

Ordinance No. 123615

Council Bill No. 117182

AN ORDINANCE granting Qwest Corporation permission to maintain and operate a utility tunnel under and across Seneca Street, east of 3<sup>rd</sup> Avenue, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

Related Legislation File:

Date Introduced and Referred: <b>5.23.11</b>	To: (committee): <b>Transportation</b>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <b>5.31.11</b>	Date Presented to Mayor: <b>6.1.11</b>
Date Signed by Mayor: <b>6.3.11</b>	Date Returned to City Clerk: <b>6.3.11</b>
Published by Title Only <input checked="" type="checkbox"/>	Date Vetoed by Mayor:
Published in Full Text	Date Passed Over Veto:
Date Veto Published:	Date Returned Without Signature:

# The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by:

*Tom Rasmussen*

## Committee Action:

Date	Recommendation	Vote
<b>5/24/11</b>	<b>Pass</b>	<b>TR JG TB 3-0</b>

This file is complete and ready for presentation to Full Council.

## Full Council Action:

Date	Decision	Vote
<b>5.31.11</b>	<b>Passed</b>	<b>8-0 M.O. allowed</b>

*Law Department*

ORDINANCE 123615

AN ORDINANCE granting Qwest Corporation permission to maintain and operate a utility tunnel under and across Seneca Street, east of 3<sup>rd</sup> Avenue, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

WHEREAS, by Ordinance 84164, the City of Seattle granted permission to the Pacific Telephone and Telegraph Company to construct, operate, and maintain a tunnel under and across Seneca Street, between 3<sup>rd</sup> and 4<sup>th</sup> Avenues; and

WHEREAS, by Resolution 19561, the permission to maintain and operate the tunnel as authorized by Ordinance 84164 was transferred to the Pacific Northwest Bell Telephone Company; and

WHEREAS, by Ordinance 109143, the City of Seattle granted permission to the Pacific Northwest Bell Telephone Company to operate and maintain the tunnel for a ten-year term, renewable for two successive ten-year terms; and

WHEREAS, by Resolution 28275, the permission to maintain and operate the tunnel as authorized by Ordinance 109143 was transferred to U.S. West Communications, Inc. and by Resolution 30378, the permission to maintain and operate the tunnel as authorized by Ordinance 109143 was transferred to Qwest Corporation; and

WHEREAS, the conditions of Ordinance 109143 were amended by Resolutions 28275 and 30378 and Ordinances 120506 and 121855; and

WHEREAS, the permission authorized by Ordinance 109143 was renewed for two successive ten-year terms by Resolutions 28275 and 30378 and the permission ended on July 5, 2010; and

WHEREAS, Qwest Corporation has submitted an application to the Seattle Department of Transportation Director (Director) to continue maintaining and operating the tunnel; and

WHEREAS, Qwest Corporation has satisfied all terms and conditions of the original authorizing ordinance, the Director recommends that the term permit be approved subject to the terms and conditions identified in this ordinance; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**



1 Section 1. **Permission.** Subject to the terms and conditions of this ordinance, permission  
2 (also referred to in this ordinance as a permit) is granted to Qwest Corporation (Permittee) and its  
3 successors and assigns, to maintain and operate a utility tunnel (tunnel) under and across Seneca  
4 Street, east of 3<sup>rd</sup> Avenue, between the properties known as King County parcel number  
5 1975200015 and 2302700000 for the purpose of providing private utility connections.  
6

7 Section 2. **Term.** The permission granted to the Permittee and its successors and assigns,  
8 shall be for a term of ten years starting July 6, 2010 and ending at 11:59 p.m. on July 5, 2020.  
9 Upon written application of the Permittee at least 180 days before expiration of the term, the  
10 Director of the Seattle Department of Transportation (Director) may renew the permit for two  
11 successive ten-year terms subject to the right of the City of Seattle (City) to require the removal  
12 of the tunnel as provided for in Section 4 or 5, or revise by ordinance any of the conditions of the  
13 permission granted by this ordinance. The total term of the permission as originally granted and  
14 renewed shall not exceed 30 years. The Permittee shall submit a complete application for a new  
15 term permit no later than 180 days prior to the expiration of the term of the permission  
16 established in the ordinance. Failure to obtain additional permission through a new ordinance, or  
17 to remove the tunnel prior to expiration of the term, is a violation of Chapter 15.90 of the Seattle  
18 Municipal Code (SMC).  
19  
20

21 Section 3. **Protection of utilities.** The permission granted is subject to the Permittee  
22 bearing the expense of any protection, support or relocation of existing utilities deemed  
23 necessary by the owners of the utilities; and the Permittee being responsible for any subsequent  
24 damage to the utilities due to the construction, repair, reconstruction, maintenance, or operation  
25 of the tunnel.  
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1 Section 4. **Removal for public use or for cause.** The permission granted is subject to  
2 use of the street right-of-way by the City and the public for travel, utility purposes, and other  
3 street uses. The City expressly reserves the right to require the Permittee to remove the tunnel, or  
4 any part thereof or installation thereon, at the Permittee's sole cost and expense in the event that:

5 (a) the City Council determines by ordinance that the space occupied by the tunnel is  
6 necessary for any public use or benefit or that the tunnel interferes with any public use or  
7 benefit; or  
8

9 (b) the Director determines that any term or condition of this ordinance has been  
10 violated and the violation has not been corrected by the Permittee by the compliance date  
11 after a written request by the City to correct the violation.

12 A City Council determination that the space is needed for or interferes with a public use or  
13 benefit shall be conclusive and final without any right of the Permittee to resort to the courts to  
14 adjudicate the matter.  
15

16 Section 5. **Permittee's obligation to remove.** If the permission granted is not renewed at  
17 the expiration of a term, or if the permission is extended to the 30 year maximum term and an  
18 application for a new permit is not granted, or if acceptance of the terms and conditions of this  
19 ordinance as provided for in Section 19 is not timely received as required by this ordinance; or if  
20 the City orders removal of the tunnel pursuant to the terms of this ordinance, then within 90 days  
21 after the termination or expiration of a term or permission, or prior to the date stated in an order  
22 to remove; the Permittee shall, at its own expense, remove the tunnel and replace all portions of  
23 the street right-of-way that may have been disturbed for any part of the tunnel in as good  
24 condition for public use as they were prior to construction of the tunnel and in at least as good  
25 condition in all respects as the abutting portions of the right-of-way as required by the applicable  
26  
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1 SDOT standards for right-of-way restoration. The Director shall then issue a certificate  
2 discharging the Permittee, or its successor or assign, from responsibility under this ordinance.

3       Section 6. **Repair, reconstruction, or relocation.** The Permittee shall not reconstruct,  
4 relocate, or repair the tunnel except under the supervision of the Director and in strict accordance  
5 with plans and specifications and permit approved by the Director. The Director may, in the  
6 Director's judgment, order the tunnel reconstructed, or repaired at the Permittee's own cost and  
7 expense because of: the deterioration or unsafe condition of the tunnel; or the installation,  
8 construction, reconstruction, maintenance, operation or repair of any municipally-owned public  
9 utilities; or for any other cause.  
10

11       Section 7. **Failure to correct unsafe condition.** After written notice to the Permittee and  
12 failure of the Permittee to correct an unsafe condition within the time stated in the notice, the  
13 Director may order the tunnel be closed or removed at the Permittee's expense if the Director  
14 deems that it has become unsafe or creates a risk of injury to the public. If there is an immediate  
15 threat to the health or safety of the public, a notice to correct is not required.  
16

17       Section 8. **Continuing obligation to remove and restore.** Notwithstanding termination  
18 or expiration of the permission granted, or closure or removal of the tunnel, the Permittee shall  
19 remain bound by its obligation under this ordinance until:  
20

21       (a) the tunnel and all its equipment and property are removed from the street right-of-  
22 way;

23       (b) the area is cleared and restored in a manner in as good as condition for public use as  
24 they were prior to construction of the tunnel and in at least as good condition in all  
25 respects as the abutting portions of the right-of-way as required by the applicable  
26 SDOT standards for right-of-way; and  
27



1 (c) the Director certifies that the Permittee has discharged its obligations under this  
2 ordinance.

3 Upon prior notice to the Permittee and entry of written findings that it is in the public interest,  
4 the Director may, in the Director's sole discretion, conditionally or absolutely excuse the  
5 Permittee from compliance with all or any of the Permittee's obligations to remove the tunnel  
6 and its property and to restore any disturbed areas.

7  
8 **Section 9. Release, hold harmless, indemnification, and duty to defend.** The tunnel  
9 shall remain the exclusive responsibility of the Permittee and the Permittee agrees to maintain  
10 the tunnel in good and safe condition. The Permittee, by accepting the terms of this ordinance,  
11 releases the City from any and all claims resulting from damage or loss to the Permittee's  
12 property; and agrees for itself, its successors and assigns; to at all times protect and save  
13 harmless the City from all claims, actions, suits, liability, loss, costs, expense or damages of  
14 every kind and description, excepting only damages that may result from the sole negligence of  
15 the City; that may accrue to or be suffered by any person or property including without  
16 limitation, damage or injury to the Permittee, its officers, agents, employees, contractors,  
17 invitees, tenants and tenants' invitees, licensees or its successors and assigns; by reason of the  
18 construction, maintenance, operation or use of the tunnel, or any portion thereof; or by reason of  
19 anything that has been done or may at any time be done by the Permittee, its successors or  
20 assigns by reason of this ordinance; or by reason of the Permittee, its successors or assigns  
21 failing or refusing to strictly comply with every provision of this ordinance.

22  
23  
24 If any suit, action, or claim of the nature described above is filed, instituted, or begun  
25 against the City; the Permittee, its successors or assigns, shall upon notice from the City; defend  
26 the City at its or their sole cost and expense; and if a judgment is rendered against the City in any  
27



1 suit or action, the Permittee, its successors or assigns, shall fully satisfy the judgment within 90  
2 days after the action or suit has been finally determined, if determined adversely to the City. If it  
3 is determined by a court of competent jurisdiction that Revised Code of Washington (RCW)  
4 4.24.115 applies to this ordinance, then in the event claims or damages are caused by or result  
5 from the concurrent negligence of:

- 6 (a) the City, its agents, contractors or employees; and,  
7  
8 (b) the Permittee, its agents, contractors, employees, or successors or assigns;

9 this indemnity provision shall be valid and enforceable only to the extent of the negligence of the  
10 Permittee or the Permittee's agents, contractors, employees, or successors or assigns.

11 Section 10. **Insurance.** For as long as the Permittee, its successors and assigns, shall  
12 exercise any permission granted by this ordinance and until the tunnel is entirely removed from  
13 its location as described in Section 1 or until discharged by order of the Director as provided in  
14 Section 5, the Permittee shall obtain and maintain in full force and effect, at its own expense,  
15 insurance that protects the City from claims and risks of loss from perils that can be insured  
16 against under commercial general liability (CGL) insurance policies in conjunction with:  
17

- 18 (a) construction, reconstruction, operation, maintenance, use, or existence of the tunnel  
19 and any portions of the tunnel permitted by this ordinance;  
20  
21 (b) the Permittee's activity upon, or the use or occupation of the area described in Section  
22 1 of this ordinance; and  
23  
24 (c) claims and risks in connection with any activity performed by the Permittee by virtue  
25 of the permission granted by this ordinance.

26 Minimum insurance requirements are CGL insurance based on the Insurance Services Office  
27 (ISO) form CG 00 01 or equivalent. The City requires insurance coverage to be placed with an



1 insurer admitted and licensed to conduct business in Washington State or with a surplus lines  
2 carrier pursuant to RCW Chapter 48.15, except that if it is infeasible to obtain coverage with the  
3 required insurer, the City may approve an alternative insurer.

4 Minimum limits of liability shall be \$2,000,000 each occurrence combined single limit  
5 bodily injury and property damage, with \$4,000,000 annual aggregate. Coverage shall name the  
6 "City of Seattle, its elected and appointed officers, officials, employees and agents" as additional  
7 insureds for primary and non-contributory limits of liability subject to a Separation of Insureds  
8 clause.  
9

10 Permittee shall provide to the City, or cause to be provided, certification of insurance  
11 coverage consisting of the CGL declarations page, schedule of forms, and blanket or additional  
12 insured policy provision per the ISO CG 20 12 or equivalent. The insurance coverage  
13 certification shall be delivered or sent to the Director or to the Department of Transportation at  
14 an address as the Director may specify in writing from time to time.  
15

16 Should the Permittee be self-insured, a letter of certification from the Corporate Risk  
17 Manager or appropriate Finance Officer may be submitted in lieu of the insurance coverage  
18 certification required by this ordinance, if approved in writing by the City Risk Manager. The  
19 letter of certification must provide all information required by the City Risk Manager and  
20 document, to the satisfaction of the City Risk Manager, that self-insurance equivalent to the  
21 insurance requirements of this ordinance is in force. After a self-insurance certification is  
22 approved, the City may from time to time subsequently require updated or additional  
23 information. The approved self-insured Permittee must provide 30-days notice of any  
24 cancellation or material adverse financial condition of its self-insurance program. The City may  
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1 at any time revoke approval of self-insurance and require the Permittee to obtain and maintain  
2 insurance as specified in this ordinance.

3 Section 11. **Contractor insurance.** The Permittee shall contractually require that any  
4 and all of its contractors performing work on any premises contemplated by this permit name the  
5 “City of Seattle, its elected and appointed officers, officials, employees and agents” as additional  
6 insureds for primary and non-contributory limits of liability on all CGL, Automobile, if required  
7 by Permittee, Pollution liability insurance and/or self-insurance. The Permittee shall also include  
8 in all contract documents with its contractors a third-party beneficiary provision extending  
9 construction indemnities and warranties granted to Permittee to the City.  
10

11 Section 12. **Performance bond.** Within 60 days after the effective date of this ordinance  
12 the Permittee shall deliver to the Director for filing with the City Clerk a sufficient bond  
13 executed by a surety company authorized and qualified to do business in the State of Washington  
14 that is: in the amount of \$45,000, and conditioned with a requirement that the Permittee shall  
15 comply with each and every provision of this ordinance and with every order the Director issues  
16 under this ordinance. The Permittee shall ensure that the bond remains in effect until the tunnel is  
17 entirely removed from the location as described in Section 1, or until the Permittee is discharged  
18 by a Director’s order as provided in Section 5. An irrevocable letter of credit approved by the  
19 City Risk Manager may be substituted for the bond.  
20  
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22 Section 13. **Adjustment of insurance and bond requirements.** The Director, in  
23 consultation with the City Risk Manager, may adjust minimum liability insurance levels and  
24 surety bond requirements during the term of this permission. If the Director and City Risk  
25 Manager determine that an adjustment is necessary to fully protect the interests of the City, the  
26 Director shall notify the Permittee of the new requirements in writing. Upon receipt, the  
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1 Permittee shall, within 60 days, provide proof of the adjusted insurance and surety bond levels to  
2 the Director.

3       Section 14. **Consent for and conditions of assignment or transfer.** The rights,  
4 privilege, and authority granted by this ordinance shall not be assignable or transferable by  
5 operation of law; nor shall the Permittee, its successors or assigns; transfer, assign, mortgage,  
6 pledge or encumber the same without the Director's consent, which the Director shall not  
7 unreasonably refuse. The Director may approve assignment or transfer of the permit to a  
8 successor entity in the case of a change of name or ownership if the successor or assignee has  
9 accepted in writing all of the terms of the permission provided by this ordinance.  
10

11       Section 15. **Inspection fees.** The Permittee, its successors and assigns shall, as provided  
12 by SMC Chapter 15.76, pay the City the amounts charged by the City as costs to inspect the  
13 tunnel during construction, reconstruction, repair, annual structural inspections, and at other  
14 times deemed necessary to ensure the safety of the tunnel.  
15

16       Section 16. **Inspection reports.** The Permittee, its successors and assigns, shall submit  
17 to the Director, or to the Department of Transportation at an address as the Director may specify  
18 in writing from time to time, an inspection report that:  
19

- 20           (a) describes the physical dimensions and condition of all load bearing elements,  
21           (b) describes any damages or possible repairs to any element of the tunnel,  
22           (c) prioritizes all repairs and establishes a timeframe for making repairs, and  
23           (d) is stamped by a professional structural engineer licensed in the State of  
24           Washington.

25       The report shall be submitted within 60 days after the effective date of this ordinance;  
26       subsequent reports shall be submitted every two years, within 30 days prior to the anniversary  
27



1 date of the effective date of this ordinance; or in the event of a natural disaster or other event that  
2 may have damaged the tunnel, the report shall be submitted by the date established by the  
3 Director.

4 Section 17. **Annual fee.** Beginning July 6, 2010, the Permittee shall promptly pay to the  
5 City upon statements or invoices issued by the Director, an annual fee of \$9,878 or as adjusted  
6 annually thereafter, for the privileges granted by this ordinance.

7  
8 Adjustments to the annual fee shall be made in accordance with a term permit fee  
9 schedule adopted by the City Council and may be made every year. In the absence of a schedule,  
10 the Director may only increase or decrease the previous year's fee to reflect any inflationary  
11 changes so as to charge the fee in constant dollar terms. This adjustment will be calculated by  
12 adjusting the previous year's fee by the percentage change between the two most recent year-end  
13 values available from the Consumer Price Index for the Seattle-Tacoma-Bremerton Area, All  
14 Urban Consumers, All Products, Not Seasonally Adjusted. All payments shall be made to the  
15 City Finance Director for credit to the Transportation Operating Fund.

16  
17 Section 18. **Non-discrimination.** The Permittee shall comply with the City's laws  
18 prohibiting discrimination in employment and contracting including Seattle's Fair Employment  
19 Practices Ordinance, Chapter 14.04 and Fair Contracting Practices code, Chapter 14.10.

20  
21 Section 19. **Acceptance of terms and conditions.** The Permittee shall deliver to the  
22 Director its written signed acceptance of the terms of this ordinance within 60 days after the  
23 effective date of this ordinance. The Director shall file the written acceptance with the City  
24 Clerk. If no such acceptance is received within that 60-day period, the privileges conferred by  
25 this ordinance shall be deemed declined or abandoned and the permission granted deemed lapsed  
26 and forfeited.



1           Section 20. **Successors and assigns.** The rights conferred to the Permittee and the  
2 obligations and conditions imposed on the Permittee through this ordinance are also conferred  
3 and imposed on the Permittee's successors and assigns. All references in this ordinance to the  
4 "Permittee" shall also be deemed to refer to the successors and assigns of the Permittee.  
5 References in this ordinance to "Permittee and its successors and assigns" or "Permittee or its  
6 successors and assigns" are included as reminders and do not limit the scope of "Permittee" used  
7 alone.  
8

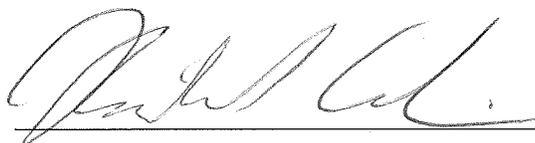
9           Section 21. **Section titles.** Section titles are for convenient reference only and do not  
10 modify or limit the text of a section.  
11

12           Section 22. **Ratify and confirm.** Any act taken by the City or the Permittee pursuant to  
13 the authority and in compliance with the conditions of this ordinance but prior to the effective  
14 date of the ordinance is ratified and confirmed.  
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1 Section 23. This ordinance shall take effect and be in force 30 days from and after its  
2 approval by the Mayor, but if not approved and returned by the Mayor within ten days after  
3 presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

4 Passed by the City Council the 31<sup>st</sup> day of May, 2011, and signed by  
5 me in open session in authentication of its passage this  
6 31<sup>st</sup> day of May, 2011.

7  
8 

9  
10 President \_\_\_\_\_ of the City Council

11  
12 Approved by me this 3<sup>rd</sup> day of June, 2011.

13  
14 

15  
16 Michael McGinn, Mayor

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18 Filed by me this 3<sup>rd</sup> day of June, 2011.

19  
20 

21  
22 Monica Martinez Simmons, City Clerk

23 (Seal)

**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Seattle Department of Transportation	Angela Steel/684-5967	Rebecca Guerra/684-5339

**Legislation Title:**

AN ORDINANCE granting Qwest Corporation permission to maintain and operate a utility tunnel under and across Seneca Street, east of 3<sup>rd</sup> Avenue, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

**Summary of the Legislation:**

This legislation will allow the Qwest Corporation to continue maintaining and operating the existing utility tunnel located under and across Seneca Street, east of 3<sup>rd</sup> Avenue. An area map is attached for reference.

This tunnel permit is for a term of ten years commencing from the expiration of the last term permit on July 5, 2010. The legislation specifies the conditions under which authorization is granted and provides for acceptance of the permit and conditions.

The Qwest Corporation is to pay the City of Seattle an annual fee of \$9,878 commencing from the last paid annual fee invoice, July 6, 2010, and annually thereafter. Adjustments to the annual fee may be made every year and if so made shall be calculated in accordance with a term permit fee schedule adopted by the City Council by Ordinance 123485. An Annual Fee Appraisal Summary is attached for reference.

**Background:**

By Ordinance 84164, the City granted permission to the Pacific Telephone and Telegraph Company to construct, operate, and maintain a tunnel under and across Seneca Street, east of 3<sup>rd</sup> Avenue. By Resolution 19561, the permission authorized by Ordinance 84164 was transferred to the Pacific Northwest Bell Telephone Company.

By Ordinance 109143, the City granted permission to Pacific Northwest Bell Telephone Company to operate and maintain the tunnel for a ten-year term, renewable for two successive ten-year terms. By Resolution 28275, the permission authorized by Ordinance 109143 was transferred to U.S. West Communications, Inc. and by Resolution 30378, the permission was transferred to the Qwest Corporation.

The conditions of Ordinance 109143 were amended by Resolutions 28275 and 30378 and



Ordinances 120506 and 121855. The permission authorized by Ordinance 109143 was renewed for two successive ten-year terms by Resolutions 28275 and 30378 and the permission ended on July 5, 2010.

Please check one of the following:

**This legislation does not have any financial implications.**  
(Stop here and delete the remainder of this document prior to saving and printing.)

**This legislation has financial implications.** (Please complete all relevant sections that follow.)

**Appropriations:** N/A

**Anticipated Revenue/Reimbursement: Resulting from this Legislation:**

This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below the table.

<b>Fund Name and Number</b>	<b>Department</b>	<b>Revenue Source</b>	<b>2011 Revenue</b>	<b>2012 Revenue</b>
Transportation Operating Fund 10310	Seattle Department of Transportation	Annual Fee --	2010 Fee = \$9,878 2011 Fee = \$9,878	TBD
<b>TOTAL</b>			\$19,756	<b>TBD</b>

**Revenue/Reimbursement Notes:** N/A

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:** N/A

**Do positions sunset in the future?** No.

**Spending/Cash Flow:** N/A

**What is the financial cost of not implementing the legislation?**

If the legislation is not enacted by the City Council, the City of Seattle will not receive the annual fee of \$9,878. As previously stated, the City of Seattle has the option to adjust the fee amount on an annual basis. The tunnel, as originally permitted under Ordinance 109143, will no longer be permitted.

**Does this legislation affect any departments besides the originating department?**



None.

**What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

None.

**Is the legislation subject to public hearing requirements?**

No.

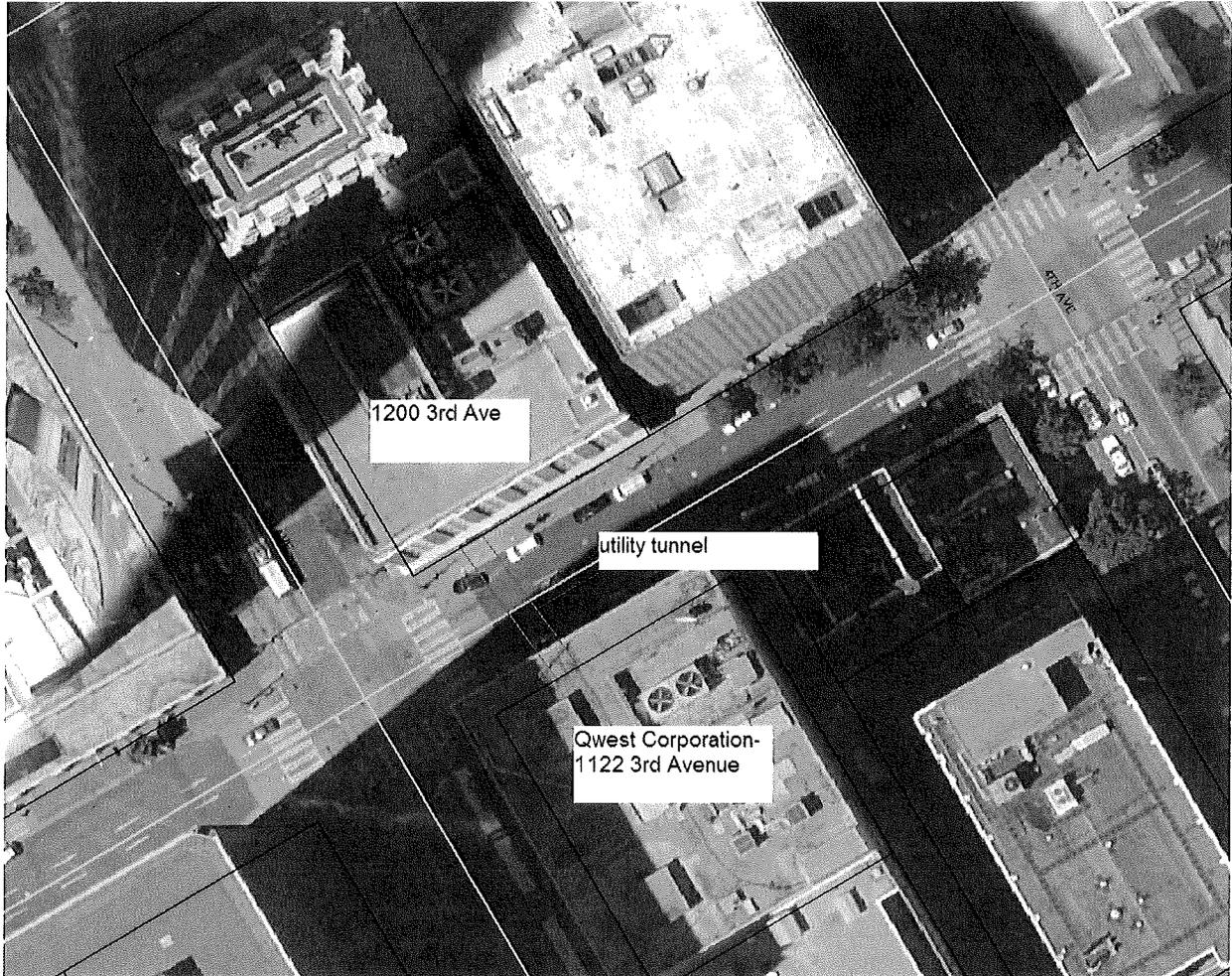
**Other Issues:** (Include long-term implications of the legislation.)

N/A

**List attachments to the fiscal note below:**

Attachment A – Qwest Seneca Street Tunnel Area Map  
Attachment B - Annual Fee Assessment Summary

Attachment A – Qwest Seneca Street Tunnel Area Map



Map is for informational purposes only and is not intended to modify or supplement the legal description(s) in the Ordinance.

Attachment B - Annual Fee Assessment Summary

STREET USE ANNUAL FEE ASSESSMENT

Date: 3/8/11

Summary: <b>Land Value: \$600/SF</b> <b>First Year Permit Fee:</b> <b>\$9,878</b>
--

**I. Property Description:**

Existing subsurface utility tunnel under and across Seneca Street, east of 3<sup>rd</sup> Avenue. The tunnel connects the properties of 1200 3<sup>rd</sup> Avenue and 1122 3<sup>rd</sup> Avenue. Adjacent tax parcels are listed below. The tunnel is **686 square feet**.

**Applicant:**

Qwest Corporation

**Abutting Parcels, Property Size, Assessed Value:**

1. Parcel 1975200015; 13,320 square feet

Tax year 2010 Appraised Land Value \$7,992,000  
Assessed at \$600/SF

2. Parcel 2302700000; 14,415 SF

Tax year 2010 Appraised Land Value \$8,649,000  
Assessed at \$600/SF

Average 2010 tax assessed land value: \$600/SF

**II. Annual Fee Assessment:**

The 2010 permit fee is calculated as follows:  $(\$600/\text{SF}) \times (686 \text{ SF}) \times (30\%) \times (8\%) =$   
**\$9,878**, where 30% is the degree of alienation for a pedestrian tunnel and 8% is estimated  
annual rate of return.

Fee methodology authorized under Ordinance 123485.





City of Seattle  
Office of the Mayor

May 10, 2011

Honorable Richard Conlin  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill that will grant to Qwest Corporation a new ten-year permit for an existing utility tunnel under Seneca Street, east of 3<sup>rd</sup> Avenue, renewable for two additional ten-year terms.

Use of the existing utility tunnel under Seneca Street, which was last authorized by Ordinance 109143, provides an underground connection for private utilities between the properties of 1200 3<sup>rd</sup> Avenue and 1122 3<sup>rd</sup> Avenue. In addition to granting a new permit, the proposed Council Bill updates the insurance and bond requirements, updates the annual fee, and specifies the conditions under which authorization is granted.

Thank you for your consideration of this legislation. Should you have questions, please contact Angela Steel at (206) 684-5967.

Sincerely,

Michael McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

---

STATE OF WASHINGTON – KING COUNTY

--SS.

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272661  
CITY OF SEATTLE, CLERKS OFFICE

No. 123614,615,616,618

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:TITLE ONLY ORDINANCE

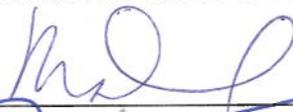
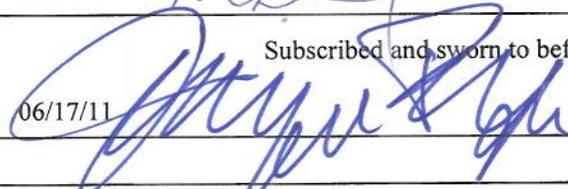
was published on

06/17/11

The amount of the fee charged for the foregoing publication is the sum of \$ 68.25, which amount has been paid in full.



Affidavit of Publication

  
\_\_\_\_\_  
Subscribed and sworn to before me on  
06/17/11   
\_\_\_\_\_  
Notary public for the State of Washington,  
residing in Seattle

## State of Washington, King County

### City of Seattle Title Only Ordinances

The full text of the following legislation, passed by the City Council on May 31, 2011, and published below by title only, will be mailed upon request, or can be accessed at <http://clerk.seattle.gov>. For information on upcoming meetings of the Seattle City

Council, please visit <http://www.seattle.gov/council/calendar>.

Contact: Office of the City Clerk at (206) 684-8344.

#### ORDINANCE NO. 123614

AN ORDINANCE, relating to a utility tunnel under the alley between 3rd Avenue and 4th Avenue, north of Spring Street, amending Ordinance 96413, as amended by Ordinances 119126 and 121855, transferring the permission from U.S. West Communications, Inc. to Qwest Corporation, updating the insurance and bond requirements, and amending the annual fee; renewing the term of the permit; providing for acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 123615

AN ORDINANCE granting Qwest Corporation permission to maintain and operate a utility tunnel under and across Seneca Street, east of 3rd Avenue, for a ten-year term, renewable for two successive ten-year terms; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 123616

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

#### ORDINANCE NO. 123618

An ORDINANCE relating to the 2011 Budget; carrying forward certain unexpended appropriations and funds for non-capital purposes from the 2010 budget of various departments; ratifying and confirming certain prior acts, all by a 3/4 vote of the City Council.

Date of publication in the Seattle Daily Journal of Commerce, June 17, 2011.

6/17(272661)