# **CITY OF BALTIMORE** COUNCIL BILL 08-0114 (First Reader)

Introduced by: The Council President

At the request of: The Administration (Department of Public Works)

Introduced and read first time: May 5, 2008

Assigned to: Highways and Franchises Subcommittee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Planning Commission, Department of

Housing and Community Development, Department of Public Works, Department of

Transportation, Fire Department, Board of Estimates

### A BILL ENTITLED

1	AN ORDINANCE concerning
2 3	Franchise – Private Product Recovery System Pipeline Under and Across a Portion of the Boston Street Right-of-way
4	FOR the purpose of granting a franchise to ExxonMobil to construct, use, and maintain a private
5	product recovery system pipeline under and across a portion of the Boston Street right-of-
6	way, connecting facilities located on the properties known as 4200 Boston Street and 1610
7	South Newkirk Street, subject to certain terms, conditions, and reservations; and providing
8	for a special effective date.
9	By authority of
10	Article VIII - Franchises
11	Baltimore City Charter
12	(1996 Edition)
13	Recitals
14	ExxonMobil owns a former gasoline refinery and a bulk storage terminal on the
15	property known as 4200 Boston Street. The refinery and terminal are now
16	inactive. The company will be installing several recovery wells on their property
17	to assist with the recovery of their gasoline product.
18	The recovery wells are to be connected via an underground pipeline and conveyed
19	to a storage tank located on the property known as 1610 South Newkirk Street,
20	where ExxonMobil has an existing access agreement. The storage tank will be
21	periodically emptied by tanker truck and the gasoline product recycled.
22	Connecting the recovery wells to the storage tank requires a portion of the
23	product recovery pipeline to be located in and begin approximately 4 feet below
24	the surface of the Boston Street right-of-way. The pipeline will be installed using
25	horizontal directional drilling techniques under the right-of-way from entry and
26	exit trenches located on the Boston and South Newkirk Street properties. The
27	installation of the pipeline is not expected to unduly interfere with traffic on
28	Boston Street.

**EXPLANATION:** CAPITALS indicate matter added to existing law. [Brackets] indicate matter deleted from existing law.

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**SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE**, That a franchise or right is granted to ExxonMobil, its tenants, successors, and assigns (collectively, the "Grantee") to construct, use, and maintain, at Grantee's own cost and expense, and subject to the terms and conditions of this Ordinance, a private 12-inch HDPE casing pipe containing one 2-inch steel product pipe, one 2-inch steel spare line, and several 1/2-inch polyethylene air lines needed to operate the pumps in the recovery wells, approximately 77 feet 8 inches long and 1 foot wide, between the properties known as 4200 Boston Street and 1610 South Newkirk Street, and more particularly described as follows:

Beginning on the south side of Boston Street at the Canton Railroad property, said beginning being distant 107 feet from the westernmost corner of the property of CSXT and then continuing on the south side of Boston Street, in an easterly direction 1 foot, more or less; thence by a straight line, North 27 degrees West, 77 feet, more or less to the north side of said Boston Street; thence along the northernmost side of said Boston Street, Westerly 1 foot, more or less; thence by a straight line, South 27 degrees East 77 feet, more or less, to the point of beginning.

**SECTION 2. AND BE IT FURTHER ORDAINED**, That to become effective, the franchise or right granted by this Ordinance (the "Franchise") must be executed and enjoyed by the Grantee within 6 months after the effective date of this Ordinance.

SECTION 3. AND BE IT FURTHER ORDAINED, That as compensation for the Franchise, the Grantee shall pay to the Mayor and City Council of Baltimore a franchise charge of \$\_\_\_\_\_\_ a year, subject to increase or decrease as provided in Section 5 of this Ordinance. The franchise charge must be paid annually, at least 30 days before the initial and each renewal term of the Franchise.

## SECTION 4. AND BE IT FURTHER ORDAINED, That:

- (a) The initial term of the Franchise is 1 year, commencing on the effective date of this Ordinance. Unless sooner terminated as provided in this Ordinance, the Franchise will automatically renew, without any action by either the Mayor and City Council of Baltimore or the Grantee, for 24 consecutive 1-year renewal terms. Except as otherwise provided in this Ordinance, each renewal term will be on the same terms and conditions as the initial term. The maximum duration for which the Franchise may operate, including the initial and all renewal terms, is 25 years.
- (b) Either the Mayor and City Council of Baltimore, acting by and through the Director of Public Works, or the Grantee may cancel the Franchise as at the end of the initial or any renewal term by giving written notice of cancellation to the other at least 90 days before the end of that term.

**SECTION 5. AND BE IT FURTHER ORDAINED**, That the Mayor and City Council of Baltimore, acting by and through the Board of Estimates, may increase or decrease the annual franchise charge by giving written notice of the increase or decrease to the Grantee at least 150 days before the end of the original or renewal term immediately preceding the renewal term to which the increase or decrease will first apply. The new franchise charge will apply to all subsequent annual renewal terms, unless again increased or decreased in accordance with this section.

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**SECTION 6. AND BE IT FURTHER ORDAINED**, That the Mayor and City Council of Baltimore expressly reserves the right at all times to exercise, in the interest of the public, full municipal superintendence, regulation, and control over and in respect to all matters connected with the Franchise and not inconsistent with the terms of this Ordinance.

- **SECTION 7. AND BE IT FURTHER ORDAINED**, That the Grantee, at its own cost and expense, shall maintain in good condition and in compliance with all applicable laws and regulations of Baltimore City, all structures for which the Franchise is granted. The maintenance of these structures shall be at all times subject to the regulation and control of the Commissioner of Housing and Community Development and the Director of Public Works. If any structure for which the Franchise is granted must be readjusted, relocated, protected, or supported to accommodate a public improvement, the Grantee shall pay all costs and expenses in connection with the readjustment, relocation, protection, or support.
- **SECTION 8. AND BE IT FURTHER ORDAINED**, That at the option of the Mayor and City Council of Baltimore, acting by and through the Director of Public Works, the Grantee's failure to comply with any term or condition of this Ordinance constitutes a forfeiture of the Franchise. Immediately on written notice to the Grantee of the exercise of this option, the Franchise terminates. Once so terminated, only an ordinance of the Mayor and City Council of Baltimore may waive the forfeiture or otherwise reinstate the Franchise.
- **SECTION 9. AND BE IT FURTHER ORDAINED**, That at any time and without prior notice, the Mayor of Baltimore City may revoke the Franchise if, in the Mayor's judgment, the public interest, welfare, safety, or convenience so requires. Immediately on written notice to the Grantee of the exercise of this right, the Franchise terminates.
- SECTION 10. AND BE IT FURTHER ORDAINED, That on cancellation, expiration, forfeiture, revocation, or other termination of the Franchise for any reason, the Grantee shall remove all structures for which the Franchise is granted. The removal of these structures shall be (i) undertaken at the cost and expense of the Grantee, without any compensation from the Mayor and City Council of Baltimore, (ii) made in a manner satisfactory to the Commissioner of Housing and Community Development and the Director of Public Works, and (iii) completed within the time specified in writing by the Director of Public Works.
- **SECTION 11. AND BE IT FURTHER ORDAINED**, That the Grantee is liable for and shall indemnify and save harmless the Mayor and City Council of Baltimore against all suits, losses, costs, claims, damages, or expenses to which the Mayor and City Council of Baltimore is at any time subjected on account of, or in any way resulting from, (i) the presence, construction, use, operation, maintenance, alteration, repair, location, relocation, or removal of any of the structures for which the Franchise is granted, or (ii) any failure of the Grantee, its officers, employees, or agents, to perform promptly and properly any duty or obligation imposed on the Grantee by this Ordinance.
- **SECTION 12. AND BE IT FURTHER ORDAINED**, That this Ordinance takes effect on the date it is enacted.