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**CITY OF SEATTLE**  
**ORDINANCE \_\_\_\_\_**

COUNCIL BILL 117511

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4 AN ORDINANCE granting King County permission to maintain and operate a D-C Substation  
5 in connection with its public transportation system, on Valley Street, east of 1<sup>st</sup> Avenue  
6 North, for an unlimited term; specifying the conditions under which this permit is  
7 granted; providing for the acceptance of the permit and conditions; and ratifying and  
8 confirming certain prior acts.

9 WHEREAS, the City of Seattle ("City") and the Municipality of Metropolitan Seattle ("Metro")  
10 entered into an agreement on December 1, 1972, that included the transfer or use of  
11 certain City-owned public transportation system properties to Metro, including but not  
12 limited to equipment and facilities required to transform and deliver electrical energy to  
13 direct current at then-existing or additional points of delivery, as authorized by Ordinance  
14 101714; and

15 WHEREAS, the City and Metro entered into an agreement on August 1, 1977 (the "First  
16 Supplemental Agreement"), to establish a mutually-approved program for the expansion  
17 and rehabilitation of Metro electric trolley service within the City, including route #2 on  
18 West Queen Anne and route #4 on East Queen Anne, as authorized by Ordinance  
19 106584; and

20 WHEREAS, by Ordinance 107331, the City granted permission to Metro to construct, maintain,  
21 and operate a D-C Substation in Valley Street, east of 1<sup>st</sup> Avenue North, in connection  
22 with its public transportation system; and

23 WHEREAS, the City and Metro entered into a "Second Supplemental Agreement" on March 6,  
24 1980, that superseded the First Supplemental Agreement, and established a more  
25 extensive program of trolley rehabilitation and expansion, including but not limited to  
26 rehabilitation of route #2 West Queen Anne, and expansion of route #3 North Queen  
27 Anne and route #4 East Queen Anne, all of which electric trolley routes are still in  
28 operation in 2012 and depend on the Valley Street D-C Substation to operate in the  
vicinity of south Queen Anne and the north end of downtown Seattle; and

WHEREAS, in 1994, Metro merged with and became part of the King County; and

WHEREAS, the permission authorized by Ordinance 107331 expired February 28, 2003; and

WHEREAS, King County has submitted an application to the Seattle Department of  
Transportation Director ("Director") to continue maintaining and operating the D-C  
Substation; and



1 WHEREAS, the Director recommends that the term permit be approved subject to the terms  
2 identified in this ordinance; NOW, THEREFORE,

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

4 Section 1. **Permission.** Subject to the terms and conditions of this ordinance, the City of  
5 Seattle ("City") grants permission (also referred to in this ordinance as a permit) to King County,  
6 and its successors and assigns as approved by the Director of the Seattle Department of  
7 Transportation ("Director") according to Section 14 of this ordinance (the party named above  
8 and each approved successor and assign is referred to as "Permittee"), to maintain and operate a  
9 D-C Substation and appurtenances ("substation") in the median strip between the upper and  
10 lower roadways of Valley Street, east of 1<sup>st</sup> Avenue North. The substation is for the purpose of  
11 distributing electrical power to the public transportation system that the Permittee operates and  
12 maintains as successor to the Municipality of Metropolitan Seattle.  
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15 Section 2. **Term.** The permission granted to the Permittee to maintain and operate the  
16 substation under this Ordinance shall continue for so long as the substation is used to distribute  
17 electrical power to the public transportation system, subject to the right of the City to require the  
18 removal of the substation or to revise by ordinance any of the terms and conditions of the  
19 permission granted by this ordinance.  
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21 Section 3. **Protection of utilities.** The permission granted is subject to the Permittee  
22 being responsible to pay for the repair, protection, support, or relocation of any adjacent utilities  
23 that may be damaged due to Permittee's construction, repair, reconstruction, maintenance,  
24 operation, or removal of the substation.  
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26 Section 4. **Removal for public use or for cause.** The permission granted is subject to  
27 use of the street right-of-way or other public place (collectively "public place") by the City and  
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1 the public for travel, utility purposes, and other public uses or benefits. The City expressly  
2 reserves the right to terminate the permission at any time and require the Permittee to remove the  
3 substation, or any part thereof or installation on the public place, at the Permittee's sole cost and  
4 expense in the event that:

- 5 (a) the City Council determines by ordinance that the space occupied by the  
6 substation is necessary for any public use or benefit or that the substation interferes with  
7 any public use or benefit; or  
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9 (b) the Director determines that use of the substation has been abandoned; or  
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11 (c) the Director determines that any term or condition of this ordinance has been  
12 violated, and the violation has not been corrected by the Permittee by the compliance date  
13 after a written request by the City to correct the violation (unless a notice to correct is not  
14 required due to an immediate threat to the health or safety of the public).

15 A City Council determination that the space is needed for, or the substation interferes with, a  
16 public use or benefit is conclusive and final without any right of the Permittee to resort to the  
17 courts to adjudicate the matter. Notwithstanding the foregoing sentence, the City acknowledges  
18 that the substation is a critical element of Permittee's public transportation system upon which  
19 many City residents depend, and that removal of the substation could eliminate Permittee's  
20 ability to provide electric trolley bus service to south Queen Anne and portions of downtown  
21 Seattle at the location described in Section 1.

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23 Section 5. **Permittee's obligation to remove and restore.** If the permission expires  
24 because the substation is no longer used to distribute electrical power to the public transportation  
25 system, or if the City terminates the permission, then within 180 days after the expiration or  
26 termination of the permission, or prior to any earlier reasonable time stated in an ordinance or  
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1 order requiring removal of the substation, the Permittee shall, at its own expense, remove the  
2 substation and all of the Permittee's equipment and property from the public place and replace  
3 and restore all portions of the public place that may have been disturbed for any part of the  
4 substation in as good condition for public use as existed prior to construction of the substation  
5 and in at least as good condition in all respects as the abutting portions of the public place as  
6 required by SDOT right-of-way restoration standards. Failure to remove the substation as  
7 required by this section is a violation of Chapter 15.90 of the Seattle Municipal Code (SMC) or  
8 successor provision; however, applicability of Chapter 15.90 does not eliminate any remedies  
9 available to the City under this ordinance or any other authority. If the Permittee does not timely  
10 fulfill its obligations under this section, the City may in its sole discretion remove the substation  
11 and restore the public place at the Permittee's sole cost and expense, and collect such expense in  
12 any manner provided by law.  
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15       Upon the Permittee's completion of removal and restoration in accordance with this  
16 section, or upon the City's completion of the removal and restoration and the Permittee's  
17 payment to the City for the City's removal and restoration costs, the Director shall then issue a  
18 certification that the Permittee has fulfilled its removal and restoration obligations under this  
19 ordinance.  
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21       Upon prior notice to the Permittee and entry of written findings that it is in the public  
22 interest, the Director may, in the Director's sole discretion, conditionally or absolutely excuse the  
23 Permittee from compliance with all or any of the Permittee's obligations under this section.  
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25       Section 6. **Repair or reconstruction.** The substation shall remain the exclusive  
26 responsibility of the Permittee and the Permittee shall maintain the substation in good and safe  
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1 condition for the protection of the public. The Permittee shall not reconstruct or redevelop the  
2 substation except in strict accordance with plans and specifications approved by the Director.

3       **Section 7. Failure to correct unsafe condition.** After written notice to the Permittee and  
4 failure of the Permittee to correct an unsafe condition within the time stated in the notice, the  
5 Director may order the substation reconstructed, redeveloped, or repaired at the Permittee's cost  
6 and expense because of the unsafe condition. If the Director has documented that the substation  
7 has become unsafe or creates an unreasonable risk of injury to the public, then after written  
8 notice to the Permittee and failure of the Permittee to correct the unsafe condition or risk of  
9 injury to the public, the Director may order the substation be closed or removed at the  
10 Permittee's expense. If there is an immediate threat to the health or safety of the public, a notice  
11 to correct is not required.  
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13       **Section 8. Continuing obligations.** Notwithstanding termination or expiration of the  
14 permission granted, or closure or removal of the substation, the Permittee shall remain bound by  
15 all of its obligations under this ordinance until the Director has issued a certification that the  
16 Permittee has fulfilled its removal and restoration obligations under Section 5 of this ordinance.  
17 Notwithstanding the issuance of that certification, the Permittee shall continue to be bound by  
18 the obligations in Section 9 of this ordinance.  
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20       **Section 9. Release, hold harmless, indemnification, and duty to defend.** The  
21 Permittee, by accepting the terms of this ordinance, releases the City, its officials, officers,  
22 employees, and agents from any and all claims, actions, suits, liability, loss, costs, expense,  
23 attorneys' fees, or damages of every kind and description arising out of or by reason of the  
24 substation or this ordinance, including but not limited to claims resulting from injury, damage, or  
25 loss to the Permittee or the Permittee's property.  
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1 The Permittee agrees to at all times defend, indemnify, and hold harmless the City, its  
2 officials, officers, employees, and agents from and against all claims, actions, suits, liability,  
3 loss, costs, expense, attorneys' fees, or damages of every kind and description, excepting only  
4 damages that may result from the sole negligence of the City that may accrue to, be asserted by,  
5 or be suffered by any person or property including, without limitation, damage, death, or injury  
6 to members of the public or to the Permittee's officers, agents, employees, contractors, invitees,  
7 tenants, tenants' invitees, licensees, or successors and assigns arising out of or by reason of:

8 (a) the existence, condition, construction, reconstruction, modification, maintenance,  
9 operation, use, or removal of the substation or any portion thereof, or the use, occupation, or  
10 restoration of the public place or any portion thereof by the Permittee or any other person or  
11 entity;

12 (b) anything that has been done or may at any time be done by the Permittee by reason of  
13 this ordinance;

14 (c) the Permittee failing or refusing to strictly comply with every provision of this  
15 ordinance; or

16 (d) arising out of or by reason of the substation or this ordinance in any other way.

17 If any suit, action, or claim of the nature described above is filed, instituted, or begun  
18 against the City, the Permittee shall upon notice from the City defend the City, with counsel  
19 acceptable to the City, at the sole cost and expense of the Permittee, and if a judgment is  
20 rendered against the City in any suit or action, the Permittee shall fully satisfy the judgment  
21 within 90 days after the action or suit has been finally determined, if determined adversely to the  
22 City. If it is determined by a court of competent jurisdiction that Revised Code of Washington  
23 (RCW) 4.24.115 applies to this ordinance, then in the event claims or damages are caused by or  
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1 result from the concurrent negligence of the City, its agents, contractors, or employees, and the  
2 Permittee, its agents, contractors, or employees, this indemnity provision shall be valid and  
3 enforceable only to the extent of the negligence of the Permittee or the Permittee's agents,  
4 contractors, or employees.

5       Section 10. **Insurance.** For as long as the Permittee exercises any permission granted by  
6 this ordinance and until the Director has issued a certification that the Permittee has fulfilled its  
7 removal and restoration obligations under Section 5, the Permittee shall obtain and maintain in  
8 full force and effect, at its own expense, insurance and/or self-insurance that protects the  
9 Permittee and the City from claims and risks of loss from perils that can be insured against under  
10 commercial general liability (CGL) insurance policies in conjunction with:  
11

- 12       (a) construction, reconstruction, modification, operation, maintenance, use, existence, or  
13 removal of the substation or any portions thereof, as well as restoration of any  
14 disturbed areas of the public place in connection with removal of the substation;  
15       (b) the Permittee's activity upon or the use or occupation of the public place described in  
16 Section 1 of this ordinance; and  
17       (c) claims and risks in connection with activities performed by the Permittee by virtue of  
18 the permission granted by this ordinance.  
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21 Minimum insurance requirements are CGL insurance based on the Insurance Services Office  
22 (ISO) form CG 00 01 or equivalent. The City requires insurance coverage to be placed with an  
23 insurer admitted and licensed to conduct business in Washington State or with a surplus lines  
24 carrier according to RCW Chapter 48.15. If coverage is placed with any other insurer or is  
25 partially or wholly self-insured, such insurer(s) or self-insurance is subject to approval by the  
26 City's Risk Manager.  
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1 Minimum limits of liability shall be \$2,000,000 each occurrence combined single limit  
2 bodily injury and property damage, with \$4,000,000 annual aggregate. Coverage shall include  
3 the "City of Seattle, its elected and appointed officers, officials, employees and agents" as  
4 additional insureds for primary and non-contributory limits of liability subject to a Separation of  
5 Insureds clause.

6 Within 60 days after the effective date of this ordinance, the Permittee shall provide to  
7 the City, or cause to be provided, certification of insurance coverage including an actual copy of  
8 the blanket or designated additional insured policy provision per the ISO CG 20 12 endorsement  
9 or equivalent. The insurance coverage certification shall be delivered or sent to the Director or to  
10 the Department of Transportation (SDOT) at an address as the Director may specify in writing  
11 from time to time. The Permittee shall provide a certified complete copy of the insurance policy  
12 to the City promptly upon request.

13 If the Permittee is self-insured, a letter of certification from the Corporate Risk Manager  
14 may be submitted in lieu of the insurance coverage certification required by this ordinance, if  
15 approved in writing by the City's Risk Manager. The letter of certification must provide all  
16 information required by the City's Risk Manager and document, to the satisfaction of the City's  
17 Risk Manager, that self-insurance equivalent to the insurance requirements of this ordinance is in  
18 force. After a self-insurance certification is approved, the City may from time to time  
19 subsequently require updated or additional information. The approved self-insured Permittee  
20 must provide 30 days' prior notice of any cancellation or material adverse financial condition of  
21 its self-insurance program. The City may at any time revoke approval of self-insurance and  
22 require the Permittee to obtain and maintain insurance as specified in this ordinance.  
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1 In the event that the Permittee assigns or transfers the permission granted by this  
2 ordinance, the Permittee shall maintain in effect the insurance required under this section until  
3 the Director has approved the assignment or transfer pursuant to Section 14.

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

12 Section 12. **Performance bond.** In the event the Permittee seeks to assign or transfer the  
13 permission granted by this ordinance, the City's Risk Manager may determine in his sole  
14 discretion that a performance bond is necessary to adequately protect the City's interests. In the  
15 event of such a determination, the successor entity shall deliver to the Director for filing with the  
16 City Clerk, as a condition of approval of the assignment or transfer, a sufficient bond executed  
17 by a surety company authorized and qualified to do business in the State of Washington that is in  
18 the amount determined by the Director in consultation with the City Risk Manager, and  
19 conditioned with a requirement that the Permittee shall comply with every provision of this  
20 ordinance and with every order the Director issues under this ordinance. The Permittee shall  
21 ensure that the bond remains in effect until the Director has issued a certification that the  
22 Permittee has fulfilled its removal and restoration obligations under Section 5. An irrevocable  
23 letter of credit approved by the City Risk Manager may be substituted for the bond upon  
24 approval of the Director. Upon prior notice to the Permittee and entry of written findings that it  
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1 is in the public interest, the Director may, in the Director's sole discretion, conditionally or  
2 absolutely excuse the Permittee from compliance with all or any of the Permittee's obligations  
3 under this section.

4       Section 13. **Adjustment of insurance and bond requirements.** The Director, in  
5 consultation with the City Risk Manager, may adjust minimum liability insurance levels and  
6 surety bond requirements during the term of this permission. If the Director and City Risk  
7 Manager determine that an adjustment is necessary to fully protect the interests of the City, the  
8 Director shall notify the Permittee of the new requirements in writing. The Permittee shall,  
9 within 60 days of the date of the notice, provide proof of the adjusted insurance and surety bond  
10 levels to the Director.  
11

12       Section 14. **Consent for and conditions of assignment or transfer.** The permission  
13 granted by this ordinance shall not be assignable or transferable by operation of law; nor shall the  
14 Permittee transfer, assign, mortgage, pledge or encumber the same without the Director's  
15 consent, which the Director shall not unreasonably refuse. The Director may approve assignment  
16 or transfer of the permission granted by this ordinance to a successor entity only if the successor  
17 or assignee has accepted in writing all of the terms and conditions of the permission granted by  
18 this ordinance and has provided, at the time of the acceptance, the certification of insurance  
19 coverage and any bond required under this ordinance, and has paid any fees due under Section  
20 17 of this ordinance. Upon the Director's approval of an assignment or transfer, the rights and  
21 obligations conferred on the Permittee by this ordinance shall be conferred on the successors and  
22 assigns. Any person or entity seeking approval for an assignment or transfer of the permission  
23 granted by this ordinance shall provide the Director with a description of the current and  
24 anticipated use of the substation.  
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1           Section 15. **Inspection fees.** The Permittee shall, as provided by SMC Chapter 15.76 (or  
2 successor provision), pay the City the amounts charged by the City to inspect the substation  
3 during construction, reconstruction, repair, annual safety inspections, and at other times deemed  
4 necessary by the City. No inspection or approval by the City shall be construed as a representation,  
5 warranty or assurance to the Permittee or any other person as to the safety or soundness of any  
6 structure or condition, nor as to compliance with this ordinance or any agreement or standard. Any  
7 failure by the City to require correction of any defect or condition shall not in any way limit the  
8 responsibility or liability of the Permittee.  
9

10           Section 16. **Inspection reports.** The Permittee shall submit to the Director, or to the  
11 SDOT at an address specified by the Director, an inspection report that:

- 12           (a) describes the physical dimensions and condition of all load-bearing elements;  
13           (b) describes any damages or possible repairs to any element of the substation;  
14           (c) prioritizes all repairs and establishes a timeframe for making repairs; and  
15           (d) is stamped by a professional structural engineer licensed in the State of  
16           Washington.  
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18           The report meeting the foregoing requirements shall be submitted in the event of a natural  
19 disaster or other event that may have damaged the substation, and shall be submitted by the date  
20 established by the Director. The Permittee has the duty of inspecting and maintaining the  
21 substation, and the responsibility to submit structural inspection reports periodically or as  
22 required by the Director does not waive or alter any of the Permittee's other obligations under  
23 this ordinance. The receipt of any reports by the Director shall not create any duties on the part  
24 of the Director. Any failure by the Director to require a report, or to require action after receipt of  
25 any report, shall not waive or limit the obligations of the Permittee.  
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1 Section 17. **Annual fee.** Beginning on March 26, 2011, and annually thereafter, the  
2 Permittee shall promptly pay to the City, upon statements or invoices issued by the Director, an  
3 annual fee of \$2,037, or as adjusted annually thereafter, for the privileges granted by this  
4 ordinance.

5 Adjustments to the annual fee shall be made in accordance with a term permit fee  
6 schedule adopted by the City Council and may be made every year. In the absence of a schedule,  
7 the Director may only increase or decrease the previous year's fee to reflect any inflationary  
8 changes so as to charge the fee in constant dollar terms. This adjustment will be calculated by  
9 adjusting the previous year's fee by the percentage change between the two most recent year-end  
10 values available for the Consumer Price Index for the Seattle-Tacoma-Bremerton Area, All  
11 Urban Consumers, All Products, Not Seasonally Adjusted. Permittee payments shall be made to  
12 the City Finance Director for credit to the Transportation Operating Fund.  
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14 Section 18. **Compliance with other laws.** Permittee shall maintain and operate the  
15 substation in compliance with all applicable federal, state, County and City laws and regulations.  
16 Without limitation, in all matters pertaining to the substation, the Permittee shall comply with the  
17 City's laws prohibiting discrimination in employment and contracting including Seattle's Fair  
18 Employment Practices Ordinance, Chapter 14.04 and Fair Contracting Practices code, Chapter  
19 14.10 (or successor provisions).  
20

21 Section 19. **Acceptance of terms and conditions.** The Permittee shall deliver to the  
22 Director its written signed acceptance of the terms of this ordinance within 60 days after the  
23 effective date of this ordinance. The Director shall file the written acceptance with the City  
24 Clerk. If no such acceptance is received within that 60-day period, the privileges conferred by  
25 this ordinance shall be deemed to be declined or abandoned and the permission granted deemed  
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1 to be lapsed and forfeited, and Permittee shall, at its own expense, remove the substation and all  
2 of the Permittee's equipment and property and replace and restore all portions of the public place  
3 as provided in Section 5.

4 Section 20. **Section titles.** Section titles are for convenient reference only and do not  
5 modify or limit the text of a section.

6 Section 21. **Ratify and confirm.** Any act taken by the City or the Permittee pursuant to  
7 the authority and in compliance with the conditions of this ordinance but prior to the effective  
8 date of the ordinance is ratified and confirmed.  
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Section 22. This ordinance shall take effect and be in force 30 days 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 Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2012, and signed by me in open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Michael McGinn, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)



**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

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

**Legislation Title:**

AN ORDINANCE granting King County permission to maintain and operate a D-C Substation in connection with its public transportation system, on Valley Street, east of 1<sup>st</sup> Avenue North, for an unlimited term; specifying the conditions under which this permit is granted; providing for the acceptance of the permit and conditions; and ratifying and confirming certain prior acts.

**Summary of the Legislation:**

This legislation grants King County permission to operate and maintain an existing D-C Substation on Valley Street, east of 1<sup>st</sup> Avenue North. An area map is attached for reference.

This permit is for an unlimited term for so long as the D-C Substation is used to distribute electrical power to the public transportation system, subject to the right of the City to require the removal of the substation or to revise any of the terms and conditions of the permission granted by this permit. The legislation has an insurance provision as recommended by the City Risk Manager, specifies the conditions under which authorization is granted, and provides for acceptance of the permit and conditions.

King County is to pay the City of Seattle an annual fee of \$2,037 commencing on March 26, 2011, and annually thereafter. Adjustments to the annual fee may be made every year and if so made shall be calculated in accordance with a term permit fee schedule adopted by the City Council by Ordinance 123485. An Annual Fee Appraisal Summary is attached for reference.

**Background:**

As authorized by Ordinance 101714, the City of Seattle ("City") and the Municipality of Metropolitan Seattle ("Metro") entered into an agreement that included the transfer or use of certain City-owned public transportation system properties to Metro, including but not limited to equipment and facilities required to transform and deliver electrical energy to direct current at then-existing or additional points of delivery.

By Ordinance 106584, the City and Metro entered into an agreement (the "First Supplemental Agreement"), to establish a mutually-approved program for the expansion and rehabilitation of Metro electric trolley service within the City, including route #2 on West Queen Anne and route #4 on East Queen Anne.



By Ordinance 107331, the City granted permission to Metro to construct, operate, and maintain a D-C Substation in Valley Street, east of 1<sup>st</sup> Avenue North, in connection with its public transportation system, for a 30-year term which expired on February 28, 2003.

The City and Metro entered into a "Second Supplemental Agreement", that superseded the First Supplemental Agreement, and established a more extensive program of trolley rehabilitation and expansion, including but not limited to rehabilitation of route #2 West Queen Anne, and expansion of route #3 North Queen Anne and route #4 East Queen Anne, all of which electric trolley routes depend on the Valley Street D-C Substation to operate in the vicinity of south Queen Anne and the north end of downtown Seattle.

In 1994, Metro merged with and became part of the King County.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

**Appropriations:** N/A

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

Fund Name and Number	Department	Revenue Source	2012 Revenue	2013 Revenue
Transportation Operating Fund 10310	Seattle Department of Transportation	Annual Fee –	2011 Fee: \$2,037 2012 Fee: \$2,001	TBD
<b>TOTAL</b>			<b>\$4,038</b>	<b>TBD</b>

Revenue/Reimbursement Notes: Note that the 2012 Fee is lower due to the assessment of lower King County tax assessed land values for 2012.

**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

**Other Implications:**



- a) **Does the legislation have indirect financial implications, or long-term implications?**  
No
- b) **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 \$2,037. As previously stated, the City of Seattle has the option to adjust the fee amount on an annual basis. The D-C substation, as originally permitted under Ordinance 107331, will no longer be permitted.
- c) **Does this legislation affect any departments besides the originating department?**  
No
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** None
- e) **Is a public hearing required for this legislation?**  
No
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
No
- g) **Does this legislation affect a piece of property?**  
Yes, an area map is attached for reference.
- h) **Other Issues:** N/A

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

- Attachment A – King County DC Substation Area Map  
Attachment B – Annual Fee Assessment Summary

Attachment A – King County DC Substation 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: 6/1/12

<p><u>Summary:</u> <b>Land Value:</b> \$96.65/SF <b>First Year Permit Fee:</b> <b>\$2,037</b></p>
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**I. Property Description:**

Existing D-C Substation located on Valley Street, east of 1<sup>st</sup> Avenue North, with abutting tax parcels of 5437300300 and 5457300477. Permit is for a total **527 square foot area**.

**Applicant:**

King County

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

1. Parcel 5437300300; 19,920 SF

Tax year 2011 Appraised Land Value \$2,390,400  
Assessed at \$120/SF

2. Parcel 5457300477; 1,760 SF

Tax year 2011 Appraised Land Value \$129,000  
Assessed at \$73/SF

2011 tax assessed land value: \$96.65/SF

**II. Annual Fee Assessment:**

The 2011 permit fee is calculated as follows:  $(\$96.65/\text{SF}) \times (527 \text{ SF}) \times (50\%) \times (8\%) =$   
**\$2,037**, where 50% is the degree of alienation for an at-grade utility structure and 8% is the estimated annual rate of return.

Fee methodology authorized under Ordinance 123485.





**City of Seattle**  
Office of the Mayor

June 19, 2012

Honorable Sally J. Clark  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Clark:

I am pleased to transmit the attached proposed Council Bill that will grant to King County permission to continue maintaining and operating a D-C Substation on Valley Street, east of 1<sup>st</sup> Avenue North. This permit will be for an unlimited term for so long as the D-C Substation is used to distribute electrical power to the public transportation system.

This D-C Substation transforms and delivers electrical energy to direct current for the electric trolley service in the vicinity of south Queen Anne and the north end of downtown Seattle.

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

Sincerely,

Michael McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

