

RESOLUTION NO. 2024-\_\_

CITY OF TONTITOWN, WASHINGTON COUNTY, ARKANSAS

**A RESOLUTION AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A CONTRACT WITH BLACK HILLS ENERGY FOR THE RELOCATION OF A GAS MAIN ALONG THE WEST SIDE OF MANTEGANI ROAD FOR THE PROPOSED STREET IMPROVEMENTS PROJECT IN THE CITY OF TONTITOWN, ARKANSAS.**

**WHEREAS**, the City of Tontitown has completed the design of a half street improvement project along Mantegani Road, and has found that a gas main is in conflict with the proposed street improvements from HWY 412 to Sbanotto Avenue, as depicted in the attached Exhibit "A"; and

**WHEREAS**, the City has received an estimate from Black Hills Energy for the cost associated with the relocation of the gas main in the amount of approximately \$62,010.00; and

**WHEREAS**, the City Council has determined that it is in the best interest and benefit of the community to authorize the Mayor to negotiate and execute a contract with Black Hills Energy to relocate the gas main in conflict with the necessary street improvements project in the City of Tontitown.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Tontitown, Arkansas:

**Section 1.** The Mayor is hereby authorized to negotiate and execute a contract with Black Hills Energy for the relocation of a gas main along the West side of Mantegani Road, in order to complete the necessary street improvements project from HWY 412 to Sbanotto Avenue, as depicted in the attached Exhibit "A".

**Section 2.** The Mayor and her designee are hereby authorized to take all such action as necessary in connection therewith.

**PASSED AND APPROVED** this \_\_\_ day of February 2024.

APPROVED:

\_\_\_\_\_  
Angela Russell, Mayor

ATTEST:

\_\_\_\_\_  
Rhonda Ardemagni, City Clerk-Treasurer  
(SEAL)



**UTILITY WORK AGREEMENT  
(DEVELOPER)**

**Developer:** City of Tontitown  
**Developer's Address:** P.O Box 305, Tontitown, AR 72770  
**Job Location:** Mantegani RD

This Utility Work Agreement ("Agreement") is made and entered into this 20 day of Feb, 2024, by and between **City of Tontitown** (hereinafter referred to as "Developer"), and Black Hills Energy Arkansas, Inc. (hereinafter referred to as "Black Hills").

**WHEREAS**, Developer proposes to make certain improvements at the location designated above, and as a result of such improvements, Black Hills must adjust, enhance, locate, observe, and/or relocate certain of its existing facilities, or construct additional facilities; and

**WHEREAS**, in connection with Developer's proposed improvements, Developer wishes Black Hills to do the following:

**Project to begin at GPS 36.177043, -94.25484, where BlackHills will relocate approximately 1,300 of 2" gas main to end at GPS 36.18052, -94.2547.**  
(hereinafter referred to as the "Work"); and

**WHEREAS**, such Work is shown in detail in Black Hills' plans, sketches, estimate of cost, and specifications (when applicable), which are attached to this Agreement and made a part hereof; and

**WHEREAS**, Developer agrees to pay for the cost of such Work to the extent herein agreed upon.



**NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES AND OTHER VALUABLE CONSIDERATION HEREIN ACKNOWLEDGED, DEVELOPER AND BLACK HILLS AGREE AS FOLLOWS:**

1. Where applicable hereunder by reason of new utility occupancy or crossing of Developer's property, Developer hereby grants to Black Hills an easement or license to install and operate utility facilities on or across Developer's property as shown on the approved plans or sketch maps attached hereto and made a part hereof. Prior to Black Hills beginning the Work, Developer will, at no cost to Black Hills, furnish Black Hills with all necessary easements, rights of way and permits. Those easements, rights of way and permits shall release Black Hills from any and all claims for damage done to streets, land, fences, and crops arising out of the performance of the Work.

2. Where applicable hereunder by reason of new construction on existing utility rights of way, Black Hills hereby grants to Developer the right to use for Developer's purposes the lands within the limits of the improvement project limits on or across which Black Hills holds a valid property interest antedating Developer's rights which were subsequently acquired in the same lands, and which property rights Black Hills shall retain so long as Black Hills, its successors or assigns continues such use and occupancy and does not abandon, and thereby release, such property interest to Developer through removal of facilities in performing the Work or by subsequent removal of facilities for Black Hills' convenience; and Developer hereby agrees that Black Hills, by granting said right and by said continued joint use and occupancy, does not waive any future claim for reimbursement for any costs as may be eligible for reimbursement by reason of such prior property interest, nor does Black Hills waive any other legal or property right held under the laws or Constitution of the State of Arkansas or the United States.

3. In the event that future construction, reconstruction, expansion, relocation, rehabilitation, betterment, maintenance, or other work on the facilities owned and operated by either Developer or Black Hills in the area jointly occupied or used under either or both Paragraphs 1 or 2 of this Agreement will disturb, detrimentally affect, interfere, or be inconvenient to the facilities or responsibilities of either party, the parties hereto shall reach agreement in writing as to locations, extent, and methods of such work before the work is undertaken. In a case of emergency, and where immediate action is necessary for the protection of the public and to minimize damage to or loss of investment in the property of Developer or of Black Hills, either party hereto may, at its own responsibility and risk, make any necessary emergency repairs, and shall notify the other party hereto of such action as soon as practicable.



10. In the event Black Hills is required to initiate litigation to enforce the terms and conditions of this Agreement, then Black Hills shall have the right to recover from Developer Black Hills' costs and expenses of such litigation, including reasonable attorney fees.

11. Developer acknowledges that it has been afforded an opportunity to have its attorney review and explain the terms of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed in duplicate by their duly authorized representatives on the date stated above.

BLACK HILLS ENERGY ARKANSAS INC.

By: \_\_\_\_\_ Tron Hodges

Its: Senior Manager- Gas Operations

City of Tontitown

By: Angela Russell

Its: Mayor

Federal Tax I.D. No.: 71-6031840



4. The estimated cost of the Work is \$62,010.00. After it has completed the Work, Black Hills will bill Developer for the actual cost of the Work. Developer shall pay such invoice within 30 days of Developer's receipt of the invoice. The estimated and actual cost of the Work includes a tax gross up amount. The tax gross up amount will appear as a separate line item on Developer's bill. The tax gross up reimburses Company for Company's federal and state income tax expense, on a net present value basis, associated with the collection of the cost of the Work from Developer. For refundable contributions, the same percentage rate is applied to refund the tax gross-up to Developer.

5. Black Hills will perform the Work, as described on the first page of this Agreement. Black Hills will endeavor to perform the Work within a reasonable time period, subject to applicable laws, rules and regulations of governmental authorities, and subject to any delay occasioned by lack of right of way, availability of materials and supplies, force majeure or events or conditions of whatsoever nature reasonably beyond Black Hills' control, and further conditioned upon the receipt of all required approvals and consents in form and substance acceptable to Black Hills. Black Hills shall not be obligated to commence the Work unless and until, at no cost to Black Hills, all necessary easements and rights of way have been executed, acknowledged and delivered to Black Hills in a form acceptable to Black Hills.

6. Title to and ownership of facilities which are the subject of the Work shall forever be and remain exclusively and unconditionally vested in Black Hills. Developer understands, acknowledges and agrees that Developer shall have no title to, interest in, or ownership of those facilities.

7. It is mutually agreed by the parties hereto that the provisions of this Agreement pertaining to property rights, right of way occupancy permission, access for servicing when applicable, and joint use of rights of way shall continue in full force and effect from the date of this Agreement, and shall be perpetually binding upon each party, and its representatives, successors and assigns.

8. Developer and Black Hills acknowledge that there are no agreements or understandings, either written or oral, between the parties related to the Work, other than as set forth in this Agreement, and that this Agreement (including any attachments hereto) contains the entire agreement between the parties regarding the Work.

9. This Agreement shall be governed in accordance with the laws of the State of Arkansas, the rules and regulations of the Arkansas Public Service Commission, and the Tariff of Black Hills. In the event of a conflict between this Agreement and any such laws, rules, regulations or Tariff, such laws, rules, regulations or Tariff shall control.



# INVOICE DETAIL

**BILL TO :** \_\_\_\_\_

**City of Tontitown  
P.O Box 305,  
Tontitown, AR 72770**

Invoice # :	50511-0000560C
Invoice Date :	03/23/2026
Customer Account # :	0011419
Work Order # :	60222477

Customer Reference / Order # :

Mantegani RD
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Invoice Summary	Total
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Project to begin at GPS 36.177043, -94.25484, where BlackHills will relocate approximately 1,300 of 2" gas main to end at GPS 36.18052, -94.2547.	124,561.27
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<b>TOTAL</b>	<b>\$</b>	<b>124,561.27</b>
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Questions concerning this invoice? Please contact:

PROPERTY ACCOUNTING - Attn: Kally Peterson  
Phone: (605) 210-0076  
Email: Kally.Peterson@blackhillscorp.com

Please remit payment to:  
PO Box 1400  
Rapid City, SD 57709-1400

**THANK YOU FOR YOUR BUSINESS!**



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**TOTAL \$ 124,561.27**

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<u>Type of Charge</u>		<u>Amount</u>
Labor and Benefits		28,495.76
Material/Supplies		17,563.45
Outside Services		179,395.94
Right of Way		187.50
Betterment Credit		(144,223.93)
AFDUC		2,691.86
	<b>Subtotal - Direct Charges</b>	<b>84,110.58</b>
Loading Allocation		40,450.69
	<b>Total Project Charges</b>	<b>124,561.27</b>
<b>Billable Amount</b>	100.00%	124,561.27
<b>Tax Recovery Cost</b>		-
<b>NET Amount Due</b>		<b>124,561.27</b>