



Huntsville, Alabama

308 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 10/27/2022

File ID: TMP-2195

Department: Huntsville Utilities

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to execute an agreement to convey high pressure gas main from the Southeast Water Treatment Plant on Highway 431 to Marshall County Gas District. (Utilities: Gas)

Resolution Yes.

Ordinance No.

Finance Information:

Account Number: N/A

City Cost Amount: \$ N/A

Total Cost: \$ N/A

Special Circumstances:

Grant Funded: \$ N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location: N/A

Address: N/A

District: District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

Additional Comments: N/A

RESOLUTION 22- _____

WHEREAS, on October 3, 2018, the City of Huntsville Gas Utility Board has approved an Agreement to convey high pressure gas main from the Southeast Water Treatment Plant on Highway 431 and extending South in and through Marshall County, Alabama to Guntersville, Alabama along with a triangular tract of land located at the intersection of U. S. Highway 431 and Alabama Highway 79; and

WHEREAS, said gas mains have not been in use; and

WHEREAS, the portion of the pipeline to be conveyed to The Marshall County Gas District is presently unused and is surplus property having no customers being served; and

WHEREAS, the conveyance requires the consent and approval of the City Council of the City of Huntsville, Alabama;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Huntsville, Alabama that the Agreement to convey high pressure gas main from the Southeast Water Treatment Plant on Highway 431 and extending South in and through Marshall County, Alabama to Guntersville, Alabama along with a triangular tract of land located at the intersection of U. S. Highway 431 and Alabama Highway 79 be, and the same is hereby approved and the written consent or approval of the City Council of the City of Huntsville is hereby granted to the City of Huntsville Gas Utility Board.

ADOPTED this the 27th day of October, 2022.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 27th day of October, 2022.

Mayor of the City of Huntsville,
Alabama



HUNTSVILLE UTILITIES
ELECTRICITY • NATURAL GAS • WATER

MEMORANDUM

To: Huntsville City Council

From: Wes Kelley, President & CEO

Date: October 14, 2022

Subject: Huntsville Utilities Item for City Council Agenda, October 27, 2022
Resolution authorizing the Mayor to enter into an agreement between The Marshall County Gas District, a Corporation, hereinafter referred to as (DISTRICT) and City of Huntsville. (Utilities: Gas)

Approval of the resolution authorizing the Mayor to enter into an agreement between The Marshall County Gas District, a Corporation, hereinafter referred to as (DISTRICT) and City of Huntsville. (Utilities: Gas)

STATE OF ALABAMA)
)
COUNTY OF MARSHALL)

AGREEMENT

THIS AGREEMENT made this the 13TH day of OCTOBER, 2022,
by and between THE MARSHALL COUNTY GAS DISTRICT, a Corporation, hereinafter referred to as
(DISTRICT) and CITY OF HUNTSVILLE, a Municipal Corporation, within the State of Alabama,
d/b/a Huntsville Utilities hereinafter referred to as (HUNTSVILLE).

- W I T N E S S E T H -

WHEREAS, Huntsville is a Municipal Corporation located in Madison County, Alabama
and owns and operates a gas distribution system located primarily in Madison County, Alabama;
and

WHEREAS, District is a Corporation organized under the laws of the State of Alabama
and operates a gas distribution system in Marshall County, Alabama; and

WHEREAS, Huntsville did during the year 1977 construct a natural gas transmission line
which begins in Guntersville, Alabama and proceeded North along US Highway 431 to a point
located at or near; Hobbs Island Road in Madison County; and

WHEREAS, said gas mains have not been in use or transporting natural gas except for
gas being transported through the pipeline on US Highway 431 to Huntsville's Southeast Water
Treatment Plant at or near Guntersville Dam Road in Marshall County, Alabama where
Huntsville Water Treatment Plant is utilizing gas; and

WHEREAS, a portion of the pipeline beginning at the Southeast Water Treatment Plant
on Highway 431 and extending South in and through Marshall County, Alabama to Guntersville,
Alabama is presently unused and is surplus property having no customers being served from gas
mains and Huntsville is securing gas from other sources to supply the Southeast Water Treatment
Plant and is being required to maintain, repair and keep up the gas mains which is an expense to
Huntsville; and

WHEREAS, District and Huntsville desire to enter into an agreement where all of the
aforesaid gas mains along Highway 431, beginning at or near the location of the Southeast Water
Treatment Plant of Huntsville and extending South to the end of said gas mains be transferred
from Huntsville to District, without any consideration except as set forth in this agreement; and

WHEREAS, District will secure a Resolution accepting the transfer of the gas mains and
to hold harmless and indemnify Huntsville from any and all future Liability from the date of
transfer relating to the District's operation, use and maintenance of the pipeline.

WHEREAS, Huntsville and District desire to set forth the terms and conditions of the transfer and secure Resolutions from the City Council of the City of Huntsville, Alabama which would transfer any assets that Huntsville may or might have in and to the gas line to District; and

NOW, THEREFORE, in consideration of the premises and mutual covenants and conditions as hereinafter agreed upon, the Parties have agreed as follows:

1. Huntsville will transfer to District any and all right, title, interest, claim or demand which Huntsville may have in and to that certain gas main or gas transmission main which are located in Marshall County, Alabama and more particularly described in Exhibit A, attached hereto.

2. Huntsville received by Deed, title to a triangular tract which is located in the Y at the intersection of US Highway 431 and Alabama Highway 79, a copy of which is attached and marked Exhibit B and Huntsville will transfer by Quitclaim Deed any and all interest which Huntsville has in and to said triangular tract to District. The Quitclaim Deed will be a deed authorized and approved the City Council of the City of Huntsville with the Mayor of the City of Huntsville executing the deed.

3. The pipeline and main as installed along and upon Highway 431 has been installed in the right-of-way of US Highway 431 with permission granted by the Alabama Department of Transportation by permit, and Huntsville will execute an instrument transferring any and all interest which Huntsville may or might have to the gas mains which are installed in US Highway 431. A copy of said transfer or agreement shall be delivered to the Alabama Department of Transportation area headquarters which are located in Guntersville, Alabama which is located along US Highway 431 in Marshall County, Alabama.

4. District will, at the expense of District, construct a metering station which will be constructed in accordance with Exhibit C attached hereto and which metering station will be constructed at or near the location of the Southeast Water Treatment Plant which is located at or near the intersection of Guntersville Dam Road and US Highway 431. The metering station is for metering gas which may be transferred between Huntsville and District and Huntsville is to grant to District an easement to construct the metering station on the property of Huntsville. The location and size of the easement shall be determined by Huntsville and subject to any type of restrictions, exceptions, reservations or liens that may or might have been imposed by Tennessee Valley Authority (TVA) or any other party on any of the real estate owned by Huntsville. Huntsville will transfer by an easement conveyance and will transfer only such title that Huntsville may or might have and subject to any and all restrictions, reservations, prohibitions and liens of record and further to such conditions as Huntsville may impose upon the easement.

5. As and for the consideration of the transfer District does agree to indemnify and hold harmless Huntsville from any and all future liability from the date of transfer relating to District's operation, use and maintenance of said pipeline. This indemnification is predicated on acceptance by District of the transferred gas system in an "as is" and "whereas condition". Huntsville makes no representation, warranty or other agreement as to the condition of the aforesaid gas line and that the same is being transferred from Huntsville to District without any

type of obligation on the part of Huntsville to repair, fix or maintain any portion of the transferred property, all maintenance, upkeep and repairs subsequent to date of this agreement will be done and performed by District.

6. District will secure a Resolution in such form as required by Huntsville which will accept the transfer of the gas line or mains and will have the District indemnify and hold harmless Huntsville as set forth herein.


7. District agrees to complete the metering station as set forth herein within six (6) months of the date of the last governing body to this agreement executes the same. Failure of the District to construct the metering station by the aforesaid date shall result in Huntsville having the sole right or option to cancel this agreement and District shall pay unto Huntsville any and all expenses incurred by Huntsville for performance of this agreement and transfer.

8. The Alabama Department of Transportation has been contacted as to any requirements as to transfer of permits of the gas pipeline to be transferred and has been informed that there are no formal requirements; however, they will accept a copy of the transfer and may or might keep and maintain the same. Both Parties agree that they will submit to the Alabama Department of Transportation a copy of this agreement and any other documentation that may or might be executed to the Alabama Department of Transportation so that the interest in and to the gas transmission pipeline may be transferred from Huntsville to District.

9. This Agreement embodies the entire Agreement between the Parties hereto and the same shall not be amended or altered unless entered into in writing with the same formality as these present.

IN WITNESS WHEREOF, the undersigned have hereunto executed this Agreement on the day and date first above written.

CITY OF HUNTSVILLE, d/b/a HUNTSVILLE UTILITIES

By: 
Its President & CEO

THE MARSHALL COUNTY GAS DISTRICT

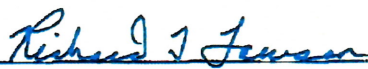
By: 
Its CEO

Exhibit A - Huntsville Utilities shall transfer ownership of approximately nine miles of twelve inch welded steel natural gas pipeline and such fittings, valves, metering station and components attached to said pipeline to Marshall County Gas District. Said pipeline lies within the right-of-way of US 431 South Highway from a point beginning at or near ALDOT Milepost 311.07 and ending at the metering station located at the intersection of AL Highway 79 and US 431 South Highway.

HUNTSVILLE UTILITY DEED

STATE OF ALABAMA)

COUNTY OF MARSHALL) KNOW ALL MEN BY THESE PRESENTS:

That **City of Huntsville**, a municipal corporation within the State of Alabama, d/b/a Huntsville Utilities, of the first part, in consideration of Ten and no/100 Dollars (\$10.00) and other valuable consideration to them in hand paid by **Marshall County Gas District**, a Public Corporation, of the second part, the receipt whereof is hereby acknowledged, does grant, bargain, sell and convey unto the said parties of the second part, subject to the conditions, limitations and restrictions set out below, the following described real estate, to-wit:

All that part of the Southeast Quarter of Section 13, Township 7 South, Range 3 East of the Huntsville Meridian in Marshall County, Alabama, particularly described as beginning at a point on the north margin of Y Road connecting U.S. Highway 241 (431) and Alabama Highway 79 on the T. L. Conner property; said place of beginning is more particularly described as being Tennessee Valley Authority Monument #73; thence from the place of beginning South 78 degrees 15 minutes West along the North margin of said Y Road 80.58 feet; thence North 29 degrees 53 minutes East 106.71 feet to the Tennessee Valley Reservation Boundary Line; thence South 19 degrees 00 minutes east along said Tennessee Valley Authority Boundary Line 80.0 feet to the place of beginning, and containing 3195.10 square feet or 0.073 acres, more or less. (A-6785 & B-15498.2 ref only)

Subject, however, to any valid adverse title as to minerals, oil or mining rights, easements or rights of way, covenants running with the land; encroachments or other matters or defects shown by a survey of said property.

Anything contained in this deed to the contrary notwithstanding, this property is conveyed, and the subject property is accepted by the Party of the Second Part with no warranties from the City of Huntsville.

Together with all and singular the tenements, hereditaments, rights, privileges, and appurtenances thereunto belonging or in anywise appertaining.

TO HAVE AND TO HOLD, to the said parties of the second part and to its successors and assigns forever.

In Witness Whereof, the **City of Huntsville**, a municipal corporation, has caused its name to be affixed hereto by TOMMY BATTLE, its Mayor, who is duly authorized, and has caused the same to be attested by its City Clerk, and its Corporate Seal affixed on this ____ day of _____ 2022.

CITY OF HUNTSVILLE, A MUNICIPAL CORPORATION

BY: _____ (Seal)
TOMMYBATTLE
Its Mayor

ATTEST:

_____(SEAL)
Its City Clerk

STATE OF ALABAMA)
COUNTY OF MADISON)

I, the undersigned authority, a Notary Public in and for said County and State, hereby certify that TOMMY BATTLE, whose name as Mayor of the City of Huntsville, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of this conveyance, he, as such Mayor and with full authority, executed the same voluntarily for and as the act of such municipal corporation.

Given under my hand and seal this the ____ of _____ 2022.

NOTARY PUBLIC
My Commission Expires: _____

STATE OF ALABAMA)
COUNTY OF MADISON)

I, the undersigned authority, a Notary Public in and for said County and State, hereby certify that KENNETH BENION, whose name as City-Clerk Treasurer of the City of Huntsville is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of this conveyance, he, as such officer and with full authority, executed the same voluntarily for and as the act of such municipal corporation.

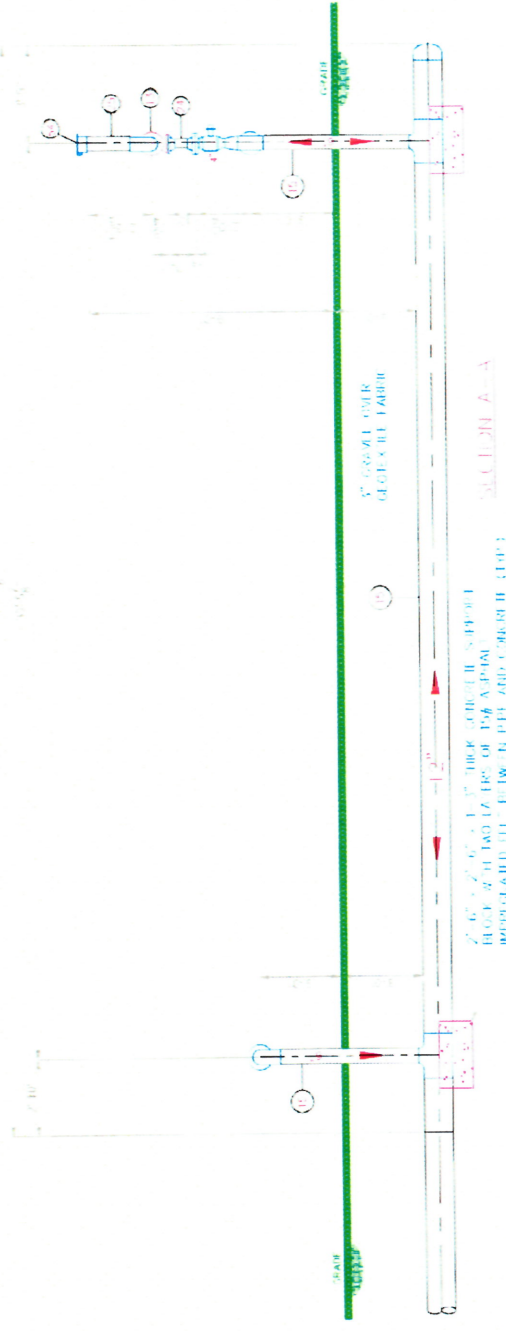
Given under my hand and seal this the ____ of _____ 2022.

NOTARY PUBLIC
My Commission Expires: _____

B-15498.2

W:\WORK\Deed\Marshall County Gas District from City of Huntsville NE 4th 13-7-2 B-15498.2 ref only

This instrument prepared by Wade K. Wright, 2313 Worth Street, Guntersville, Alabama. (By preparing same the scrivener does not expressly or impliedly give any opinion or warranty as to the status of the title of the property conveyed herein.)



SECTION A-A



SECTION B-B

REVIEW ONLY
(NOT FOR CONSTRUCTION)
3/31/20

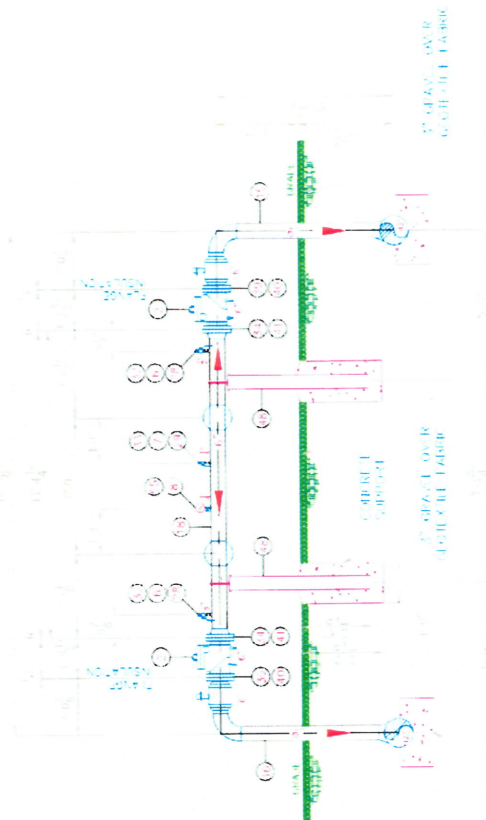
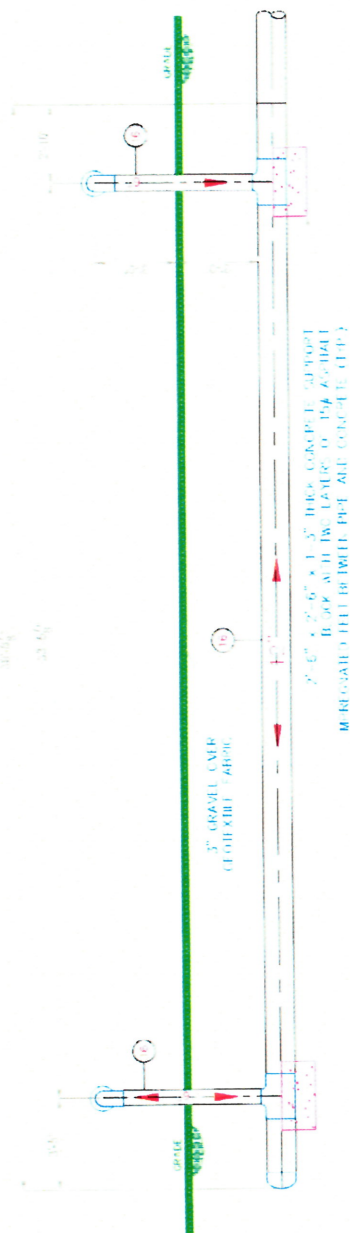


SE. BRNS
MARSHALL COUNTY GAS DISTRICT
HUNTSVILLE METER STATION

DATE: 3/31/20	BY: JLS
SCALE: 1"=20'	APP'D: JLS
LOCATION: SE. BRNS	DRAWING NO: 674-HMS-C
DESIGNED BY: JLS	
CHECKED BY: JLS	

NO.	DATE	REVISIONS
1	3/31/20	ISSUED FOR CONSTRUCTION

SECTION B-B
2' x 6' x 1' TRENCH FOR 6\"/>



REVIEW ONLY
(NOT FOR CONSTRUCTION)
3/31/20

[illegible]

DATE: 3-24-20
SCALE: 1/2" = 1'-0"
DESIGN BY: DCL
APPROVED BY:
BILL NAME:
DRAWING NO:
3-24-1-MS-1D

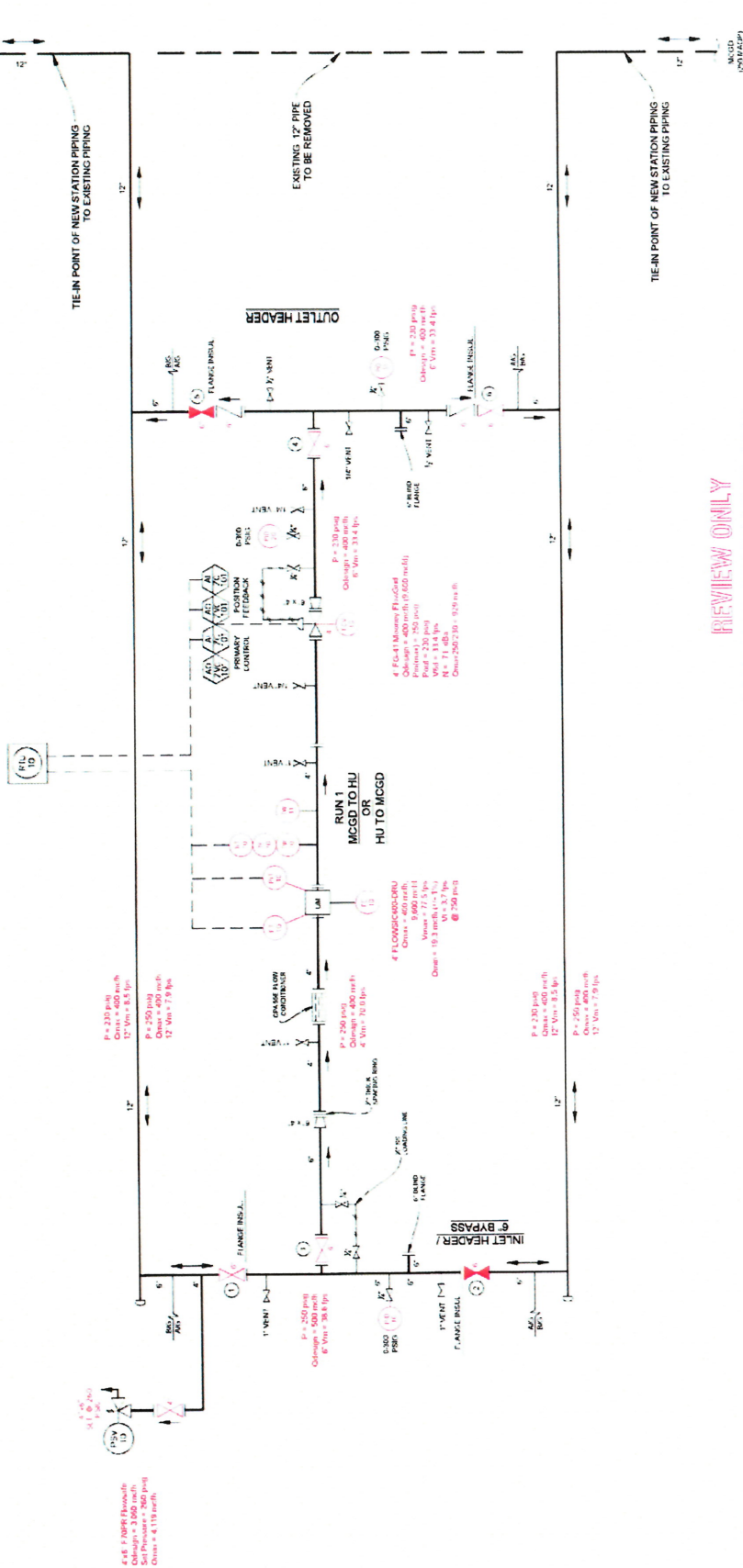


8850 HIGHWAY 36
MONTGOMERY, ALABAMA 36103

[illegible]

[illegible]

HUNTSMVILLE UTILITIES
(CROSSING)



NOTES

1. MAXIMUM ALLOWABLE OPERATING PRESSURE (MAOP): 250 PSIG (HU & MCGD)
2. MINIMUM DESIGN FLOW RATE: 5.4 MCFH (130 MCFD) @ 250 PSIG
3. MAXIMUM DESIGN FLOW RATE: 400 MCFH (9,000 MCFD) @ 250 PSIG
4. USER TO VERIFY MAOP WITH MARSHALL COUNTY GAS DISTRICT AND HUNTSMVILLE UTILITIES BEFORE TAKING ANY ACTION BASED ON THAT PRESSURE.

VALVE POSITION FOR OPERATIONAL MODES

1. HU TO MCGD (PRIMARY MODE)
VALVE NOS 1, 3, 4 AND 6 ARE OPEN
VALVE NOS 2, 5 AND 6 ARE CLOSED.
2. MCGD TO HU (SECONDARY MODE)
VALVE NOS 2, 3, 4 AND 5 ARE OPEN
VALVE NOS 1, 6 AND 6 ARE CLOSED.
3. BYPASS MODE
VALVE NOS 1 AND 2 ARE OPEN
VALVE NOS 3, 4, 5 AND 6 ARE CLOSED.

DESIGNED BY: MARSHALL COUNTY GAS DISTRICT
DRAWN BY: MARSHALL COUNTY GAS DISTRICT
CHECKED BY: MARSHALL COUNTY GAS DISTRICT
APPROVED BY: MARSHALL COUNTY GAS DISTRICT
DATE: 3/31/20



MARSHALL COUNTY GAS DISTRICT
HUNTSMVILLE METER STATION



DATE: 3/31/20
DRAWN BY: MARSHALL COUNTY GAS DISTRICT
CHECKED BY: MARSHALL COUNTY GAS DISTRICT
APPROVED BY: MARSHALL COUNTY GAS DISTRICT
FILE NAME: 624-HVS-4
DRAWING NO: 624-HVS-4

REVISIONS

NO.	DATE	DESCRIPTION	BY	CHKD BY
1	3/31/20	ISSUED FOR CONSTRUCTION	MM	MM

