

1 exclusively for the City of Seattle's utility purposes over, under, and upon the following
2 described property:

3 That portion of the Southeast Quarter of the Northwest Quarter of Section 1, Township
4 29 North, Range 5 East, W.M., Snohomish County, Washington being a strip of land 50
5 feet wide having 10 feet westerly, and 40 feet easterly of an existing 16 inch natural gas
6 pipeline, sidelines extending or subtending at the beginning and end to intersect the
7 boundaries of the main parcel and more particularly described as follows:

8 Commencing at the southeast corner of the aforementioned Section 1; thence N 44°
9 20' W, a distance of 3,876 feet more or less to the center line of said pipeline, and the
10 True Point of Beginning; thence along said pipeline N 05°57'40" E a distance of 322.3
11 feet more or less.

12 The sidelines of said right of way shall be extended or subtended as required at the
13 beginning and end to intersect the boundary of the herein described main parcel.
14 Containing .37 acres more or less.

15 Section 2. The Superintendent of City Light, or his designee, is authorized to execute for
16 and on behalf of the City of Seattle, an Easement Agreement substantially in the form attached
17 hereto as Attachment 1.

18 Section 3. Seattle City Light is authorized to accept payment for the easement from
19 Northwest Pipeline GP in the amount of \$7,306 and to deposit the proceeds in the City Light
20 Fund.

21 Section 4. Any act pursuant to the authority of and prior to the effective date of this
22 ordinance is hereby ratified and confirmed.

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



1 Passed by the City Council the ____ day of _____, 2011, and
2 signed by me in open session in authentication of its passage this
3 ____ day of _____, 2011.

4
5 President _____ of the City Council

6 Approved by me this ____ day of _____, 2011.
7

8
9 _____
10 Michael McGinn, Mayor

11 Filed by me this ____ day of _____, 2011.
12

13
14 _____
15 Monica Martinez Simmons, City Clerk

16 (Seal)

17
18 Attachment 1: Easement Agreement
19
20
21
22
23
24
25
26
27



Attachment 1

EASEMENT AGREEMENT
P.M. 290501-2-003

THIS AGREEMENT made this _____ day of _____, 2011, between the CITY OF SEATTLE, a Washington municipal corporation, acting by and through its CITY LIGHT DEPARTMENT, hereinafter called the "City," and NORTHWEST PIPELINE GP, a Delaware general partnership, hereinafter called the "Grantee."

The City, under threat of condemnation and in consideration of ELEVEN THOUSAND TWO HUNDRED DOLLARS (\$11,200.00) and of the terms and conditions hereinafter contained, hereby grants to Northwest Pipeline GP, its successors and assigns, an easement for operation and maintenance of a gas pipeline and appurtenances over, upon, under and across the following described property:

That portion of the Southeast Quarter of the Northwest Quarter of Section 1, Township 29 North, Range 5 East, W.M., Tax Parcel ID 00-5907-000-257-00, in Snohomish County, Washington, being more particularly described as follows: being a strip of land 50 feet wide, having 40 feet westerly and 10 feet easterly of an existing 16 inch natural gas pipeline, being more particularly described as follows:

Commencing at the southeast corner of the aforementioned Section 1; thence N 44°20' W a distance of 3,876 feet more or less to the centerline of said pipeline and the True Point of Beginning; thence along said pipeline N 05°57'40" E a distance of 322.3 feet more or less. The sidelines of said right of way shall be extended or subtended as required at the beginning and end to intersect the boundary of the herein described main parcel.

Containing 0.37 acres more or less, hereinafter called the "Easement Area".

ALL RIGHTS, PRIVILEGES AND AUTHORITY HEREBY GRANTED ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. No above ground building or structure shall be erected or placed upon the City's property or within the Easement Area.
2. Grantee shall not at any time interfere with the City's access to and over the City's property, including without limitation the Easement Area.
3. No ponds, ditches, or open water retention facilities of any kind shall be constructed upon the City's property or within the Easement Area.
4. Grantee agrees that the City shall not be liable for any damage to Grantee's facilities within the City's property by reason of any construction, alterations, maintenance or improvements performed on said property by the City, its agents or representatives, except for damages the City is responsible for as provided by law.



5. Grantee agrees to assume all risk of loss, damage or injury, which may result from Grantee's use of the City's property. It is understood that any damage to the City's property or transmission line facilities or appurtenances caused by or resulting from Grantee's use of the City's property may be repaired by the City and the actual cost of such repair shall be charged against and be paid by Grantee.

6. Grantee agrees to indemnify and hold harmless the City from all claims, actions or damages of every kind and description, including all claims, actions or damages brought by Grantee's employees, agents or representatives, which may accrue from or be suffered by reason of Grantee's use of the City's property, the easement rights granted under this Agreement, or the performance of any work in connection with such use. In case of any suit or action brought against the City arising out of or by reason of any of the above causes, Grantee shall, upon notice to it of the commencement of such action, defend the same at no cost or expense to the City, and Grantee will fully satisfy any judgment rendered adversely to the City, except to the extent of the concurrent negligence or willful misconduct of the City, its agents or representatives. By this indemnity provision, Grantee expressly waives any immunity it may have under any workers' compensation or industrial insurance law from claims by its employees arising out of workplace injuries in connection with Grantee's use of the City's property. Said express waiver was mutually negotiated between the City and Grantee.

7. Grantee understands that scientific studies concerning potential health effects of power frequency electric and magnetic fields (EMF) have been and are being conducted. Grantee assumes responsibility for all potential risks, actions or damages related to exposure to EMF, and/or radio frequency radiation, connected with Grantee's easement rights granted under this Agreement and/or its use of the City's property. The indemnification and hold harmless provisions of this Agreement apply to all claims, actions or damages related to EMF, and/or radio frequency radiation, in the same manner and to the same extent as they apply to all claims, actions or damages of every other kind and description.

8. Grantee covenants and agrees that neither it, nor its contractors or agents, will store, dump, bury or transfer any hazardous substances, flammable materials, inoperable vehicles, chemicals, oils, fuels, or containers for such substances, chemicals, oils, fuels, etc., on or in the Easement Area; and Grantee further agrees to observe all Federal, State and local environmental laws and regulations regarding the same.

9. The rights, privileges and authority hereby granted shall continue and be in force until such time as Grantee, its successors and assigns, shall permanently abandon said easement, at which time all such rights, privileges and authority hereby granted shall terminate.

IN WITNESS WHEREOF, this instrument has been executed the day and year first above written.

CITY OF SEATTLE
SEATTLE CITY LIGHT

ACCEPTED
NORTHWEST PIPELINE GP

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle City Light	Dave Barber 684-0400	Calvin Chow 684-4652

Legislation Title:

AN ORDINANCE relating to the City Light Department; authorizing the Superintendent to grant, under threat of condemnation, an easement in City Light's fee owned transmission line right-of-way in the Southeast Quarter of the Northwest Quarter, Section 1, Township 29 North, Range 5 East, W.M., in Snohomish County, Washington, to Northwest Pipeline GP, for the continued operation and maintenance of a gas pipeline and appurtenances of its Everett Delta Lateral Project, and ratifying and confirming certain prior acts.

Summary of the Legislation:

This legislation authorizes the Superintendent of Seattle City Light to grant an easement to Northwest Pipeline GP, to construct, operate, and maintain a 20-inch gas pipeline on a portion of City Light's fee-owned transmission right-of-way. Northwest Pipeline GP has agreed to pay City Light \$11,200 for the easement rights, and will receive a credit of \$3,893.53 paid as rent.

Background:

This legislation will declare surplus and authorize the sale of a utility property right under the jurisdiction of Seattle City Light. **A public hearing is required** pursuant to RCW 35.94.040.

On July 26, 2001, the Federal Energy Regulatory Commission (FERC) issued a preliminary determination that the Everett Delta Lateral Project proposed by the Northwest Pipeline Corporation (predecessor to Northwest Pipeline GP) was required by the public convenience and necessity (FERC Docket Nos. CP01-49-000 and CP01-49-001). The Everett Delta Lateral Project provided for the construction of a 9-mile, 20-inch gas pipeline from a Northwest Pipeline Corporation mainline near Lake Stevens to North Everett, to supply a 248-MW gas fired generator and the local gas distribution system in Everett.

The route of the 20-inch gas pipeline would necessarily cross the City Light Bothell to Newhalem transmission line near the junction of SR 9 and SR 92 in Snohomish County, Washington. Under threat of condemnation, City Light granted a Temporary Permit to the Northwest Pipeline Corporation in April, 2004, to construct the pipeline; the terms of the Temporary Permit provided that subject to City Council approval of a permanent easement, 66.67% of the rent paid under the Permit would apply to the purchase price of the easement.



In June, 2006, City Light and the Northwest Pipeline Corporation agreed that subject to City Council approval of a permanent easement, the fair market purchase price would be \$11,200. As of the date of this Fiscal Note, Northwest Pipeline GP has paid rent of \$3,893.53 applicable to the purchase price. The balance of the purchase price now due to City Light is \$7,306.47.

The pipeline has been constructed and is now in operation. Northwest Pipeline GP (successor to the Northwest Pipeline Corporation) now wishes to obtain City Council approval of a permanent easement to secure their utility infrastructure, and is prepared to pay City Light the balance of the fair market price now due.

X This legislation has financial implications.

Anticipated Revenue/Reimbursement: Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2011 Revenue	2012 Revenue
City Light Fund (41000)	Seattle City Light	Sale of Easement	\$7,306	
TOTAL			\$7,306	

What is the financial cost of not implementing the legislation?

City Light would not be paid the balance due of \$7,306. The balance due is only payable upon City Council approval of a permanent easement.

Does this legislation affect any departments besides the originating department? No.

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?

Yes. A public hearing is required by RCW 35.94.040. These hearings are usually conducted at the start of a regularly scheduled meeting of the City Council Energy, Technology, and Civil Rights Committee.

Other Issues: None.

List attachments to the fiscal note below:

Exhibit 1: Vicinity Map



**Exhibit 1
Vicinity Map**



**Northwest Pipeline GP Easement
Bothell to Newhalem Transmission Line**

Exhibit 1 to Fiscal Note
Northwest Pipeline Easement Ordinance





City of Seattle
Office of the Mayor

July 26, 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 authorizes Seattle City Light to grant an easement to Northwest Pipeline GP for the continued operation and maintenance of a 20-inch gas pipeline on the Bothell to Newhalem transmission line right-of-way in Snohomish County, Washington.

This legislation will declare surplus and authorize the sale of a utility property right under the jurisdiction of Seattle City Light. A public hearing is required pursuant to RCW 35.94.040.

This pipeline was constructed in 2004 under a Federal Energy Regulatory Commission (FERC) determination of public convenience and necessity. The pipeline connects from a Northwest Pipeline mainline near Lake Stevens to North Everett, where it supplies a 248 MW gas fired generator and the local gas distribution system. The pipeline crosses City Light's transmission corridor near the intersection of SR 9 and SR 92 east of Everett.

The ownership of this pipeline recently changed hands. The new owners, Northwest Pipeline GP, are requesting approval of a permanent easement to secure their utility infrastructure. Thank you for your consideration of this legislation. Should you have questions, please contact Dave Barber at 684-0400.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael McGinn'.

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

