SEATTLE CITY COUNCIL

Legislative Summary

CB 118366

Record No.: CB 118366 **Type:** Ordinance (Ord) **Status:** Passed

Version: 1 124890 **In Control:** City Clerk

File Created: 02/03/2015

Final Action: 10/30/2015

Title: An ORDINANCE related to special permits for the limited movement of vehicles carrying sealed ocean-going containers in excess of the legal weight limits; adopting a new chapter 11.61 to the Seattle Municipal Code establishing such a special permit system; authorizing the Department of Transportation to execute agreements with the Port of Seattle to accept funds; creating a Commercial Vehicle Enforcement Officer position to monitor and enforce the heavy haul network and ratifying and confirming certain prior acts.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Rasmussen

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments: Att 1 - Memorandum of Understanding v2, Divided Report

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published: ☐ Yes ☐ No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	03/20/2015	Mayor's leg transmitted to Council	City Clerk			
	Action Text: The Council Bill (CB) was Mayor's leg transmitted to Council to the City Clerk **Notes:**						
1	City Clerk	03/23/2015	sent for review	Council President's Office			
	Action Text: The Council Bill (CB) was sent for review to the Council President's Office **Notes:**						
1	Council President's Office	03/25/2015	sent for review	Transportation Committee			
	Action Text: The Council Bill (CB) was sent for review to the Transportation Committee **Notes:**						

1	Full Council	09/21/2015	referred	Transportation Committee	
1	Transportation Committee	09/22/2015	pass as amended		Pass

Action Text: The Committee recommends that Full Council pass as amended the Council Bill (CB) with a Divided Report.

In Favor: 4 Chair Rasmussen, Member Godden, Okamoto, Burgess

Opposed: 2 Vice Chair O'Brien, Sawant

1	Full Council	10/19/2015	passed		Pass

Action Text: The Council Bill (CB) was passed by the following vote and the President signed the Bill:

In Favor: 9 Councilmember Bagshaw, Council President Burgess, Councilmember Godden, Councilmember Harrell, Councilmember Licata, Councilmember O'Brien, Councilmember Okamoto, Councilmember Rasmussen, Councilmember Sawant

Opposed: 0

1	City Clerk	10/20/2015	submitted for Mayor's signature	Mayor	

Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor

Notes:

1	Mayor	10/30/2015	Signed		

Action Text: The Council Bill (CB) was Signed.

Notes:

1	Mayor	10/30/2015	returned	City Clerk	

Action Text: The Council Bill (CB) was returned. to the City Clerk

Notes:

1	City Clerk	10/30/2015	attested by City Clerk		

Action Text: The Ordinance (Ord) was attested by City Clerk.

Notes:

CITY OF SEATTLE

ORDINANCE 124890

COUNCIL BILL 118366

An ORDINANCE related to special permits for the limited movement of vehicles carrying sealed ocean-going containers in excess of the legal weight limits; adopting a new chapter 11.61 to the Seattle Municipal Code establishing such a special permit system; authorizing the Department of Transportation to execute agreements with the Port of Seattle to accept funds; creating a Commercial Vehicle Enforcement Officer position to monitor and enforce the heavy haul network and ratifying and confirming certain prior acts.

WHEREAS, import containers that are shipped by rail from the Port of Seattle can exceed weight limits allowed on state highways and local streets; and

WHEREAS, the Port of Seattle is served by two intermodal rail hubs—the Burlington Northern's Railway's SIG (Seattle International Gateway) and Union Pacific's Argo Yard—that require containers to be trucked (drayed) on local streets from the Port's marine terminals; and

WHEREAS, local transload businesses that reconsolidate container loads may also receive heavy import containers that must be trucked from the marine or rail terminals; and

WHEREAS, to address this conflict, other West Coast ports, including Los Angeles, Long Beach and Tacoma, have created heavy haul networks to move cargo over short distances at low speeds within their harbor areas on standard marine chassis; and

WHEREAS, Seattle's existing load limits put the Port of Seattle at a competitive disadvantage with other West Coast ports; and

WHEREAS, Chapter 46.44 of the Revised Code of Washington authorizes the City to issue a special permit authorizing the applicant to operate or move a vehicle or combination of vehicles of a load exceeding the maximum weight upon City streets; and

WHEREAS, a heavy haul network will create a better working environment for truck owners and shippers by enabling them to compete more effectively for cargo by reducing costs and expediting the movement of goods, without compromising safety; and

WHEREAS, shippers, truck owner-operators, trucking companies, railroads and the Port of Seattle ("Port") have an interest in increasing cargo volumes through the city and are requesting the establishment of a heavy haul network linking marine terminals to local railheads and nearby transshipment facilities; and

WHEREAS, the City of Seattle ("City"), Port, and State have made significant investments to maintain and improve access to and from the marine port with new bridges and road connections; and

WHEREAS, the City supports the Port's efforts to enhance its competiveness in international and national trade; and

WHEREAS, the City wants to implement transportation related measures that will enhance the economy and support living wage jobs; and

WHEREAS, implementing a heavy haul network will require changes to the Seattle Municipal Code;

WHEREAS, implementing a heavy haul network will require an enforcement officer to monitor the network and ensure the safety for all roadway users;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A new Chapter 11.61 HEAVY HAUL INDUSTRIAL NETWORK is added to the Seattle Municipal Code as follows.

1 **Chapter 11.61**

2 **HEAVY HAUL INDUSTRIAL NETWORK**

3 Sections:

4 11.61.010 Purpose

5 11.61.020 Defined terms

6 11.61.030 Heavy Haul Network Routes

7 11.61.040 Special Permits – Application

8 11.61.050 Special Permits – Requirements

9 11.61.060 Special Permit to Be Carried

10 11.61.070 Containers to be Sealed

11 11.61.080 Certification of Container Chassis

12 11.61.090 Fees

13 11.61.100 Enforcement Procedures – Penalties – Rules

14 11.61.110 Confiscation and Revocation of Special Permit – Hearing

15

16 **11.61.010 Purpose.**

17 The purpose of this chapter is to authorize issuance of special permits for movement and
18 operation of vehicles in excess of the legal weight limits within the heavy haul industrial network
19 in such circumstances wherein the load is a sealed ocean-going container and an applicant can
20 show good cause for such movements as provided in Chapter 11.61 of the Seattle Municipal
21 Code.

22

23 **11.61.020 Defined terms.**

For purposes of Chapter 11.61, the terms and phrases shall have the following meaning: "City street" or "street" means every highway, or part thereof located within the corporate limits of Seattle, except alleys. (RCW 46.04.120)

"Container Chassis" means a semitrailer of skeleton construction limited to a bottom frame, one or more axles, specially built and fitted with locking devices for the transport of cargo containers, so that when the container chassis and container are assembled, the units serve the same function as an over-the-road trailer.

"Director" means the Director of the Seattle Department of Transportation or successor department or his or her designee.

"Heavy Haul Network" means such sections of city streets as provided in SMC 11.61.030.

"Permittee" means any company or person to whom a special permit is issued.

"Sealed Ocean-Going Container" means a fully enclosed and sealed reusable cargo-carrying unit, equipment, or receptacle-carrying cargo of many types for continuous transportation and designed to be unitized or otherwise packed or stowed for transportation in or on an ocean-going vessel.

"Special Permit" means a special permit issued pursuant to Chapter 11.61 for operation or movement upon public streets within the heavy haul network of a combination of truck tractor and container chassis of a weight up to the amount allowed by state law under special permit.

"Transload Facility" means a consolidation and distribution point for outbound and inbound commodities.

11.61.030 Heavy Haul Network Routes

1 The heavy haul network routes are set forth in the table below.

2

Street	From	To
South Atlantic Street	Alaskan Way South	1st Avenue South
Colorado Avenue South	South Atlantic Street	South Massachusetts Street
South Massachusetts Street	Colorado Avenue South	1st Avenue South
1st Avenue South	South Atlantic Street	South Holgate Street
Alaskan Way South	South Atlantic Street	South Holgate Street
East Marginal Way South	South Holgate Street	Diagonal Avenue South
South Holgate Street	1st Avenue South	6th Avenue South
6th Avenue South	South Massachusetts Street	South Holgate Street
South Hanford Street	East Marginal Way South	Occidental Avenue South
1st Avenue South	South Hanford Street	South Spokane Street
Occidental Avenue South	South Hanford Street	South Horton Street
South Horton Street	1st Avenue South	3rd Avenue South
13th Avenue SW	SW Florida Street	North to street end
SW Florida Street	16th Avenue SW	11th Avenue SW
11th Avenue SW	SW Florida Street	SW Lander Street
16th Avenue SW	SW Florida Street	Klickitat Avenue SW
Klickitat East Roadway Avenue SW	16th Avenue SW	13th Avenue SW
Klickitat West Roadway Avenue SW	16th Avenue SW	13th Avenue SW
SW Spokane North Roadway Street	13th Avenue SW	SW Spokane Street
SW Klickitat South Roadway Way	13th Avenue SW	SW Spokane Street
South Spokane Street Ramp	East Marginal Way South	South Spokane Street
West Marginal Way SW	26th Avenue SW	SW Spokane Street
SW Spokane Street	Chelan Avenue SW	East Marginal Way South
South Spokane SR Street	South Spokane Street	East Marginal Way South
Spokane Duwamish Bridge RP	South Spokane Street	Duwamish Avenue South Bridge
Duwamish Avenue South Bridge	Spokane Duwamish Bridge RP	East Marginal Way South
Diagonal Avenue South	East Marginal Way South	South Oregon Street
South Oregon Street	Diagonal Avenue South	Denver Avenue South
Denver Avenue South	South Oregon Street	Utah Avenue South
South Spokane Street	East Marginal Way South	Airport Way South
Airport Way South	South Spokane Street	South Edmunds Street
South Edmunds Street	Airport Way South	7th Avenue South

3

11.61.040 Special Permits – Application

A. Who May Apply. The owner or operator of a transload facility or authorized agent on behalf of such owner or operator may apply for a special permit. A trucking company which owns or leases trucks which serves the Port of Seattle may apply for a special permit. An owner-operator of a truck which serves the Port of Seattle may apply for a special permit.

B. Forms. Application shall be made in writing on forms provided by the Director. Special permit applications may be obtained from the Seattle Department of Transportation Traffic Permits Counter and at such other locations established by the Director. No special permit application shall be accepted unless made using such forms and completed in full.

C. Term. The special permit shall have a term of one year from the date of issuance unless sooner revoked.

D. Assignment. The special permit when issued to the permittee shall be assigned to the truck tractor described in the application and to which the special permit refers. The special permit shall not be assignable to another truck tractor except as provided herein. A special permit may be assigned to another truck tractor for the remainder of the term of the special permit only upon the following: (a) if a complete application is submitted to the Department for such assignment, (b) the Director finds good cause for such assignment, (c) a replacement special permit is issued by the Director, and (d) payment is made for a replacement special permit.

11.61.050 Special Permits – Requirements

The Director may issue a special permit when the Director has determined that all of the following requirements have been met:

A. General Requirements.

1. The applicant has submitted a complete application to the Director on a form approved by the Director;

2. The applicant affirms the container chassis loads will be limited to sealed ocean-going containers;

3. The truck tractor to be permitted (the "permitted truck tractor") has been thoroughly described and identified;

4. The applicant has shown proof of seven hundred fifty thousand dollars liability insurance for the cost of any accident, damage, or injury to any person or property resulting from the operation of the truck tractor and container chassis combination of vehicles covered by the special permit upon the public highways: Provided, that a noncommercial operator shall have at least three hundred thousand dollars liability insurance;

5. The truck tractor has undergone a Commercial Vehicle Safety Alliance (CVSA) inspection within the last six months, displays a current CVSA decal, and the Director is satisfied that, at the time of issuance of the special permit, the truck tractor meets the CVSA safety requirements; provided that, for purpose of issuance of the special permit, the Director may rely upon proof of CVSA inspection that the truck tractor meets the CVSA safety requirements; and further that through the permit the applicant affirms the truck tractor will undergo a second CVSA inspection within six months of permit issuance;

6. Through application for a heavy haul permit, the applicant acknowledges and affirms that:

a. The truck tractor and container chassis combination of vehicles is properly licensed to make the proposed moves and carry sealed ocean-going container loads, in accordance with the provisions of Washington state law;

b. All operators of the truck tractor for which the special permit is issued are and will be properly licensed to operate during the 1-year permit period in the manner proposed in the special permit;

c. Each container chassis will be loaded only with sealed ocean-going containers;

d. The applicant will comply with all applicable laws, rules and regulations pertaining to the issuance of any special permit;

e. The applicant will maintain a current CVSA certification for the permitted truck tractor and a current certification for each container chassis used in combination therewith, for each movement made under the special permit;

f. That the operator or driver of the permitted truck tractor will be, at all times when moving a load within the heavy haul network, an agent of the applicant or the applicant themselves and authorized to accept service of a citation on behalf of the applicant for any violations of this Chapter or the provisions of Title 11 of the Seattle Municipal Code of the City;

g. The special permit is granted with the specific understanding that the applicant, or truck tractor owner, lessor, or operator, shall be responsible and liable for accidents, damage or injury to any person or property resulting from the operation of the permitted truck tractor and container chassis combination carrying over legal weight loads within and upon the heavy haul network and the applicant shall hold harmless and shall indemnify the City of Seattle, its officers (elected or appointed), agents and employees against any and all claims, demands, loss, injury, damage, actions and costs of actions whatsoever, which any of them may have sustained by reason of unlawful acts, conduct or operations of the applicant or operator of the permitted truck tractor in connection with such operations; and

h. That the agent filing the application on behalf of the applicant has the authority and is authorized to bind the applicant to the terms and conditions of the special permit.

B. Minimum Axle Requirements. To obtain the special permit, the truck tractor and container chassis combination of vehicles shall have a minimum of two consecutive sets of tandem axles with a minimum overall distance between the first and last axles of such consecutive sets of tandem axles of thirty-six feet; provided further that the truck tractor's steering axle shall not exceed 600 pounds per inch of tire width, as determined by the tire manufacturer's sidewall markings.

C. Maximum Gross Loads for Combinations. To obtain the special permit, the maximum gross load for the permitted truck tractor and container chassis combination of vehicles shall be as follows:

1. A truck tractor and container chassis combination of vehicles meeting the minimum axle requirements as provided in Section 11.61.050.B herein shall be authorized to carry a gross load of forty thousand pounds on the container chassis tandem axles and forty-three thousand pounds on the truck tractor drive tandem axles;

2. A truck tractor and container chassis combination of vehicles with five axles shall not exceed a gross load of ninety-eight thousand pounds;

3. The maximum gross load weight limit for truck tractors equipped with a drop axle ahead of the tandem drive axles shall be the greater of 43,000 pounds or the maximum gross load weight limits established pursuant to RCW 46.44.041 as now or hereafter amended; and

4. In no circumstances shall any gross load exceed the manufacturer's equipment weight limits as displayed by the manufacturer on the equipment, including without limitation, the truck tractor, the container chassis and the tires.

D. Exception to weight limits. Obtaining a special heavy haul route network special permit authorized under Chapter 11.61 serves as an exception to the weight limits set forth in Sections 11.60.340 and 11.60.370.

11.61.060 Special Permit to Be Carried.

The original special permit or a copy therefor shall be carried in the truck tractor to which it refers and shall be open to inspection by any law enforcement officer or authorized agent of the City.

11.61.070 Containers to be Sealed.

All sealed ocean-going containers shall be accompanied with shipping papers carried in the truck tractor showing origin, destination and commodity contained within the sealed ocean-going container. The seal shall be unbroken and affixed with a seal number matching the seal number for the shipping papers.

11.61.080 Certification of Container Chassis.

The container chassis being moved or operated in combination with the permitted truck tractor under a special permit shall be certified by the Federal Highway Administration and shall display such current certification at the time of movement or operation of the truck tractor and container chassis combination of vehicles.

11.61.090 Fees.

A. All fees obtained pursuant to Chapter 11.61 shall be deposited in the Transportation Operating Fund and shall be subject to appropriation for expenditures related to the public costs associated with the activities authorized hereby including, the cost of administration, inspection, and policing of such activities.

B. The following special permit fees shall be paid:

1. Annual special permit: $200.00

2. Renewal of a special permit: $200.00

3. Replacement special permit: $25.00

C. All fees shall be due and owing at the time the Director approves the issuance of the special permit. No special permit or renewal shall be issued or valid except upon receipt of payment of the fee in full.

11.61.100 Enforcement Procedures – Penalties – Rules.

A. Violation. In addition to any other penalties that may be imposed under City ordinance for violation of over legal weight limits, it shall be a traffic infraction for any of the following:

(i) for any person to move or operate or cause to be moved or operated, a permitted truck tractor and container chassis combination of vehicles within the heavy haul industrial network in violation of a term or condition of the special permit;

(ii) for any person to direct the loading of a permitted truck tractor and container chassis combination of vehicles with knowledge that it violates the requirements of this Chapter or the special permit and that such combination of vehicles is to be operated within the heavy haul industrial network. For purposes of this Section, knowledge shall mean to know of a fact, action or condition that violates a term or condition of the special permit or this Chapter. A person

knows a fact, action or condition in circumstances in which a reasonable person in the same position would have such knowledge; or

(iii) for any person to move a truck tractor container chassis combination of vehicles within the heavy haul network that is in excess of the over legal weight permits unless such person is fully in compliance with the special permit.

B. The penalties imposed pursuant to Section 11.61.090 shall be in addition to any penalties that may be imposed for violation of the over legal weight provisions under city ordinance.

11.61.100 Confiscation and Revocation of Special Permit.

1. Confiscation. Any commercial vehicle enforcement officer or other law enforcement officer who finds any person operating or moving a permitted truck tractor and container chassis combination of vehicles in violation of the conditions of the special permit issued therefore may confiscate the special permit and forward it to the Director who may return it to the permittee or, for good cause, revoke or suspend it without refund.

2. Revocation or Suspension. The Director may revoke or suspend a special permit for good cause. Good cause includes but is not limited to violation of the requirements or conditions of a special permit.

3. Eligibility upon Revocation. If a special permit is revoked by the Director, the truck tractor covered by the permit is not eligible for issuance of a special permit for a period of thirty days after the date of revocation.

4. Hearing. Any permittee whose special permit is suspended or revoked may, upon request made in writing within five days of the action taken, receive a hearing before the Director or their designee to determine if such action was arbitrary and capricious. Upon filing of the hearing

request with the Director and until a further order is issued by the Director, such suspension or revocation shall be stayed. After the hearing, the Director or their designee may affirm the previous action taken, reinstate any special permit, or revise the previous action taken.

Section 2. This ordinance authorizes the creation of one full-time equivalent position at the title of Commercial Vehicle Enforcement Officer, which is not exempt from Civil Service and Public Safety Civil Service rules and laws, to monitor and enforce the heavy haul network.

Item	Department	Position Title	Position Status	Positions
2.1	Department of Transportation (SDOT)	Commercial Vehicle Enforcement Officer	Full-time	1.0

Section 3. The Director of Seattle Department of Transportation is hereby authorized to execute an agreement with the Port of Seattle, substantively in the form of Attachment 1; and to accept up to $20,250,000 in revenue on behalf of the City of Seattle from the Port of Seattle for costs and expenses to be incurred by the City to fund portions of the heavy haul network program not covered by permit fees and capital infrastructure necessitated by the heavy haul network program. The funds when received shall be deposited into the Transportation Operating Fund and will be used to reimburse the City for program costs and expenses incurred.

Section 4. Any act consistent with the authority of this ordinance after its passage and prior to its effective date is ratified and confirmed.

Section 5. This ordinance shall take effect and be in force 30 days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 19th day of OCTOBER, 2015, and signed by me in open session in authentication of its passage this 19th day of OCTOBER, 2015.

President _____ of the City Council

Approved by me this 30th day of October, 2015.

Edward B. Murray, Mayor

Filed by me this 30th day of OCTOBER, 2015.

Monica Martinez Simmons, City Clerk

(Seal)

Attachment 1: Memorandum of Understanding for Intergovernmental Cooperation Between the Port of Seattle and the City of Seattle for Future Roadway Repair and Roadway Construction Projects Located Within Seattle's Heavy Haul Network

MEMORANDUM OF UNDERSTANDING

FOR INTERGOVERNMENTAL COOPERATION BETWEEN THE PORT OF SEATTLE AND THE CITY OF SEATTLE FOR FUTURE ROADWAY REPAIR AND ROADWAY CONSTRUCTION PROJECTS LOCATED WITHIN SEATTLE'S HEAVY HAUL NETWORK

This Memorandum of Understanding ("MOU") is entered into by the PORT OF SEATTLE, a port district and Washington municipal corporation ("Port"), and the CITY OF SEATTLE, a Washington municipal corporation ("City"), (collectively the "Parties").

WHEREAS, import containers that are shipped by rail from the Port can exceed weight limits allowed on state highways and local streets; and

WHEREAS, the Port is served by two intermodal rail hubs – the Burlington Northern Railway's Seattle International Gateway and Union Pacific's Argo Yard – that require containers to be trucked (drayed) on local streets from the Port's marine terminals; and

WHEREAS, local transload businesses that reconsolidate container loads may also receive heavy import containers that must be trucked from the marine or rail terminals; and

WHEREAS, to address this conflict, other West Coast ports, including Los Angeles, Long Beach and Tacoma, have created heavy haul networks to move cargo over short distances at low speeds within their harbor areas on standard marine chassis; and

WHEREAS, the City's existing load limits put the Port at a competitive disadvantage with other West Coast ports; and

WHEREAS, Chapter 46.44 of the Revised Code of Washington authorizes the City to issue a special permit authorizing the applicant to operate or move a vehicle or combination of vehicles of a load exceeding the maximum weight upon City rights of way; and

WHEREAS, a heavy haul network will create a better working environment for truck owners and shippers by enabling them to compete more effectively for cargo by reducing costs and expediting the movement of goods, without compromising safety; and

WHEREAS, shippers, truck owner-operators, trucking companies, railroads and the Port have an interest in increasing cargo volumes through the city and are requesting the establishment of a heavy haul network linking marine terminals to local railheads and nearby transload facilities; and

WHEREAS, the City, Port, and the State of Washington have made significant investments to maintain and improve access to and from the marine port with rebuilt roadways, new bridges, and new road connections; and

WHEREAS, the City supports the Port's efforts to enhance its competiveness in international and national trade; and

WHEREAS, the City wants to implement transportation related measures that will grow Seattle's diverse economy and support living wage jobs; and

WHEREAS, the City and Port agree that creating a heavy haul network, allowing overweight trucks serving Port facilities to operate on the network under permit, will result in some accelerated damage to existing roadways and additional cost for future roadway repair and rebuilding projects within the Heavy Haul Network; and

WHEREAS, RCW 53.08.330 and 53.08.340 authorize the expenditure of Port funds in conjunction with plans of the local jurisdiction in order to upgrade, improve or repair roads serving Port facilities; and

WHEREAS, the City and Port agree that implementing a heavy haul network will require an enforcement officer to monitor the network and ensure the safety for all roadway users;

NOW THEREFORE, in consideration of mutual promises and covenants contained herein, the Parties hereby agree to the terms and conditions as follows:

1.0 ADOPTION OF HEAVY HAUL NETWORK LEGISLATION

1.1 The City will make its best effort to adopt heavy haul legislation in 2015.

1.2 To support the legislative process, the Port will satisfy all reasonable requests from the City for supporting materials and information regarding Port operations.

1.3 This MOU will commence ("Commencement Date") on the effective date of City heavy haul network legislation that includes all of the following elements:

i. The adopted heavy haul network legislation includes all routes contained in Attachment A to this MOU, incorporated herein by this reference; and

ii. The adopted heavy haul network legislation allows for a maximum tandem drive axle weight of forty three thousand (43,000) pounds and a maximum gross vehicle weight of ninety eight thousand (98,000) pounds;

2.0 DETERMINING THE IMPACT OF OVERWEIGHT TRUCKS

2.1 The City and the Port engineers agree that allowing overweight trucks that serve Port facilities on the roadways that connect Port marine terminals to local railheads and nearby transload facilities, identified on Attachment A to this MOU ("Heavy Haul Network"), will result in some accelerated damage to such roadways and additional costs for future roadway repair or rebuilding projects within the Heavy Haul Network, described as follows:

i. Accelerated damage of existing roadways is estimated to be equal to approximately ten percent (10%) of the cost to repair said roadway; and

ii. Additional project costs for roadway repair and construction projects is estimated to be equal to approximately ten percent (10%) of the cost of said project.

2.2 The City and Port agree that the City and Port will jointly commission and pay equal shares for the actual costs of a study to determine the actual impacts to the Heavy Haul Network by trucks with Heavy Haul Network permits serving Port facilities and moving cargo within the Heavy Haul Network, including additional costs for future roadway repair and rebuilding projects within the Heavy Haul Network ("Study").

i. The City and Port must commission the Study within two (2) months of the Commencement Date.

ii. The consultant hired by the City to conduct the Study will, among other things, complete a count of overweight vehicles using the Heavy Haul Network.

iii. The Study must be complete within six months of the Commencement Date of this MOU.

iv. The Port will reimburse the City for its equal share of the Study costs within thirty (30) days of receiving a copy of the Study and the City's request for reimbursement.

2.3. The City and Port agree that, in order to determine future impacts to the Heavy Haul Network by by trucks with Heavy Haul Network permits serving Port facilities, the Study will be updated every (5) five years and be issued before June 30, 2021, 2026, and 2031 (collectively, the "Study Updates").

2.4 The City and Port agree that all dollar figures contained within this MOU will be adjusted to current dollars for each of the Study Updates. The dollar figures will be updated using the Consumer Price Index provided by the United States Bureau of Labor Statistics or its successor.

3.0 PORT FINANCIAL COMMITMENT

3.1 Subject to Section 1.3, the Port agrees to pay the City up to Two Hundred and Fifty Thousand Dollars ($250,000) in support of the Heavy Haul Network implementation and operations through 2017, detailed as follows:

i. Upon adoption of the Heavy Haul Network legislation, not to exceed Ninety Thousand Dollars ($90,000) to account for one-time start-up costs, including an enforcement vehicle, portable truck scales, and direct administrative costs to establish the new Heavy Haul Network permit type. The Port will reimburse the City no later than thirty (30) days after the Port's receipt of a letter from the City documenting actual, direct start-up costs payable under this subsection 3.1(i).

ii. In 2016, not to exceed Ninety Thousand Dollars ($90,000) towards the difference between annual Heavy Haul Network permit revenues and annual Heavy Haul Network direct operational costs.

iii. In 2017, not to exceed Seventy Thousand Dollars ($70,000) towards the difference between annual Heavy Haul Network permit revenues and annual Heavy Haul Network direct operational costs.

iv. All requests for payment by the City under subsections 3.1(ii) and (iii) will include a letter from the City identifying the applicable annual Heavy Haul Network permit revenues and the annual Heavy Haul Network direct operational costs. The Port will make payment to the City no later than thirty (30) days after receiving the information required in this subsection 3.1(iv).

3.2 Subject to Section 1.3, the Port agrees to pay the City a minimum of Ten Million Dollars ($10,000,000) and maximum of Twenty Million Dollars ($20,000,000) over the next twenty (20) years to account for accelerated damage to existing roadways within the Heavy Haul Network by trucks with Heavy Haul Network permits serving Port facilities, and additional costs for future roadway repair or rebuilding projects within the Heavy Haul Network, subject to the following:

i. The City and the Port will, by agreement, develop a list and schedule for Heavy Haul Network project(s).

ii. If the Study shows that accelerated damage to existing roadways by trucks with Heavy Haul Network permits serving Port facilities, and additional costs for future roadway repair or rebuilding projects within the Heavy Haul Network totals between Ten Million Dollars ($10,000,000) and Twenty Million Dollars ($20,000,000), the Port will pay the City in accordance with the provisions of Section 3.2.

iii. If the Study or any of the Study Updates shows that accelerated damage to existing roadways by trucks with Heavy Haul Network permits serving Port facilities, and additional costs for future roadway repair or rebuilding projects within the Heavy Haul Network totals either less than Ten Million Dollars ($10,000,000) or more than Twenty Million Dollars ($20,000,000), the Port and City agree to renegotiate the terms of this MOU.

iv. The Port's contributions under this Section 3.2 will not exceed Two Million Dollars ($2,000,000) during any single calendar year during the term of this MOU, unless the Port Commission and the City agree to a greater amount to achieve the goals of this MOU.

v. When developing designs for roadway repair and rebuilding projects within the Heavy Haul Network, the City will consult with the Port during conceptual design and at regular intervals during design and construction. The City will make every effort to devise project design components that maintain efficient freight movements throughout the Heavy Haul Network. Where feasible, such designs will consider separation of transportation modes to preserve and enhance multi-modal safety and mobility.

vi. The Port will not be required to make any contributions under this Section 3.2 before the City has certified that a Heavy Haul Network project has reached substantial completion by sending the Port a copy of the Seattle Department of Transportation Engineer letter to the City's contractor establishing the substantial completion date, as required by the City's standard specifications for construction projects. The City and the Port will agree on the minimum advance notification to the Port of a particular project's substantial completion and the Port reserves the right to request inspection of any such project prior to issuance of substantial completion.

v. All requests for payment by the City under this Section will include a letter from the City identifying the project, itemizing project categories and expenditures that support reimbursement to the City for actual direct costs incurred by the City on a Heavy Haul Network project. The Port will make payment to the City no later than thirty (30) days after receiving the information required in this Section.

vi. In the event the Port secures funding from other non-City sources for the Heavy Haul Network roadway repair and construction projects, the amount of such funding will be credited against the Port's obligations under this Section 3.2.

4.0 DURATION

4.1 This MOU will commence on a date consistent with the requirements of Section 1.3 and will remain in effect until December 31, 2035, unless earlier terminated in accordance with Section 5.1.

5.0 AMENDMENT AND TERMINATION

5.1 The MOU may be terminated prior to December 31, 2035, only by a written instrument executed by each of the parties hereto. If it is impracticable to perform under the MOU due to a change in the law, the parties will first seek to amend the MOU; if amendment is not possible, the MOU may be terminable by either party.

6.0 SUCCESSORS AND ASSIGNS

6.1 This MOU will be binding and inure to the benefit of the Parties hereto and their respective successors and assigns.

6.2 Neither this MOU nor any term or provision hereof, or any inclusion by reference, will be construed as being for the benefit of any party not a signatory hereto (except for any successors and assigns thereto). No other person or organization will have any right of action based upon any provision of this MOU.

7.0 DISPUTE RESOLUTION

7.1 If disputes occur, the City and Port will designate representatives for the purpose of resolving disputes that arise under this Agreement:

7.2 The Designated Representatives will use their best efforts to resolve disputes between the parties. If the Designated Representatives are unable to resolve a dispute, the responsible department directors will review the matter and attempt to resolve it. If they are unable to resolve the dispute, the matter will be reviewed by the chief executive officer of each party or his or her designee. The parties agree to exhaust each of these procedural steps before seeking to resolve disputes in a court of law or any other forum.

7.3 In any action by a party hereto required to enforce this MOU, each party should bear its own costs including attorney's fees and all reasonable costs and expenses incurred as a result of a breach of this MOU, and of bringing or defending the suit.

8.0 NOTICES

8.1 Any notice required or permitted to be given pursuant to this MOU will be in writing and will be deemed to have been duly given when delivered in person or upon receipt after dispatch by certified or registered first class mail, postage prepaid, return receipt requested, to the party to whom the same is so given or made, to the addresses set forth in Section 8.0, or to such other address as any party may designate by giving notice to the other party hereto.

9.0 INDEMNIFICATION AND HOLD HARMLESS

9.1 Each of the Parties will protect, defend, indemnify, and save harmless the other Party, its officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgment, and/or awards of damages, arising out of, or in any way resulting from, each of the Party's own negligent acts or omissions. The City will also protect, defend, indemnify and save harmless the Port, its officers, officials, employees and agents ("Port indemnified parties"), from any and all costs, claims, judgment and/or awards of damages, arising out of, or in any way resulting from the design, permitting, or construction of the Heavy Haul Network projects. No Party will be required to indemnify, defend, or save harmless the other Party, its officers, officials, employees and agents if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence of the other Party. Where such claims, suits, or actions result from the concurrent negligence of the Parties, the indemnity provisions provided herein will be valid and enforceable only to the extent of a Party's own negligence. Each of the Parties agrees that its obligations under this Section extend to any claim, demand and/or cause of action brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to each of the other Party only, any immunity that would otherwise be available against such claims under the Industrial Insurance provision of Title 51 RCW.

9.2. In the event of legal action challenging the Port's legal authority to provide funding assistance to the Heavy Haul Network projects, the Port, in its sole discretion, may defend such legal action or may tender the defense to the City within ten (10) business days after the service of such legal action. Failure to tender the legal action to the City as provided herein will constitute a waiver of Port's right, if any, to seek indemnity for the claims asserted therein.

9.3 The indemnification, hold harmless, and/or waiver obligations described in this Section will survive the termination of this MOU. In any action to enforce the provisions of this Section, the prevailing Party will be entitled to recover its reasonable attorney's fees and costs incurred from the other Party.

10. RECORDS RETENTION AND AUDIT

10.1 The Port or its designee will have the right to inspect, audit and/or copy records supporting or pertaining to the Port's funding contributions to the Heavy Haul Network throughout the term (and any extensions) of this MOU and accounting thereof for the purpose of determining anything that is of consequence to this MOU.

10.2 The City will retain the records pertaining to or supporting the Port's funding contributions to the Heavy Haul Network for the periods required below. The City will also ensure that relevant wage, payroll and cost records of all contractors, subcontractors and suppliers at all tiers will be retained and open to similar inspection or audit for the periods required below:

i. During the progress of work related to the Heavy Haul Network projects receiving Port funds;

ii. For a period of not less than six (6) years after the termination of this MOU; provided that if the Port uses debt to provide funding contributions to the Heavy Haul Network, the City will retain those records necessary to address an audit for the period required under applicable regulations for the use of debt; and

iii. If any claim, audit, or litigation arising out of, in connection with, or related to this MOU is initiated, all documents and records will be retained until such claim, audit or litigation involving the records is resolved or completed, whichever occurs later.

10.3 The City, its contractors, subcontractors and suppliers will make a good faith effort to cooperate with the Port and its designees when the Port gives notice of its need to inspect or audit records referenced in this Section 10. Cooperation will include assistance as may be reasonably required in the course of inspection or audit, including reasonable access to personnel with knowledge of the contents of the records being inspected or audited so that the information in the records is properly understood by the persons performing the inspection or audit. Cooperation will also include establishing a specific mutually agreeable timetable for making the records available for inspection by the Port and its designee. Unless otherwise agreed, if the City, its contractors, subcontractors and suppliers cannot make at least some of the relevant records available for inspection within twenty-eight (28) calendar days of the Port's written request, cooperation will necessarily entail providing the Port with a reasonable explanation for the delay in production of records.

11.0 GENERAL PROVISIONS

11.1 The parties will work to expeditiously answer requests for information and to provide approvals or consents provided for in this MOU. The parties agree to take further actions and execute further documents, either jointly or within their respective powers and authority, to implement the intent of this MOU. The Parties agree to work cooperatively with each other to achieve the mutually agreeable goals as set forth in this MOU.

11.2 This MOU will be interpreted, construed and enforced in accordance with the laws of the State of Washington. Venue for any action under this MOU will be King County, Washington.

11.3 Each Party will be responsible for its own costs, including legal fees, incurred in negotiating or finalizing this MOU unless otherwise agreed in writing by the parties.

11.4 This MOU may be amended only by a written instrument executed by each of the parties hereto.

11.5 This MOU constitutes the entire agreement of the parties with respect to the subject matters of this MOU, and supersedes any and all prior negotiations (oral and written), understandings and agreements with respect hereto.

11.6 Section headings are intended as information only, and will not be construed with the substance of the section they caption.

11.7 In construction of this MOU, words used in the singular will include the plural and the plural the singular, and "or" is used in the inclusive sense, in all cases where such meanings would be appropriate.

11.8 This MOU may be executed in several counterparts, each of which will be deemed an original, and all counterparts together will constitute but one and the same instrument.

IN WITNESS WHEREOF, each of the Parties has executed this MOU by having its authorized representative affix his/her name in the appropriate space below:

CITY OF SEATTLE	**PORT OF SEATTLE**
By:_____ Date _____	By:_____ Date _____
Edward B. Murray, Mayor City of Seattle	Ted J. Fick, Chief Executive Officer Port of Seattle

ATTACHMENT A: STREETS TO BE INCLUDED WITHIN HEAVY HAUL NETWORK

Street	From	To
South Atlantic Street	Alaskan Way South	1st Avenue South
Colorado Avenue South	South Atlantic Street	South Massachusetts Street
South Massachusetts Street	Colorado Avenue South	1st Avenue South
1st Avenue South	South Atlantic Street	South Holgate Street
Alaskan Way South	South Atlantic Street	South Holgate Street
East Marginal Way South	South Holgate Street	Diagonal Avenue South
South Holgate Street	1st Avenue South	6th Avenue South
6th Avenue South	South Massachusetts Street	South Holgate Street
South Hanford Street	East Marginal Way South	Occidental Avenue South
1st Avenue South	South Hanford Street	South Spokane Street
Occidental Avenue South	South Hanford Street	South Horton Street
South Horton Street	1st Avenue South	3rd Avenue South
13th Avenue SW	SW Florida Street	North to street end
SW Florida Street	16th Avenue SW	11th Avenue SW
11th Avenue SW	SW Florida Street	SW Lander Street
16th Avenue SW	SW Florida Street	Klickitat Avenue SW
Klickitat East Roadway Avenue SW	16th Avenue SW	13th Avenue SW
Klickitat West Roadway Avenue SW	16th Avenue SW	13th Avenue SW
SW Spokane North Roadway Street	13th Avenue SW	SW Spokane Street
SW Klickitat South Roadway Way	13th Avenue SW	SW Spokane Street
South Spokane Street Ramp	East Marginal Way South	South Spokane Street
West Marginal Way SW	26th Avenue SW	SW Spokane Street
SW Spokane Street	Chelan Avenue SW	East Marginal Way South
South Spokane SR Street	South Spokane Street	East Marginal Way South
Spokane Duwamish Bridge RP	South Spokane Street	Duwamish Avenue South Bridge
Duwamish Avenue South Bridge	Spokane Duwamish Bridge RP	East Marginal Way South
Diagonal Avenue South	East Marginal Way South	South Oregon Street
South Oregon Street	Diagonal Avenue South	Denver Avenue South
Denver Avenue South	South Oregon Street	Utah Avenue South
South Spokane Street	East Marginal Way South	Airport Way South
Airport Way South	South Spokane Street	South Edmunds Street
South Edmunds Street	Airport Way South	7th Avenue South

Seattle City Council

Central Staff – Divided Report

For consideration at Full Council

Committee:	**Transportation Committee**
Council Bill Number:	**118366**
Short Title:	**Heavy Haul Network**
Full Council Date:	**October 19, 2015**
Analyst:	**Peter Lindsay**

Overview

Council Bill (C.B.) 118366 establishes a heavy haul network on certain City streets increasing the maximum gross vehicle weight from 80,000 pounds to 98,000 pounds for permitted trucks engaged in hauling ocean-going containers between multi-modal distribution centers in the SODO neighborhood and the West Duwamish Manufacturing and Industrial Area. The legislation establishes a new permit and inspection regime to allow access and use of the proposed heavy haul network and authorizes the Director of the Department of Transportation to execute an agreement with the Port of Seattle to accept funds.

History of Legislation

The Executive transmitted C.B. 118366 to the Council on March 20, 2015. During Executive briefings to councilmembers a number of concerns were expressed. As a consequence, the Executive requested a delay on the introduction and referral of the bill until concerns could be addressed in the form of updated legislation. In early September 2015, the Executive updated C.B. 118336 by attaching a formal cost sharing agreement with the Port of Seattle and requested the bill be placed on the introduction and referral calendar. The legislation and attached agreement were presented and discussed at the September 11 Transportation Committee meeting. Changes to the agreement were requested by the Committee and the Executive drafted an amended version of the agreement in cooperation with the Port of Seattle. At the September 22 Transportation Committee meeting, the Committee voted to recommend passage of the bill by the Full Council. The legislation, as amended, included a revised memorandum of understanding formalizing expectations between the City and the Port as to the level of investments necessary to protect City assets from damage due to changes in overweight limits for container trucks.

Yes	4 (Burgess, Godden, Okamoto, Rasmussen)
No	2 (O'Brien, Sawant)

Majority Position (Burgess, Godden, Okamoto, Rasmussen)

C.B. 118366 will preserve important maritime jobs and further the Port of Seattle's ability to compete in a fiercely contested global container market. The amended Memorandum of Understanding attached to this legislation also takes into account previous Council concerns such as the Port's financial contribution to the proposed heavy haul network, and ultimately represents a fair bargain that mitigates risks to the City and formalizes the Port's role as a partner. Although we are sensitive to issues involving labor standards and environmental

conservation, we find that C.B. 118366 represents a positive step towards improving working conditions for drayage drivers and making the Seattle's seaport more competitive while protecting City assets.

Minority Position (O'Brien, Sawant)

A healthy maritime economy that serves Seattle looks out for the conditions of working people at every step of the shipping process. We have serious concerns about the treatment of drayage truck drivers in the operations at the Port of Seattle and do not approve advancing a formal partnership with the Port to establish a Heavy Haul corridor until we see improvements in working conditions for the drayage truck drivers who will use the corridor. These improvements start with permanent restroom facilities on the Terminals where drayage truck drivers work, a basic workplace necessity that drivers have requested for nearly five years. They should also include providing drivers will full information about the content of weight of their loads, space, time and compensation to complete federally required pre-trip safety inspections. We are encouraged by the Port's recent efforts to expand restroom facilities at Terminal T-18.

It should be an essential priority for Councilmembers to promote good quality, living-wage unionized jobs. This does not conflict in any way with our goal of ensuring that Seattle and the maritime industry continue to economically prosper.

As Councilmembers, we also have an interest in protecting the City's assets. While the Port has made a ten year commitment to capital investments in the heavy haul network, their two-year commitment leaves open unanswered questions about who will pay for operations in year three and beyond. Operating costs must not fall to the City or on the backs of drayage truck drivers by way of increased permit fees as they have in other jurisdictions.

A maritime industry that shifts the burden of safety requirements onto their lowest wage workers does not serve Seattle. We reject a framework that pits economic competitiveness with the dignity of workers and at the time of the Committee vote, oppose advancing CB 118366.

STATE OF WASHINGTON -- KING COUNTY

--ss.

330414

No. 124889 124890

CITY OF SEATTLE,CLERKS OFFICE

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 12th 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 ORDINANCES

was published on

11/12/15

The amount of the fee charged for the foregoing publication is the sum of $50.38 which amount has been paid in full.

MELISSA M. DOWD
STATE OF WASHINGTON
NOTARY PUBLIC
MY COMMISSION EXPIRES
11-21-19

Subscribed and sworn to before me on

11/12/2015

Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle

Title Only Ordinances

The full text of the following legislation, passed by the City Council on October 19,2015, 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 124889

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

Ordinance 124890

An ORDINANCE related to special permits for the limited movement of vehicles carrying sealed ocean-going containers in excess of the legal weight limits; adopting a new chapter 11.61 to the Seattle Municipal Code establishing such a special permit system; authorizing the Department of Transportation to execute agreements with the Port of Seattle to accept funds; creating a Commercial Vehicle Enforcement Officer position to monitor and enforce the heavy haul network and ratifying and confirming certain prior acts.

Date of publication in the Seattle Daily Journal of Commerce, November 12, 2015.

11/12(330414)