



**City Council
Agenda Item Summary Report**

Meeting Date: August 2, 2022			
Submitted by: Karl Zook, P.E. City Engineer			
Consent	Discussion Only	Public Hearing	Action/Discussion X
Item Title: Discuss and consider action regarding a Resolution approving a Reimbursement Agreement between the City of Forney and HEB.			
Attachments: Resolution Reimbursement Agreement			

Item Summary:

The HEB grocery store chain is proposing a commercial/retail development at FM 1641 just south of FM 688. As part of their development, the grocery store is requesting a new at-grade railroad crossing at mile post 192.435 on the existing Union Pacific Railroad (UP).

The first step for UP to consider a new at-grade crossing is to perform preliminary engineering services work to review potential impacts on existing and future UP facilities and operations. Since this is being considered a public crossing, the City of Forney (City) is required to be the signee on the agreement. As part of this agreement, the City is obligated to pay UP for all costs associated with the design of the crossing. Currently the costs per UP are estimated at \$50,000.

HEB has agreed to reimburse the City for all actual costs and expenses incurred by the City to Union Pacific with respect to Union Pacific's review of the Crossing Application, subject to a reimbursement limitation. Upon receipt by the City of any invoice, bill, or other document evidencing any costs, the City shall provide a copy of such documentation to HEB with a request for reimbursement of the costs. In the event that the costs exceed the aggregate amount of Fifty Thousand and No/100 Dollars (\$50,000.00), HEB shall have the continuing right in its sole and absolute discretion to terminate this Agreement at any time, by providing written notice to the City of such election. In the event that, HEB issues a termination notice, the City shall withdraw the Crossing Application, and HEB shall not be liable for any costs incurred after the date of the termination notice.

Staff recommends approval of this resolution.