

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED  
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.**

**ORDINANCE**

**AUTHORIZING A REIMBURSEMENT AGREEMENT BETWEEN  
THE CITY OF SAN ANTONIO AND CITGO PRODUCTS PIPELINE  
COMPANY TO REIMBURSE FUNDS IN THE AMOUNT OF  
\$285,700.00 FROM THE CITY OF SAN ANTONIO TO CITGO  
PRODUCTS PIPELINE COMPANY FOR DESIGN AND  
CONSTRUCTION COSTS RELATED TO THE LOWERING OF A  
HIGH-PRESSURE GAS PIPELINE IN ADVANCE OF  
CONSTRUCTION OF THE PEGGY DRIVE AREA DRAINAGE  
PROJECT, A 2022 BOND FUNDED PROJECT, LOCATED IN  
COUNCIL DISTRICT 2. FUNDING IS AVAILABLE FROM 2022  
GENERAL OBLIGATION BOND PROGRAM FUNDS INCLUDED  
IN THE FY 2025 – FY 2030 CAPITAL IMPROVEMENT PROGRAM.**

\* \* \* \* \*

**WHEREAS**, on May 7, 2022, San Antonio voters approved the 2022 Bond Program, which included \$20,000,000.00 under Proposition B, Drainage and Flood Control for the Peggy Drive Area Drainage Project. This project consists of regrading an existing earthen channel, installing an underground storm drain system and associated reconstruction of Peggy Drive Area streets with curbs, sidewalks, and driveway approaches; and

**WHEREAS**, the Peggy Drive Area Drainage project includes roadway reconstruction over and across the pipeline easement owned and operated by CITGO. To accommodate the City's work on the project, it is necessary for CITGO to lower its pipeline. This reimbursement agreement will reimburse CITGO in funds in the amount of \$285,700.00 for design and construction costs related to lowering the high-pressure gas pipeline before the construction start of the Peggy Drive Area drainage project. Construction on the Peggy Drive Area Drainage project is anticipated to begin in Winter 2026 and is estimated to be completed by Spring 2027; and

**WHEREAS**, this Ordinance authorizes the execution of a Reimbursement Agreement between the City of San Antonio and CITGO Products Pipeline Company to reimburse \$285,700.00 from the City of San Antonio to CITGO Products Pipeline Company (CITGO) for design and construction costs related to the lowering of a high-pressure gas pipeline in advance of the Peggy Drive Area Drainage Project, a 2022 bond-funded project located in Council District 2. Funding is available from 2022 General Obligation Bond Program funds included in the FY 2025 – FY 2030 Capital Improvement Program; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Manager or designee, or the Director of the Public Works Department or designee, is authorized to execute a Reimbursement Agreement between the City of San Antonio and CITGO Products Pipeline Company to reimburse \$285,700.00 from the City of San Antonio to CITGO Products Pipeline Company (CITGO) for design and construction costs related to the lowering of a high-pressure gas pipeline in advance of the Peggy Drive Area Drainage Project, a 2022 bond-funded project located in Council District 2.

**SECTION 2.** The City Manager or designee, or the Director of the Public Works Department or designee, is further authorized to execute any and all necessary documents to effectuate said agreement and acceptance.

**SECTION 3.** Funds for this ordinance in the amount of \$285,700.00 is available in Fund 45099000, Project 23-03940, WBS Element 23-03940-05-02-01 and GL Account 5201140.

**SECTION 4.** Payment not to exceed \$285,700.00 is authorized to be encumbered with a purchase order and made payable to CITGO Products Pipeline Company. Payment is in support for design and construction costs related to the lowering of a high-pressure gas pipeline in advance of construction of the Peggy Drive Area Drainage Project. Funding is provided by General Obligation bond funds and is included in the FY 2025 - FY 2030 CIP Budget.

**SECTION 5.** The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Fund Numbers, Project Definitions, WBS Elements, Internal Orders, Fund Centers, Cost Centers, Functional Areas, Funds Reservation Document Numbers, and GL Accounts as necessary to carry out the purpose of this Ordinance.

**SECTION 6.** This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

**PASSED and APPROVED** this \_\_\_\_ day of November, 2024.

**M A Y O R**  
Ron Nirenberg

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Debbie Racca-Sittre, City Clerk

\_\_\_\_\_  
Andrew Segovia, City Attorney