

## RELOCATION AND REIMBURSEMENT AGREEMENT

**THIS RELOCATION AND REIMBURSEMENT AGREEMENT (the "Agreement")**, is made and entered into this day of JUNE 2, 2026 by and between the **CITY OF OLATHE, KANSAS**, a Kansas Municipality, hereinafter referred to as "**City**" whose mailing address is 100 E. Santa Fe Street, P.O. Box 768, Olathe, Kansas 66051-0768, and **ATMOS ENERGY CORPORATION**, a Texas Corporation authorized to conduct business in the State of Kansas, successor in interest to United Cities Gas Company, Inc., and Union Gas Corporation, Inc.), hereinafter referred to as "**Company**", whose mailing address is P.O. Box 650205, Dallas, TX 75265-0205 (collectively, the "**Parties**" and each individually, a "**Party**").

### WITNESSETH:

**WHEREAS**, Company is the owner of a Natural Gas Pipeline (the "**Pipeline**"), located in easements obtained by Union Gas Corporation, Inc. (predecessor in interest to the Company) dated April 13<sup>th</sup>, 1979 and recorded at Book 47 Page 19 in the Register of Deeds Office, Johnson County, Kansas, (the "**Easement**") being more particularly identified on **Exhibit A, attached hereto and made a part hereof**; and

**WHEREAS**, City owns a public road right-of-way lying in the NE quarter of Section 31, Township 13, Range 24 by virtue of Papers recorded in Book 47 Page 19 in the Register of Deeds Office, Johnson County, Kansas; and

**WHEREAS**, City desires that the Pipeline be relocated in connection with improvements being made by the City to PHASE 2- AREA 1 WORK OF I-35 AND SANTA FE STREET – KDOT PROJECT 35-46 KA-6364-02 AND CITY OF OLATHE PROJECT NO. 3-C-025-18 (the "**Improvements**") located in part of the Northeast quarter and of Section 31, Township 13, Range 24 in Johnson County, Kansas; and

**WHEREAS**, under the terms of this Agreement, Company is willing to relocate the Pipeline (install new pipeline and purge, cap and abandon the old pipeline in place) to accommodate the Improvements and the City is going to reimburse the Company for the relocation;

**NOW, THEREFORE**, for and in consideration of the premises and the mutual promises of the Parties herein contained, Company and City hereby agree as follows:

1. Company will relocate, adjust, and/or protect the Pipeline located within the Easement and public road right-of-way of Santa Fe Road by abandoning approximately 1710 feet of Pipe and relocating with approximately 1897 feet of Pipe to clear the proposed roadway improvements as shown on **Exhibits A and B, attached hereto and made a part hereof**, (the "**Work**"). Company further agrees to furnish or subcontract all labor, tools, materials and equipment necessary for the

Work, PROVIDED CITY AGREES TO PAY ITS PROPORTIONATE SHARE OF ALL COSTS ATTRIBUTABLE THERETO. The City's proportionate share is calculated as that part of the work not attributable to relocation of the pipe currently within the right-of-way, as defined by franchise ordinance No. 10-64.

2. The cost for the Work is estimated to be \$426,540 (hereinafter referred to as the "Estimated Costs") as shown on **Exhibit B attached hereto and made a part hereof**. Should there be a substantial change in the Work or a known increase in the Cost of the Work that increases the Estimated Costs of the Work by more than twenty percent (20%) of the initial or any subsequent estimate before completion of the Work, Company will provide City with timely notice of the increased estimated total of City's obligation and the reason for the increase. Failure to provide such notice will relieve City of its obligation to reimburse Company for any costs exceeding one-hundred-fifty percent (150%) of City's proportionate share of the latest estimate provided to City before completion of the Work. The Company will – account for the Actual Costs (hereinafter defined) of the construction, relocation and inspection by using actual and related costs accumulated in accordance with standard work order and accounting procedures. The Company shall keep a detailed and accurate account of all labor, materials, supplies, incidentals, administrative, engineering, inspection, and other necessary cost involved in such work. The City, or any other authorized agent of the City shall have access at all reasonable times to such Company records. It is understood that these Company records are kept at the Company's divisional office located in Denver, CO and all costs incurred by the City related to the inspection of the project records shall be borne by the City. Company represents that the City's proportionate share of the Estimated Costs do not include costs for relocation of any portion of Company's pipe currently located in the public right-of-way pursuant to franchise, and such costs will not be included in the accounting for the City's proportionate share of the Actual Costs.
3. City agrees to reimburse Company the City's proportionate share of the Actual Costs (hereinafter defined) for the Work (the "Reimbursement") after the completion of Work. An itemized invoice shall be sent to the City by Company reflecting the amount equal to **55 % of the Actual Costs** incurred by Company for the Work. The City will reimburse and pay to the Company all of the Company's cost of construction, relocation and/or inspection of those parts of the Pipeline located within private easement areas in accordance with **Exhibit A**. Within thirty (30) days after the receipt of an invoice from Company for the Work, the City shall pay the Reimbursement to Company according to the instructions contained in the invoice from the Company.
4. For purposes of this Agreement, "Actual Costs" shall include all direct and indirect costs, including any overhead costs, fees, and expenses incurred by Company both before and after execution of this Agreement for engineering, inspection, operations, land, attorneys, appraisers, labor, materials, supplies, incidentals, and other experts, in connection with or pertaining to the Work, the negotiation and acquisition of easements whether through negotiated settlements or condemnation, other legal and appraisal costs, and the handling of encroachment work in connection with the Work.

5. In the event the City fails to pay the Reimbursement as required by this Agreement (and as described in Paragraph 3, above), Company shall have the right to stop the Work, without obligation or liability, and the pipeline shall remain in place as it exists on the date of this Agreement and/or Company, at its election, shall have the right to take whatever actions are deemed necessary by Company in its sole discretion to protect the Pipeline and seek reimbursement for all Actual Costs incurred for the Work.
6. In the event City, for whatever reason, requires additional work to be done or materials to be used by Company not contemplated by or in Company's Estimated Costs of the Work, as shown on **Exhibit B**, City agrees to pay Company all additional Actual Costs incurred by Company to satisfy such additional requirements made by City. Company further reserves the right, upon written demand, to secure additional advances from City in the event City alters its plans in any manner or changes the scope of the Work. Any such advances shall be agreed upon in writing by Company and City under a Supplemental Agreement as set forth in Paragraph 5 above and **Exhibit C**. City will not be responsible for any costs incurred for additional work required due to Company's failure to adequately relocate the Pipeline to accommodate the improvements, as shown on Exhibit A and on the plan set provided to Atmos by City on October 20, 2025 (the "City Plans and Spec"). Provided however, should the Company incur any conditions or utilities not located on the City Plans and Specs, the Company will not be responsible for additional construction, design or relocation costs and they shall be the responsibility of the City.
7. Subject to natural gas commitments and other delays caused by force majeure, Company will endeavor with all due diligence to complete the Work before June 1, 2027.
8. The Company agrees to indemnify and hold harmless the City against and from any and all liability, loss and expense and shall defend all claims resulting from loss of life or damage or injury to persons or property where causation is directly resulting from the work performed by the Company, except said indemnification shall not apply to those claims resulting from the negligent acts of agents or employees of the City. To the extent permitted by law, and subject to the provisions of the Kansas Tort Claims Act, City agrees to indemnify and hold Company, its employees, agents independent contractors and consultants (collectively, the "City Indemnified Parties") harmless from and against any and all suits, claims, damages, injuries, liabilities, judgments, costs and/or expenses, including court costs and reasonable attorneys' fees, resulting from, arising out of, or in any way connected with:
  - a. the negligence or willful misconduct of City its employees, agents, independent contractors and consultants in connection with the performance of the work performed on the Improvements; and
  - b. any delay or expense resulting from any litigation filed against the City.

The City's indemnification of the Company shall not apply claims resulting from the willful misconduct or negligence acts of Company or its employees, agents, contractors and consultants.

This section includes, but is not limited to, any repair, cleanup, remediation, detoxification, or preparation and implementation of any removal, remediation, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance or hazardous wastes including petroleum and its fractions as defined in (i) the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"; 42 U.S.C. Section 9601, et seq.), (ii) the Resource Conservation and Recovery Act ("RCRA"; 42 U.S.C. Section 6901 et seq.) and (iii) Article 34, Chapter 65, K.S.A. and all amendments thereto, at any place where Company is permitted to conduct any of Company's activities under this Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107 (e) of CERCLA to assure, protect, hold harmless and indemnify City from liability. The right to indemnification set forth in this Agreement shall survive the termination of this Agreement.

9. At all times while this Agreement is in effect, Company shall maintain insurance as required by Exhibit D, attached hereto and made a part hereof. In compliance with the provisions contained in Exhibit D, Company has provided the City a Self-Insurance Letter referencing the project relating to the improvement; a Revised Certificate of Liability Insurance evidencing excess liability and automobile liability referencing the project relating to the Improvement and a Certificate of Liability Insurance evidencing workers' compensation and referencing the project relating to the Improvement.
10. Company, for itself, its successors and assigns, and any third party with whom Company has contracted for the performance of the Work, agrees that in performance of the Work the Company shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, marital status, disability, national origin or ancestry.
11. At all times while this Agreement is in effect, Company shall maintain insurance as required the franchise agreement (Ordinance No. 10-64) by and between the Company and the City
12. Company, for itself, its successors and assigns, and any third party with whom Company has contracted for the performance of the Work, agrees that in performance of the Work the Company shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, marital status, disability, national origin or ancestry.
13. Nothing in this Agreement shall in any way modify, waive or abandon any right, title or interest Company has in and to the above described easement.
14. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications, as may be reasonably necessary or

appropriate to carry out the terms, provisions and intent of this Agreement and to reasonably aid and assist each other in carrying out said terms, provisions and intent.

15. This Agreement shall be construed and enforced in accordance with the laws of the State of Kansas, including, but not limited to, the Kansas Cash Basis law. The unenforceability (or modification to conform with such laws or public policies) of any provision hereof shall not render unenforceable, or impair, the remainder of this Agreement. Accordingly, if any provision of this Agreement shall be deemed invalid or unenforceable in whole or in part, this Agreement shall be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provision(s), or portions thereof, and to alter the balance of this Agreement in order to render the same valid and enforceable. In the event it shall become necessary for either Party to commence litigation to enforce any provisions of this Agreement, in addition to any other relief awarded, the prevailing Party shall be entitled to recover its costs of suit, including its reasonable attorney's fees. Any legal actions related to or arising out of this Agreement must be instituted in the District Court of Johnson County, Kansas, or, if federal jurisdiction exists, in the United States District Court for the District of Kansas.
16. The terms of this Agreement shall constitute covenants running with the land and shall be binding on and inure to the benefit of the Parties hereto and their respective successors and assigns. The obligations of the Parties herein shall survive the termination of this Agreement, unless otherwise provided. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties.
17. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.
18. This Agreement may be amended only by the mutual consent of the Parties and by the execution of said amendment by the Parties or their successors in interest in writing.
19. Time is of the essence of this Agreement. The Parties hereto will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.
20. Pursuant to Article V of City Ordinance No. 10-64, the City grants the Company the right to construct relocated pipelines and facilities within the new Right-of-Way (as that term is defined in Ordinance No. 10-64), including any modifications and/or improvements to those relocated pipelines and facilities after they have been constructed. In the event Company is required to subsequently relocate the pipeline and facilities being relocated as a result of this Agreement, and in consideration of the specific circumstances of the pipelines and facilities being relocated and the prior easement for such pipelines and

facilities, the City shall be required to reimburse Company for the cost associated with the subsequent relocation.

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**EXHIBIT A  
ATMOS ENERGY CORPORATION EASEMENT  
AND AREA TO PERFORM WORK ALONG THE IMPROVEMENTS**

**SEE ATTACHMENT BELOW**



## Exhibit "B"

PHASE 2- AREA 1 WORK OF I-35 AND SANTA FE STREET – KDOT PROJECT 35-46 KA-6364-02  
AND  
CITY OF OLATHE PROJECT NO. 3-C-025-18

	Total Project Cost	City of Olathe Reimbursement Cost (55%)
Contractor Labor:	\$307,000.00	\$172,807.59
Material:	\$7,940.00	\$4,4369.72
Company Labor:	\$8,000.00	\$4,402.74
Indirect company labor, overheads, and benefits:	\$96,600.00	\$53,163.10
Total:	\$426,540.00	\$234,743.15

**EXHIBIT D**  
**INSURANCE REQUIREMENTS**

**A.** Company shall procure, and maintain as required, or self-insure insurance against claims for injuries to persons or damages to property which may arise from or in connection with the project. The cost of such insurance shall be included in the Company's bid.

**B.** Company shall maintain the following coverages and minimum limits.

1. Commercial General Liability: [ISO "occurrence" form or its equivalent] \$1,000,000 per occurrence limit and products - completed operations limit including explosion, collapse and underground. Any general aggregate limit should be at least \$2 million.

2. Business Auto Coverage: (*Owned and non-owned autos*) \$1,000,000 per occurrence limit.

3. Workers Compensation and Employers Liability: Workers compensation limits as required by the statutes of the state of Kansas and employers liability limits of \$500,000/\$500,000/\$500,000. When workers compensation insurance policy is applicable "other states" coverage is required.

4. Umbrella Liability: minimum limit of \$1,000,000 excess of Commercial General Liability and Automobile Liability.

5. Coverage Limits. Coverage limits for General and Auto Liability exposures may be met by a combination of primary and umbrella policy limits.

6. Exposure Limits: The above are minimum acceptable coverage limits and do not infer or place a limit on the liability of the Company nor has the CITY assessed the risk that may be applicable to Company. Company shall assess its own risks and if it deems appropriate and/or prudent maintain higher limits and/or broader coverages. The Company's insurance shall be primary and any insurance or self-insurance maintained by the City shall be excess and not contribute with the coverage maintained by Company.

**C.** Additional Insured. The City shall be listed by ISO endorsement or its equivalent as additional insureds for the project. Any and all coverage available to the named insured is applicable to the additional insured. The Company's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The Company self insures and does not have the ability to name the City as an additional insured, but will list the City as a Certificate Holder on the insurance certificates provided.

**D.** Verification of Coverage.

1. A certificate of insurance

2. Intentionally Omitted.

3. Any self-insurance or self-insured retentions must be specified on the certificate of insurance. In addition, when self-insured the name, address, and telephone number of the claims office must be indicated on the certificate or separate attached document. Any and all deductibles or self-insurance in the above describes coverages shall be the responsibility and at the sole risk of the Company.

4. The commercial general liability policy shall not contain an endorsement excluding contractual or completed operations liability.

5. Any coverage provided by a Claims-Made form policy must contain a three year tail option, extended reporting period, or must be maintained for three years post contract.

**E.** Cancellation. Each insurance policy required shall not be suspended, voided, or canceled; except after thirty (30) days' advance written notice has been given to the City.

**F.** Subcontractors. All coverages for subcontractors shall be subject to all of the requirements stated herein.