



MEMORANDUM

TO: Seattle City Council Libraries, Utilities, and Center Committee

FROM: Kerry Smith

DATE: June 26, 2013

RE: King County/Seattle Center Wastewater Tunnel Easement Agreement

This legislation authorizes Seattle Center to execute a subsurface Wastewater Tunnel Easement Agreement with King County. The easement will satisfy part of the City's obligation under the 1961 Agreement for Sewage Disposal between the City and the Municipality of Metropolitan Seattle (Metro).

The City and Metro entered into the 1961 Agreement to convey wastewater facilities throughout the City to Metro; the City received \$6,285,660 in return (Ordinance 89363). In 1962 the Agreement was amended by Supplemental Agreement No. 2, under which the City retained portions of the Alki Point Sewage Treatment Plant and the payment was reduced to \$6,189,780. On July 1, 1962, Metro assumed the exclusive right to use and duty to maintain, operate, repair and replace the sewer facilities. One of the provisions of the 1961 Agreement was that the City would continue to own the pipes and pay the principal and interest on the bonds until they were retired. At the time of the transfer the City was still paying off bonds that had been sold to pay for the wastewater pipes; therefore, the property transfers could not be completed until those bond obligations had been retired. The City has paid the entire principal and interest on those bonds and the obligations have been met. In 1994 Metro merged with and became part of King County.

In 2010 the City transferred real and personal property and recorded separate easement agreements for most fee-owned property encumbered by the sewer facilities identified in the 1961 Agreement (Ordinances 123422 and 123423). The impacted facilities were under the jurisdiction of the Department of Parks and Recreation and Seattle Public Utilities. One other facility, the "Lake Union Tunnel" crosses Seattle Center property. The tunnel, which was constructed in the early 1900's, runs diagonally across Seattle Center, starting from Harrison Street, approximately 100 feet below ground, continuing beneath the Armory and Seattle Children's Theatre and exiting at 2nd Avenue. The proposed subsurface easement complies with the terms of the 1961 Agreement and will address the final City property identified in the 1961 Agreement.