

Attachment B: Redmond - Olympic Pipe Line Franchise Comparison Matrix dated 3-06-2026

Proposed 2026 Ordinance No. XXXX vs. 2006 Ordinance No. 2289

The proposed 2026 ordinance modernizes the 2006 franchise by strengthening environmental, financial, and legal protections, standardizing insurance and fee structures, and ensuring clear renewal and compliance mechanisms.

Section / Category	Proposed 2026 Franchise Ordinance	2006 Franchise Ordinance No. 2289
General Provisions		
§ 2 Definitions	Non-code ordinance. Expanded and clarified terms to align with pipeline and ROW management standards (<i>Franchise Area, Pipeline Corridor, Hazardous Substance, etc.</i>).	Non-code ordinance. Contained fewer definitions and complex Federal citations.
§3 Purpose and Scope	Confirms City's police power; grants a nonexclusive franchise for continued operation; protect public health and safety.	Authorized use of ROW for liquid petroleum transport; City consent required for new facilities but less explicit.
§§ 4 – 7 Rights Conveyed / Term / Assignment / Compliance	Ten-year term with mutual ten-year renewal or year-to-year extension; assignment requires City Council approval by ordinance / resolution; compliance with laws.	Ten-year term; Ten-year renewal at City's discretion; now operating year-to-year since 2016. Assignment approval required from City Council.
Operational & Construction Standards		
§ 8 Construction & Permitting	Requires detailed permit applications, 72-hour notice, GIS maps, and bonding of 125% of construction costs; defines emergency work protocol.	General permit requirement; no bond amount specified.
§ 9 Abandonment / Removal	Notice to City within 30 days of abandonment; removal within 180 days unless secured in place with City approval.	Notice within 60 days; removal within 180 days.
§ 10 Operations & Maintenance	Must comply with 49 CFR Part 195 and Chapter 480-75 WAC; City may request inspection briefings at Company's cost.	General maintenance in compliance with laws and regulations.
§ 11 Undergrounding / Surface Conditions	Requires a written program to prevent damage from excavation of Company's Facilities and regular inspection of surface conditions on pipeline corridor.	Not addressed as a standalone section.
§ 12 Leaks, Spills & Emergency Response	Adhere to Comprehensive Emergency Management Plan, 24-hour emergency contact, and Company responsibility for all response and remediation costs, except for the sole negligence or willful misconduct of the City.	Spill-emergency response at the County level.
§ 13 Relocation of Facilities	Relocation at Company's cost for City Improvement Projects; if relocated again within 5 years, City pays; detailed coordination steps provided.	Required relocation for City projects.

Section / Category	Proposed 2026 Franchise Ordinance	2006 Franchise Ordinance No. 2289
Legal Protections & Remedies		
§§ 14 – 15 Violations / Dispute Resolution	Remedies are cumulative; notice and right to cure; dispute resolution process.	Enforcement and disputes including escalation.
§§ 16 – 17 Indemnification / Insurance	Expansive indemnification language along with environmental indemnification and RCW Title 51 waiver; requires \$100M CGL, \$50M pollution liability, \$5M umbrella, and other coverages; City named additional insured.	\$100M CGL plus auto/employer's liability (\$2M); no pollution coverage; no RCW 51 waiver.
§ 18 Franchise Fees & Costs	\$23,000 base annual fee + CPI annual increase (2027 onward).	\$12,000 initial base fee + annual CPI increase (Seattle-Everett area).
§ 19 "As-Is / Where-Is" Condition	Company accepts ROW "as is" "where is"; City provides no warranty; reaffirms City disclaimers.	Similar language but less explicit.
§ 20 Receivership / Foreclosure	Adds notice and City termination rights in bankruptcy or receivership events.	Bankruptcy not explicitly addressed.
§§ 21 – 23 Acceptance / Notices / Miscellaneous	Acceptance required within 60 calendar days; formalizes notice addresses and representatives; adds governing law (WA), venue (King County Superior Court / U.S. District Court- Seattle), and mutual force majeure clause.	30-day acceptance; no specified venue; force majeure applies only to the Company.
§§ 24 – 25 Severability / Effective Date	Standard severability clause; effective January 1, 2026, five days after the date of publication.	Standard clause; effective May 27, 2006.