson County that this utility work be carried out.

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

Section 1. That Supplement #2 to Utility Relocation Contract No. 8756 with TDOT, attached hereto as Exhibit 1, and incorporated herein by reference, is hereby approved, and that the Metropolitan Mayor is authorized to execute the same.

Section 2. That this resolution shall take effect from and after its adoption, the welfare of the

Metropolitan Government of Nashville and Davidson County requiring it.

Analysis

This resolution approves Supplement #2 to an intergovernmental agreement between the Tennessee Department of Transportation (“TDOT”) and the Metropolitan Department of Water and Sewerage Services (“MWS”) originally approved by Resolution No. RS2018-1094.

RS2018-1094 authorized MWS to enter into a Utility Relocation Contract with TDOT for the construction of State Project No. 105766.02, SR-11, (Nolensville Pike), from North of Mill Creek to near SR-254 (Old Hickory Boulevard), located in Davidson County. Tenn. Code Ann. § 12-9-104(a)(2) authorizes approval of intergovernmental agreements by resolution.

Supplemental #1, as approved through Resolution No. RS2023-2274, amended the intergovernmental agreement to reflect the updated cost estimate of the project. The estimated cost of relocating the facilities is \$6,021,700, which is an increase from the original estimate of \$3,959,370. This cost includes an increased betterment cost from \$1,663,116 to \$1,737,120 and an increased deposit amount from \$1,864,931.90 to \$2,043,718.40. This deposit includes the \$1,737,120 betterment cost plus \$306,598.40 in pro-rata costs of utility facilities located on public highway right-of-way. TDOT caps the maximum reimbursement for relocating utility facilities on public highway right-of-way for municipalities at \$1,750,000.

Supplement #2 would further amend Supplemental #1 to reflect the updated cost estimate. The estimated cost of relocating the facilities would be increased to \$9,227,148. This cost includes an increased betterment cost of \$2,997,436 and an increased deposit amount of \$4,237,697.76. The deposit includes the \$2,997,436 betterment cost. Under the agreement, TDOT would be liable for the relocation of utility facilities located on private utility rights-of-way but is not liable for any utility betterment costs. TDOT caps the maximum reimbursement for relocating utility facilities on public highway right-of-way for municipalities at \$1,750,000.

*Fiscal Note: The Metropolitan Department of Water and Sewerage Services’ deposit to the Tennessee Department of Transportation towards the Utility Relocation Contract No. 8756 would be increased by \$2,193,979.36 from \$2,043,718.40 to \$4,237,697.76. \$2,997,436 of this deposit would be to pay the costs of betterment that would be expected to result to Metro's facilities from this project. The remaining \$1,240,261.76 would represent the pro-rata share above the capped maximum reimbursement of \$1,750,000 for the actual cost of the utility work for relocation of utility facilities located on public highway right-of-way.*