

OB117153
#4

ORDINANCE

AN ORDINANCE, relating to certain steam mains and appurtenances in, under, and across East Columbia Street from 12th Avenue to 14th Avenue and 14th Avenue from East Columbia Street to East Jefferson Street; amending Ordinance 96719, as amended by Ordinances 119162 and 121855, updating the insurance and bond requirements, and amending the annual fee; renewing the term of the permit to the Seattle University; providing for acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

WHEREAS, by Ordinance 96719 the City granted permission to Seattle University to construct, operate, and maintain certain steam mains and appurtenances in, under, and across East Columbia Street from 12th Avenue to 14th Avenue and 14th Avenue from East Columbia Street to East Jefferson Street; and

WHEREAS, the conditions of Ordinance 96719 were amended by Ordinances 119162 and 121855 and Resolutions 25863, 27979, and 28830; and

WHEREAS, the permission authorized by Ordinance 96719 was for a ten-year term, renewable for four successive ten-year terms, and has been renewed for three successive ten-year terms by Resolutions 25863 and 27979 and Ordinance 119162 and was due for renewal on June 21, 2008; and

WHEREAS, Seattle University has submitted an application to the Seattle Department of Transportation Director (Director) to continue maintaining and operating the steam mains and appurtenances and paid annual fees up to June 2010; and

WHEREAS, Seattle University has satisfied all terms of the original authorizing ordinance and the Director recommends that the term permit be renewed subject to the terms identified in this ordinance; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The permission granted to Seattle University by Ordinance 96719 and amended by Ordinances 119162 and 121855 to maintain and operate certain steam mains and appurtenances in, under, and across East Columbia Street from 12th Avenue to 14th Avenue and 14th Avenue from East Columbia Street to East Jefferson Street is renewed for a ten-year period,



1 starting June 21, 2008, and ending at 11:59 p.m. on June 20, 2018, upon the terms and conditions
2 set forth in Ordinance 96719, as amended by Ordinances 119162 and 121855, and as further
3 amended by this ordinance.

4 Section 2. Sections 1, 2, 3, 5, 6, 7, 9, 11, 12, and 13 of Ordinance 96719, as amended by
5 Ordinances 119162 and 121855, are amended as follows:

6
7 1. **Permission.** ~~((That there))~~ Subject to terms of this ordinance, permission (also referred
8 to in this ordinance as a permit) is ((hereby)) granted to Seattle University((;)) (“Permittee”) and
9 its successors and assigns, ((hereinafter called the “permittee,” the right, privilege and authority))
10 to lay, maintain, operate, renew, repair, change the size and number of, and remove a system of
11 steam mains to be used for distribution of steam, together with all manholes, valves,
12 appurtenances, ((and)) service connections, and future utilities (steam mains), used in connection
13 therewith and necessary or convenient for the operation of a steam or utility system at ((such))
14 locations as may be approved by the ((Board of Public Works)) Director of Transportation in,
15 under and along East Columbia Street from 12th Avenue to 14th Avenue, and 14th Avenue from
16 East Columbia Street to East Jefferson Street((; and in, under and along any streets, alleys, or
17 public places located with the area bounded by the following streets:
18

19
20 9th Avenue, Madison and East Madison Streets, 18th Avenue, Yesler Way, and 8th
21 Avenue from Yesler Way to 9th Avenue)).
22

23 For the purpose of serving property now owned, leased, or used or to be acquired, leased, or used
24 in the future by the ((permittee)) Permittee or in connection with facilities of the ((permittee))
25 Permittee.
26



1 2. **Term.** ~~((That all rights, privileges and authority herein conferred upon and))~~ The
2 permission granted to ((said permittee,)) the Permittee and its successors and assigns, shall be for
3 a ((period)) term of ten ((10)) years. ((; Provided, that upon the)) Upon written application of
4 the Permittee at least 180 days before expiration of the term, the Director of the Seattle
5 Department of Transportation ((("Director")) (Director) may renew ((said authority)) the permit
6 for successive ten-year ((periods)) terms subject to the right of the City of Seattle (City) to
7 require the removal of the steam mains as provided for in Section 2B or Section 7 of this
8 ordinance, or revise by ordinance any of the conditions of this ordinance. The total term of the
9 permission as originally granted and renewed shall not ((to)) exceed a total of ((fifty (50))) 50
10 years((, subject to the right of the Director to revise upward or downward, the fee hereinafter
11 provided for)). If a new term permit ordinance is to be requested, the Permittee shall submit a
12 written application 180 days prior to the expiration of the total term. Failure to obtain additional
13 permission through a new ordinance, or to remove the steam mains prior to expiration of the
14 term, is a violation of Chapter 15.90 of the Seattle Municipal Code (SMC).

15 **2B. Removal Requirements.** ~~((In the event said authority))~~ If the permission granted is
16 not renewed at the expiration of a term, or ((in the event the authority hereby granted extends)) if
17 the permission is extended to its termination ((fifty (50))) date in 50 years ((from the effective
18 date of this ordinance)) and an application for a new permit is not granted, or if acceptance of this
19 ordinance is not timely received as required by this ordinance, or if the City orders removal of the
20 steam mains pursuant to the terms of this ordinance, then within ((ninety (90))) 90 days after
21 ((its)) the expiration or termination, ((as the case may be, said permittee, its successors and
22



1 assigns)) or prior to the date stated in an Order to Remove, the Permittee shall, ((if so required by
2 the City by written notice given on or before the date of expiration or termination,)) at its own
3 expense, remove ((its installations)) the steam mains and ((restore the surface and sub-surfaces
4 of streets which)) replace all portions of the street right-of-way that may have been disturbed ((in
5 constructing, repairing or using said)) for any part of the steam mains ((or appurtenances to)) and
6 in at least as good condition in all respects as the abutting ((portion thereof)) portions of the
7 right-of-way as required by the applicable SDOT standards for right-of-way restoration. The
8 Director shall then issue a certificate discharging the Permittee, or its successor or assign, from
9 responsibility under this ordinance.

10
11 **3A. Protection of utilities.** All construction ((herein)) authorized shall be done under the
12 supervision and control of the ((Board of Public Works of the City of Seattle)) Director, and the
13 ((said)) steam mains ((and appurtenances)) shall be laid underground at such depth as shall be
14 directed by the ((Board of Public Works)) Director. ((All additional expense to be incurred in the
15 construction, repair, alteration or maintenance of any public utility, which expense is occasioned
16 by the presence of said steam mains or appurtenances, is to be borne by said permittee, payment
17 therefor to be made to the City Treasurer within thirty (30) days after the rendition of a bill
18 therefor)) The permission granted is subject to the Permittee bearing the expense of any
19 protection, support or relocation of existing utilities deemed necessary by the owners of the
20 utilities and the Permittee being responsible for any subsequent damage to the utilities due to the
21 construction, repair, reconstruction, maintenance, or operation of the steam mains.



1 steam mains in good and safe condition. ((That the permittee by its acceptance of)) The
2 Permittee, by accepting the terms of this ordinance ((and the right, privilege and authority
3 hereby does covenant and agree)), releases the City from any and all claims resulting from
4 damage or loss to the Permittee's property; and agrees for itself, its successors and assigns((~~with~~
5 the City of Seattle,)); to at all times protect and save harmless the ((said)) City ((of Seattle)) from
6 all claims, actions, suits, liability, loss, costs, expense, or damages of every kind or description
7 ((which)), excepting only damages that may result from the sole negligence of the City, that may
8 accrue to((;)) or be suffered by((;)) any person ((or persons)) or property((;)) including without
9 limitation, damage or injury to the Permittee, its officers, agents, employees, contractors,
10 invitees, tenants and tenants' invitees, licensees or its successors and assigns; by reason of the
11 erection, construction, reconstruction, relocation, replacing, readjustment, repair, maintenance,
12 operation or use of ((said)) the steam mains ((or appurtenances;)), or any portion thereof; or by
13 reason of anything that has been done or may at any time be done by the Permittee, its successors
14 or assigns by reason of this ordinance; or by reason of the Permittee, its successors or assigns
15 failing or refusing to strictly comply with every provision of this ordinance.

16
17
18
19 ((and in case)) If any suit, ((or)) action ((shall be instituted or begun against said City for
20 damages arising out of, or by reason of, the erection, construction, reconstruction, relocation,
21 replacing, readjustment, repair, maintenance, operation or use of said steam mains or
22 appurtenances)), or claim of the nature described above is filed, instituted, or begun against the
23 City; the ((said permittee)) Permittee, its successors or assigns, shall((;)) upon notice ((to it or
24 them, upon commencement of said suit or action)) from the City; defend the ((same)) City at its
25
26
27



1 or their sole cost and expense~~((;))~~; and ~~((in case))~~ if a judgment ~~((shall be))~~ is rendered against
2 ~~((such))~~ the City in any ~~((such))~~ suit or action ~~((said permittee))~~, the Permittee, its successors or
3 assigns~~((;))~~ shall fully satisfy ~~((said))~~ the judgment within ~~((ninety (90)))~~ 90 days after ~~((such))~~
4 the action or suit ~~((shall have))~~ has been finally determined, if determined adversely to ~~((said))~~
5 the City. If it is determined by a court of competent jurisdiction that Revised Code of
6 Washington (RCW) 4.24.115 applies to this ordinance, then in the event claims or damages are
7 caused by or result from the concurrent negligence of:

9 (a) the City, its agents, contractors, or employees; and,

10 (b) the Permittee, its agents, contractors, employees, or successors or assigns;

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

14 **6. Repair, reconstruction, or relocation.** ~~((That the permittee, its successors and~~
15 ~~assigns;))~~ The Permittee shall not reconstruct, relocate, replace, readjust, or repair ~~((said))~~ the
16 steam mains ~~((and/or appurtenances))~~ except under the supervision ~~((and control of;))~~ of the
17 Director and in strict accordance with plans and specifications ~~((theretofore))~~ approved ~~((and~~
18 ~~adopted by, the Board of Public Works; and the said permittee, its successors and assigns, when~~
19 ~~directed to do so by said Board, shall, at its))~~ by the Director. The Director may, in the Director's
20 judgment, order the steam mains reconstructed or repaired at the Permittee's own cost and
21 expense~~((, reconstruct, relocate, replace, readjust or repair said steam mains and/or appurtenances~~
22 ~~in strict accordance with plans and specifications approved and adopted by said Board, whenever~~
23 ~~such reconstruction, relocation, replacement, readjustment or repair shall, in the judgment of said~~
24 ~~such reconstruction, relocation, replacement, readjustment or repair shall, in the judgment of said~~
25 ~~such reconstruction, relocation, replacement, readjustment or repair shall, in the judgment of said~~
26 ~~such reconstruction, relocation, replacement, readjustment or repair shall, in the judgment of said~~
27 ~~such reconstruction, relocation, replacement, readjustment or repair shall, in the judgment of said~~
28 ~~such reconstruction, relocation, replacement, readjustment or repair shall, in the judgment of said~~



1 Board, ~~be necessary or convenient~~) because of: deterioration or unsafe condition of ((said)) the
2 steam mains ((and/or appurtenances; change of street grade; improvement of streets, separation
3 of grades, installation of other street improvements;)) or ((because of)) the installation, erection,
4 construction, reconstruction, replacement, maintenance, operation or repair of any ((and all))
5 municipally-owned public utilities((;)); or for any other cause.
6

7 **7. Removal for public use or cause.** ((This grant)) The permission granted is subject to
8 ((the primary)) use of the street right-of-way by the ((The City of Seattle of said streets as
9 highways, and)) the City and the public for travel, utility purposes, and other street uses. The City
10 expressly reserves the right to require the ((said permittee, its successors and assigns,)) Permittee
11 to remove ((said)) the steam mains ((and/or appurtenances and fill the space formerly occupied
12 thereby, in case it is at any time rendered necessary by the fact that use of)), or any part thereof or
13 installation thereon, at the Permittee's sole cost and expense in the event that:
14

15 (a) the City Council determines by ordinance that the space occupied by ((said)) the
16 steam mains ((and/or appurtenances is convenient or required for, or if said steam mains
17 and/or appurtenances interfere with any primary use of said space by, the City of Seattle,
18 and a)) is necessary for any public use or benefit or that the steam mains interferes with
19 any public use or benefit; or
20

21 (b) the Director determines that any term or condition of this ordinance has been
22 violated and the violation has not been corrected by the Permittee by the compliance date
23 after a written request by the City to correct the violation.
24
25
26
27
28



1 ~~((determination by the))~~ A City Council ~~((, by ordinance, that such))~~ determination that the space
2 is ~~((so required for such primary))~~ needed for or interferes with a public use ~~((;))~~ or benefit shall
3 be conclusive and final ~~((;))~~ without any right of the ~~((permittee, its successor and assigns,))~~
4 Permittee to resort to the courts to ~~((question the same))~~ adjudicate the matter.

5 ***

6
7 **9A. Inspection fees.** Permittee, its successors and assigns ~~((;))~~ shall, as provided by SMC
8 Chapter 15.76, pay ~~((to))~~ the City ~~((of Seattle such))~~ the amounts ~~((as may be justly chargeable))~~
9 charged by ~~((said))~~ the City as ~~((the cost of inspection of said))~~ costs to inspect the steam mains
10 ~~((and appurtenances under the direction of the Director, and in addition shall pay annually in~~
11 ~~advance to the City of Seattle, upon statements or invoices rendered))~~ during construction,
12 reconstruction, repair, annual structural inspections, and at other times deemed necessary to
13 ensure the safety of the steam mains.

14
15 **9B. Inspection reports.** The Permittee, its successors and assigns shall submit to the
16 Director, or to the Department of Transportation at an address as the Director may specify in
17 writing from time to time, an inspection report that:

- 18
19 (a) describes the physical dimensions and condition of all load bearing elements,
20 (b) describes any damages or possible repairs to any element of the steam mains,
21 (c) prioritizes all repairs and establishes a timeframe for making repairs, and
22 (d) is stamped by a professional structural engineer licensed in the State of
23 Washington.



1 The report shall be submitted in the event of a natural disaster or other event that may have
2 damaged the steam mains, the report shall be submitted by the date established by the Director.

3 9C. Annual fee. Beginning on June 21, 2010, the Permittee shall promptly pay to the
4 City upon statements or invoices issued by the Director, ((a)) an annual fee ((of \$1,183.00
5 annually as established by Ordinance 119162)) of \$7,355 or as adjusted annually thereafter, for
6 the privileges granted by this ordinance.
7

8 Adjustments to the annual fee amount shall be made in accordance with a term permit fee
9 schedule adopted by the City Council ((by ordinance)) and may be ((adjusted)) made every year.
10 In the absence of ((such)) a schedule, the Director may only increase or decrease the previous
11 year's fee ((amount annually)) to reflect any inflationary changes so as to charge ((said)) the fee
12 in constant dollar terms. This adjustment will be calculated by adjusting the previous year's fee
13 ((amount)) by the percentage change between the two most recent year-end values available
14 ((of)) from the Consumers Price Index for the Seattle-Tacoma-Bremerton Area, All Urban
15 Consumers, All Products, Not Seasonally Adjusted. All payments shall be made to the City
16 Finance Director for credit to the Transportation Operating Fund.
17
18

19 ***

20 11A. Acceptance of terms and conditions. ((That said permittee shall forfeit, and shall
21 be deemed to have forfeited and abandoned, all rights, privileges and authorities granted by this
22 ordinance, unless within sixty (60) days after the approval of this ordinance said permittee files in
23 the office of the City Comptroller the surety company bond hereinafter mentioned, and also its
24 written acceptance, duly executed and acknowledged, of the rights, privileges and authorities
25
26
27
28



1 hereby conferred, subject to all the conditions, restrictions, specifications and requirements
2 herein expressed.)) The Permittee shall deliver to the Director its written signed acceptance of the
3 terms of this ordinance within 60 days after the effective date of this ordinance. The Director
4 shall file the written acceptance with the City Clerk. If no such acceptance is received within
5 that 60-day period, the privileges conferred by this ordinance shall be deemed declined or
6 abandoned and the permission granted deemed lapsed and forfeited.

8 **11B. Performance bond.** ~~((The said permittee))~~ Within 60 days after the effective date of
9 this ordinance, the Permittee shall ((also within sixty (60) days after the approval of this
10 ordinance file with said City Comptroller a good and)) deliver to the Director for filing with the
11 City Clerk a sufficient bond executed by a surety company authorized and qualified to do
12 business in the State of Washington that is: in the ((sum)) amount of ((Five Thousand Dollars
13 (\$5,000.00), executed by a surety company authorized and qualified to do business in the State of
14 Washington, indemnifying and saving harmless The City of Seattle from and against any and all
15 claims, actions, suits, liability, loss, costs, expense or damage of every kind and description
16 which may at any time arise or occur by reason of the erection, construction, reconstruction,
17 relocation, replacing, readjustment, repair, maintenance, operation or use of said steam mains or
18 appurtenances, or the improper occupation or use of said streets, or any portion thereof; of by
19 reason of anything that has been done, or may at any time be done, by said permittee, its
20 successors or assigns, by virtue of this ordinance, or by reason of said permittee, its successors or
21 assigns, failing or refusing to strictly)) \$40,000, and conditioned with a requirement that the
22 Permittee shall comply with ((each and)) every provision of this ordinance((;)) and with every
23
24
25
26
27
28



1 order the Director issues under this ordinance. ~~((in case of permittee's failure so to do, this~~
2 ~~ordinance shall be null and void and of no force or effect whatever; Provided, further that~~
3 ~~whenever in the judgment of the Mayor of The City of Seattle any bond or bonds filed pursuant~~
4 ~~to the provisions hereof shall be deemed insufficient to fully protect The City of Seattle, the~~
5 ~~permittee, its successors or assigns, shall, upon demand by said Mayor, furnish a new or~~
6 ~~additional bond in such amounts as may be specified by said Mayor.)) The Permittee shall ensure~~
7 ~~that the bond remains in effect until the steam mains are entirely removed from the location as~~
8 ~~described in Section 1, or until the Permittee is discharged by a Director's order as provided in~~
9 ~~Section 2B. An irrevocable letter of credit approved by the City Risk Manager may be substituted~~
10 ~~for the bond.~~

11
12
13 **12A. Insurance.** For as long as the ~~((permittee))~~ Permittee, its successors and assigns,
14 shall exercise any permission granted by this ordinance and until the steam mains ~~((and~~
15 ~~appurtenances))~~ are entirely removed for their location as described in Section 1 or until
16 discharged by the order of the Director as provided for in Section 2B, the Permittee shall obtain
17 and maintain in full force and effect, at its own expense, insurance ~~((policies which protect))~~ that
18 protects the City from ~~((any and all))~~ claims and risks of loss from perils that can be insured
19 against under commercial general liability (CGL) insurance policies in conjunction with:
20

- 21 (a) ~~((the))~~ construction, reconstruction, operation, maintenance, use or existence of
22 the steam mains ~~((and appurtenances permitted by this ordinance))~~ and any
23 portions of the steam mains permitted by this ordinance;
24
25
26
27
28



1 (b) the Permittee's activity upon, or the use or occupation of the area described in
2 Section 1 of this ordinance(~~(, as well as)~~); and

3 (c) (~~any and all~~) claims and risks in conjunction with (~~and~~) any activity performed
4 by the Permittee by virtue of the permission granted by this ordinance.

5 Minimum insurance requirements (~~(shall be an occurrence form policy of commercial general~~
6 ~~liability,)~~) are CGL insurance based on the Insurance Services Office (ISO) form CG 00 01 or
7 equivalent. The City requires insurance coverage to be placed with (~~a company~~) an insurer
8 admitted and licensed to conduct business in Washington State or with a surplus lines carrier
9 pursuant to RCW Chapter 48.15, except that if it is infeasible to obtain coverage with the
10 required insurer, the City may approve an alternative insurer.

11 Minimum (~~policy~~) limits of liability shall be \$2,000,000 (~~per~~) each occurrence
12 combined single limit bodily injury and property damage, with \$4,000,000 annual aggregate.

13 Coverage shall (~~(specifically name the steam main exposure. Coverage shall add by endorsement~~
14 ~~The City of Seattle, its elected and appointed officers, officials, employees and agents as~~
15 ~~additional insured. Coverage shall contain a Separation of Insureds Clause indicating essentially~~
16 ~~that "except with respect to the limits of insurance, and any rights or duties specifically assigned~~
17 ~~in this coverage part to the first named insured, this insurance applies as if each named insured~~
18 ~~were the only named insured, and separately to each insured against whom claim is made or suit~~
19 ~~is brought". Evidence of current coverage shall be submitted to the City in the form of a copy of~~
20 ~~the full insurance policy endorsements attached thereto, and is a condition to the validity of this~~
21 ~~permit.)) name the "City of Seattle, its elected and appointed officers, officials, employees and~~



1 agents” as additional insureds for primary and non-contributory limits of liability subject to a
2 Separation of Insureds clause.

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

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

22 **12B. Adjustment of insurance and bond requirements.** The Director, in consultation
23 with the City Risk Manager, may adjust minimum levels of liability insurance and surety bond
24 requirements during the term of this permission. ((The)) If the Director and City Risk Manager
25



1 determine that an adjustment is necessary to fully protect the interests of the City, the Director
2 shall notify the Permittee of the new requirements in writing. Upon receipt, the Permittee shall,
3 within 60 days, provide proof of the ((required levels of)) adjusted insurance and surety bond
4 levels to the Director ((within 60 days)).

5 **12C. Contractor insurance.** The Permittee shall contractually require that any and all of
6 its contractors performing work on any premises contemplated by this permit name the “City of
7 Seattle, its elected and appointed officers, officials, employees and agents” as additional insureds
8 for primary and non-contributory limits of liability on all CGL, Automobile and Pollution
9 liability insurance and/or self-insurance. The Permittee shall also include in all contract
10 documents with its contractors a third-party beneficiary provision extending construction
11 indemnities and warranties granted to Permittee to the City.

12 ~~((13. That the permittee, its successors or assigns, shall at all times during the period~~
13 ~~herein mentioned keep on deposit in the City Treasury to the credit of the Board of Public Works~~
14 ~~the sum of Two Hundred Dollars (\$200) to be designated as an emergency fund, provided,~~
15 ~~however, that whenever in the judgment of the Mayor of The City of Seattle, such deposit shall~~
16 ~~be deemed insufficient, the permittee, its successors or assigns, shall, upon demand by said~~
17 ~~Mayor, furnish additional deposit in such amount as may be specified by said Mayor.~~

18 ~~Whenever, in the opinion of the said Board of Public Works, an emergency arises requiring the~~
19 ~~immediate repair of any dangerous defect found to exist in any street in which permittee has laid~~
20 ~~steam mains or appurtenances, which defect has been caused by permittee or its said steam mains~~
21 ~~or appurtenances, and said permittee, its successors or assigns, have failed on notice to~~



1 immediately repair the same, said Board of Public Works shall cause said repairs to be made at
2 once, and if said permittee, its successors or assigns, shall not promptly pay the bill for the cost
3 of such repairs when made out and presented at permittee's office in said City, then the said
4 Board of Public Works may, on order of the City Council, draw the amount of such bill from said
5 emergency fund, which fund shall forthwith be reimbursed by said permittee, its successors or
6 assigns, without delay, and kept up to said amount of Two Hundred Dollars (\$200), as aforesaid,
7 or such additional amount as specified by the Mayor. This provision as to an emergency fund is
8 in addition to all other provisions herein contained on the subject of repairing streets and public
9 places, and is not intended to modify or change any of the provisions or penalties of this
10 franchise concerning the same.))
11

12 ***

13
14 Section 3. **Acceptance of terms and conditions.** The Permittee shall deliver to the
15 Director its written signed acceptance of the terms of this ordinance within 60 days after the
16 effective date of this ordinance. The Director shall file the written acceptance with the City
17 Clerk. If no such acceptance is received within that 60-day period, the privileges conferred by
18 this ordinance shall be deemed declined or abandoned and the permission granted deemed lapsed
19 and forfeited.
20

21 Section 4. **Successors and assigns.** The rights conferred to the Permittee and the
22 obligations and conditions imposed on the Permittee through this ordinance are also conferred
23 and imposed on the Permittee's successors and assigns. All references in this ordinance to the
24 "Permittee" shall also be deemed to refer to the successors and assigns of the Permittee.
25
26
27



1 References in this ordinance to “Permittee and its successors and assigns” or “Permittee or its
2 successors and assigns” are included as reminders and do not limit the scope of “Permittee” used
3 alone.

4 Section 5. **Ratify and confirm.** Any act taken by the City or the Permittee pursuant to the
5 authority and in compliance with the conditions of this ordinance but prior to the effective date of
6 the ordinance is ratified and confirmed.
7



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Section 6. 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 ____ day of _____, 2011, and signed by me in open session in authentication of its passage this ____ day of _____, 2011.

President _____ of the City Council

Approved by me this ____ day of _____, 2011.

Michael McGinn, Mayor

Filed by me this ____ day of _____, 2011.

City Clerk

(Seal)



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Department of Transportation	Angela Steel/684-5967	Becky Guerra/684-5339

Legislation Title:

AN ORDINANCE, relating to certain steam mains and appurtenances in, under, and across East Columbia Street from 12th Avenue to 14th Avenue and 14th Avenue from East Columbia Street to East Jefferson Street; amending Ordinance 96719, as amended by Ordinances 119162 and 121855, updating the insurance and bond requirements, and amending the annual fee; renewing the term of the permit to the Seattle University; providing for acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

Summary of the Legislation:

This legislation amends Ordinance 96719, as amended by Ordinance 119162 and 121855, for the Seattle University to continue maintaining and operating the existing steam main utility system located under and along East Columbia Street from 12th Avenue to 14th Avenue, and 14th Avenue from East Columbia Street to East Jefferson Street. An area map is attached for reference.

The permit is renewed for a ten-year term starting on June 21, 2008. The legislation updates the insurance and surety bond provisions as recommended by the City Risk Manager, specifies the conditions under which authorization is granted, and provides for acceptance of the permit and conditions.

The ordinance requires the Seattle University to pay the City an annual fee of \$7,355 starting from the last paid annual fee invoice, June 21, 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 to this fiscal note for reference.

Background:

By Ordinance 96719, the City granted permission to the Seattle University to construct, maintain, and operate a steam main system in, under, and across East Columbia Street from 12th Avenue to 14th Avenue and 14th Avenue from East Columbia Street to East Jefferson Street.

The permission authorized by Ordinance 96719 was for a ten-year term, renewable for four successive ten-year terms. Ordinance 96719 was renewed by Resolutions 25863 and 27979 and Ordinance 119162 and was due again for renewal on June 20, 2008.



The conditions of Ordinance 96719 were amended by Ordinances 119162 and 121855 and Resolutions 25863, 27979, and 28830.

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.

Fund Name and Number	Department	Revenue Source	2011 Revenue	2012 Revenue
Transportation Operating Fund 10310	Seattle Department of Transportation	Annual Fee	2010 Fee = \$7,355 2011 Fee = \$7,404	TBD
TOTAL			\$14,759	TBD

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 \$7,355. 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 96719, would 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 – Seattle University Steam Main Area Map
Attachment B - Annual Fee Assessment Summary



Attachment A – Seattle University Steam Main 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: 2/1/11

Summary:
Land Value: \$87/SF
First Year Permit Fee:
\$7,355

I. Property Description:

Existing subsurface steam main utility system located under and along East Columbia Street from 12th Avenue to 14th Avenue, and 14th Avenue from East Columbia Street to East Jefferson Street. The tunnel connects the properties of 901 12th Avenue and 550 14th Avenue. Adjacent tax parcels are listed below. The steam main utility system use area is **3,534 square feet.**

Applicant:
Seattle University

Abutting Parcels, Property Size, Assessed Value:

1. Parcel 2254500271; 67,080 square feet
Tax year 2010 Appraised Land Value \$8,385,000
Assessed at \$125/SF
2. Parcel 2254500830; 7,606 SF
Tax year 2010 Appraised Land Value \$874,600
Assessed at \$115/SF
3. Parcel 2254500835; 16,944 SF
Tax year 2010 Appraised Land Value \$2,534,400
Assessed at \$150/SF
4. Parcel 2254500875; 37,800 SF
Tax year 2010 Appraised Land Value \$4,158,000
Assessed at \$110/SF
5. Parcel 2254500880; 54,360 SF
Tax year 2010 Appraised Land Value \$5,979,600
Assessed at \$110/SF
6. Parcel 2254501630; 3,200 SF
Tax year 2010 Appraised Land Value \$158,000
Assessed at \$49/SF



7. Parcel 2254501620; 3,200 SF

Tax year 2010 Appraised Land Value \$158,000
Assessed at \$49/SF

8. Parcel 2254501610; 7,380 SF

Tax year 2010 Appraised Land Value \$317,000
Assessed at \$43/SF

9. Parcel 2254501605; 5,120 SF

Tax year 2010 Appraised Land Value \$238,000
Assessed at \$46/SF

10. Parcel 2254501595; 3,840 SF

Tax year 2010 Appraised Land Value \$215,000
Assessed at \$56/SF

11. Parcel 2254501600; 3,840 SF

Tax year 2010 Appraised Land Value \$422,400
Assessed at \$110/SF

12. Parcel 2254501585; 3,840 SF

Tax year 2010 Appraised Land Value \$215,000
Assessed at \$56/SF

13. Parcel 2254501590; 3,840 SF

Tax year 2010 Appraised Land Value \$215,000
Assessed at \$56/SF

14. Parcel 8733500000; 7,675 SF

Tax year 2010 Appraised Land Value \$844,200
Assessed at \$110/SF

15. Parcel 7942600845; 153,600 SF

Tax year 2010 Appraised Land Value \$17,664,000
Assessed at \$115/SF

Average 2010 tax assessed land value: \$87/SF

II. Annual Fee Assessment:

The 2010 permit fee is calculated as follows: $(\$87/\text{SF}) \times (3,534 \text{ SF}) \times (30\%) \times (8\%) =$
\$7,355, where 30% is the degree of alienation for a utility tunnel and 8% is estimated annual
rate of return.

Fee methodology authorized under Ordinance 123485.



City of Seattle
Office of the Mayor

April 12, 2011

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill that will grant to Seattle University a ten-year renewal permit for an existing steam main utility tunnel and appurtenances in, under, and across East Columbia Street from 12th Avenue to 14th Avenue and 14th Avenue from East Columbia Street to East Jefferson Street, as authorized by Ordinance 96719.

Use of the existing steam main utility tunnel, which was authorized by Ordinance 96719, provides an underground connection for private utilities between the Seattle University campus properties. 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

