

**LICENSE AGREEMENT  
TO  
PACIFIC GAS AND ELECTRIC COMPANY**

**License No. 4723**

THIS LICENSE AGREEMENT (this “**License**”) dated as of     **JUN 15**    , 2018 (“**Effective Date**”), is entered into by and between the City and County of San Francisco, acting by and through its Airport Commission (“**City**”), and Pacific Gas and Electric Company (“**PG&E**”) with reference to the following facts:

**Recitals:**

A. City owns and operates the San Francisco International Airport (the “**Airport**”), which is located in the County of San Mateo, State of California and which includes that certain real property commonly referred to as the West of Bayshore, as shown on Exhibit A.

B. On the West of Bayshore, PG&E has an existing easement for the operation of a 20-inch natural gas transmission line, which PG&E desires to replace. The pipeline replacement work contemplated by PG&E will result in the realignment of the new pipeline outside of the existing easement area, with such new pipeline and related appurtenances and facilities being collectively referred to herein as the “**Realigned Gas Pipeline**”. The pipeline replacement work contemplated by PG&E will take place between the Lomita Park Station and the Aviador Site and occur in two phases. In the first phase, PG&E will replace the segment of pipeline from Mile Point 33.06 to Mile Point 33.68 (the “**Phase 1 Work**”). The Phase 1 Work is anticipated to commence on June 11, 2018 and to be completed by October 31, 2018. In the second phase, PG&E will replace the pipeline from Mile Point 32.57 to Mile Point 33.06 (the “**Phase 2 Work**”). The Phase 2 Work is anticipated to commence on June 1, 2020 (the “**Phase 2 Commencement Date**”) and to be completed by October 31, 2020. The Phase 1 Work and the Phase 2 Work are collectively referred to in this License as the “**Work**”.

C. To accommodate the Work in the short term, City will grant a license to PG&E on, over and across certain property owned by City where the Realigned Gas Pipeline is anticipated to be located (the “**License Area**”), as shown on Exhibit A, on the terms and conditions set forth below.

D. Following completion of the Work, PG&E will relinquish and quitclaim to City its existing pipeline easement and City will grant to PG&E a new easement, fifteen feet in width, to be accomplished through the execution and recording of an Easement Agreement & Quitclaim of Existing Easement (Conveyance of Gas Pipeline Easement and Quitclaim of Existing Gas Pipeline Easement), in the form attached hereto as Exhibit C (the “**Easement**”), subject to approval of the Easement by the San Francisco Airport Commission, San Francisco Board of Supervisors, San Francisco Director of Property and San Francisco City Attorney. The final legal description of the new easement location will be prepared by City based on as-built

drawings of the Realigned Gas Pipeline provided to City by PG&E following completion of the Work to be reviewed and approved by a licensed PG&E surveyor.

E. PG&E and City are collectively referred to in this License as the “**Parties**”.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants set forth herein, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties do mutually agree as follows:

1. **Grant of License.** City grants to PG&E a non-exclusive, revocable license on, over and across the License Area subject to the terms, conditions and restrictions set forth in this License for constructing the Realigned Gas Pipeline. This License grants PG&E a license only and does not constitute a grant by City of any ownership, leasehold, easement or other property interest or estate whatsoever in the License Area, any portion thereof or any other City property. Nothing in this License shall be construed as granting or creating any franchise rights pursuant to any federal, state or local laws.

2. **As-Is Condition.** PG&E ACCEPTS THE LICENSE AREA PURSUANT TO THIS LICENSE IN ITS “AS IS” CONDITION, WITH ALL FAULTS AND ACKNOWLEDGES AND AGREES THAT CITY HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE LICENSE AREA. Without limiting the foregoing, this License is made subject to all Applicable Law (defined in Section 13) governing the use of the License Area and any and all covenants, conditions, restrictions, easements, encumbrances, claims of title and other title matters affecting the License Area, whether foreseen or unforeseen, and whether such matters are of record or would be disclosed by an accurate inspection or survey. It is PG&E’s sole obligation to conduct an independent investigation of the License Area and all matters relating to its use of the License Area hereunder. PG&E, at its own expense, shall obtain such permission or other approvals from any third parties with existing rights as may be necessary for PG&E to make use of the License Area in the manner contemplated hereby.

3. **Non-exclusivity.** This License is nonexclusive. City may use the License Area and grant additional rights at its sole discretion, in, on, under, across, over or about the License Area to other parties in any form, including but not limited to, licenses, permits, easements, or transfer of the underlying property, so long as such future uses do not unreasonably interfere with PG&E’s permitted use of the License Area in accordance with this License.

4. **Ingress and Egress Rights.** PG&E shall have the rights of ingress and egress to and from the License Area over and across adjacent City lands by means of existing roads and lanes if possible, but otherwise by such route that would cause the least possible damage and inconvenience to City or other occupants of City lands. Access shall be subject to such other conditions as City may reasonably require relating to hours of work, security and concurrent use of access roads. In addition, off-road access shall be subject to City’s conditions relating to watershed management, including protection of sensitive and endangered species and habitat and prevention of erosion.

**5. Pipeline Easement Agreement & Quitclaim of Existing Pipeline Easement.**

Within 30 days of completion of the Phase 1 Work and within 30 days of completion of the Phase 2 Work, PG&E will deliver to City two complete copies of final as-built drawings of the Realigned Gas Pipeline for the completed portion of the Work, which drawings shall include sufficient detail so as to allow City to locate all facilities installed by PG&E and prepare a legal description for the Easement. After delivery of the as-built drawings for Phase 2 of the Work, City will finalize the Easement exhibits and provide such exhibits to a licensed PG&E surveyor for approval. Upon approval of the easement exhibits, City will deliver an execution copy of the Easement with completed exhibits to PG&E. Within 10 days of receipt of the Easement, PG&E will deliver to City an original Easement duly executed and acknowledged by PG&E for counter-signature by City and recording. The Parties agree that the final form of Easement will be in the form attached hereto as Exhibit C; provided, however, the Easement remains subject to the approval of the San Francisco Airport Commission, San Francisco Board of Supervisors, San Francisco Director of Property and San Francisco City Attorney. In the event PG&E does not commence the Phase 2 Work within 60 days following the Phase 2 Commencement Date, the Parties will execute and record an Easement for the Phase 1 Work only (subject to the approvals referenced in the previous sentence), and if and when the Phase 2 Work is completed, the parties will cooperate to amend the Easement by execution and recording of an amended and restated easement and quitclaim.

**6. Construction and Maintenance.**

(a) PG&E shall maintain the Realigned Gas Pipeline in a good, safe and secure condition.

(b) PG&E shall obtain all necessary approvals and permits from the Airport for the Work, and shall use, and shall cause its Agents (as defined in Section 16) to use, due care at all times to avoid any damage or harm to City's facilities or other property. PG&E shall perform all work in accordance with the Permit, applicable codes and industry standards, including performing adequate testing and inspections as the work progresses.

(c) In the event that PG&E or its agents or consultants prepares any environmental, seismic, geophysical or other written report relating to the physical condition of the License Area, PG&E shall furnish to City a complete copy of such report, including any schedules, exhibits and maps, promptly upon completion of the same.

**7. Approvals for Future Improvements.** Any installation of facilities, construction, or improvements within the License Area by or for PG&E shall require consent by City, including approval from the Airport's Building Inspection and Code Enforcement.

**8. Covenants.** PG&E covenants and agrees to the following provisions:

(a) **Tree and Shrub Planting.** Neither City nor PG&E shall plant any trees, shrubs or vines within the License Area without the other's prior approval.

(b) **Tree Trimming.** PG&E's exercise of the rights under this License may result in damage to or the removal or trimming of trees and landscaping, including shrubs, flowers, plants, and grass within the License Area. City grants PG&E the right to trim or cut down any trees, brush, and other vegetation within the License Area and to trim trees, brush, and vegetation along each side of the License Area, without compensation to City unless otherwise required under Applicable Law, if PG&E determines it is a safety hazard or if required by Applicable Law. PG&E shall have no obligation to replace any such affected vegetation on the West of Bayshore, except as required by Applicable Law. After any work performed under this subsection, PG&E shall remove all debris produced as a result of the work.

(c) **Interference with City's Uses.** PG&E shall not interfere with or impede City's or an authorized third party's access or use of City property surrounding the License Area or unreasonably interfere with City's or an authorized third party's use of the License Area. PG&E shall not do anything in, on, under or around the License Area that could damage, endanger or interfere with any existing City facilities or City property.

(d) **Markers.** PG&E shall have the right to mark the location of the pipeline and/or the License Area, using suitable markers in the ground, provided that any installation or removal of markers shall be in accordance with applicable avoidance and minimization measures.

(e) **Construction & Drilling.** City shall not construct new permanent structures on or drill wells within the License Area without obtaining PG&E's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. As to other types of construction, including non-permanent structures, repair of existing structures, and construction of aerial structures over the License Area, City shall first consult with PG&E and submit copies of plans for PG&E's review, but PG&E shall have no approval right over any such project.

(f) **Fences.** In the event City constructs new fencing across the License Area, it shall provide PG&E with gate access in a mutually agreeable location.

(g) **Mutual Cooperation.** The Parties shall work with each other to minimize any potential disturbance of the facilities in the License Area and the surrounding areas.

(h) **Damage to Property.** PG&E shall promptly repair, at its sole cost, any damage to the License Area or adjacent City land or any City improvements, personal property, fixtures or facilities that are damaged by PG&E or its contractors, agents, or employees. If PG&E fails to perform such repairs within a reasonable period of time designated in writing by City, and thereafter fails to cure such default within fifteen (15) business days after written notice from City to PG&E specifying the nature of the repair work (or, if it reasonably would require more than fifteen (15) business days to remedy such default, if PG&E fails to commence to cure such default within such fifteen (15) business day period or fails to diligently pursue such cure to completion), then City may, but shall not be obligated to, perform the repairs in which event PG&E shall reimburse City for the cost of repairs plus an additional amount equal to ten percent (10%) thereof for administrative overhead, within 30 days after receipt of invoice. The demand for payment by City shall be prima facie evidence that the expense incurred was necessary and reasonable and that such expense was incurred by City on behalf of PG&E. The foregoing to the

contrary notwithstanding, in the event of an emergency as reasonably determined by City, no such prior notice shall be required before City may perform such repairs at PG&E's expense.

(i) **Restricting Access.** While conducting any construction or maintenance activities pursuant to its rights under this Agreement, PG&E may restrict access to portions of the License Area to protect the health and safety of the public, and City shall cooperate with such restrictions to the extent they are reasonable in scope and duration.

**9. Hazardous Materials.** PG&E shall not cause, nor shall PG&E allow any of its Agents or Invitees (as such terms are defined below) to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated, released or disposed of in, on, under or about the License Area, or transported to, from or over the License Area, except to the extent reasonably necessary for PG&E's operation of its gas transmission pipeline facilities within the License Area, and then only in such quantities as are reasonably necessary for such operations and only if handled, used, transported and disposed of in accordance with Applicable Law. PG&E shall immediately notify City when PG&E learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on, under or about any part of the License Area or adjacent City property. PG&E shall further comply with all Applicable Law requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary or desirable to mitigate the release or minimize the spread of contamination. In the event that PG&E or its Agents or Invitees cause a release of Hazardous Material, PG&E shall, without cost to City and in accordance with all Applicable Law, promptly return the License Area to the condition immediately prior to the release. In connection therewith, PG&E shall afford City a full opportunity to participate in any discussion or negotiations with governmental agencies and environmental consultants regarding any settlement agreement, cleanup or abatement agreement, consent decree or other compromise proceeding involving Hazardous Material, and any other abatement or clean-up plan, strategy and procedure.

**"Hazardous Material"** means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. "Hazardous Material" includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 et seq., or pursuant to Section 25316 of the California Health & Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the License Area or are naturally occurring substances in the License Area, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids. The term "release" or "threatened release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the License Area. PG&E shall have no cleanup liability, nor any obligation to defend, hold harmless or indemnify hereunder from and against any claims resulting from any pre-existing Hazardous Material conditions not caused by PG&E, or its Agents or Invitees, unless PG&E's or its Agents' or

Invitees' handling, excavation, relocation, investigation, disposal or other exercise of control over the License Area exacerbates such pre-existing Hazardous Material which results in City incurring new or additional costs, liability or other Claims (as defined in Section 16), in which event PG&E shall be responsible for cleanup and shall indemnify, defend and hold City and its officers, agents, employees and contractors harmless from such new or additional Claims only to the extent of such new or additional costs, liability and/or other Claims. The term "exacerbates" means an act that causes the increased migration of a plume of Hazardous Material in sediments, groundwater, or surface water or causes a release of Hazardous Material that had been contained until that act.

**10. No Costs to City.** PG&E shall bear all costs or expenses of any kind or nature in connection with its use of the License Area, and shall keep the License Area free and clear of any liens or claims of lien arising out of or in any way connected with its use of the License Area.

**11. Revocation & Termination.** This License is revocable by City at any time in the sole and absolute discretion of City. Such revocation shall be accomplished by giving thirty (30) days' advance notice to PG&E. Notwithstanding the foregoing, this License will automatically terminate without further action by either party as of the date the Easement is executed by City and delivered to PG&E.

**12. Restoration.** After any entry by PG&E in the License Area, PG&E shall restore any affected portion of the License Area and surrounding area to substantially the same condition and grade it was in immediately prior to such entry (to the extent that such condition complies with the conditions set forth in this License).

**13. Applicable Law; Reasonable Care.** PG&E, at its sole expense, shall comply with all applicable laws, statutes, ordinances, rules, regulations, permits, orders and requirements of federal, state, county and municipal authorities, and all other regulatory agencies, now in force or which may hereafter be in force ("**Applicable Law**") with respect to PG&E's activities in the License Area. PG&E shall conduct, or shall cause its Agents to conduct, all activities in the License Area in a safe and reasonable manner.

**14. Insurance.** PG&E shall procure and keep current at all times, insurance according to the requirements in Exhibit B. PG&E assumes the risk of damage to any of its personal property.

**15. Notices and Contacts.**

(a) Notices. Unless expressly otherwise provided in this License, notices under this License shall be in writing and transmitted by personal delivery, reputable commercial courier, or U.S. mail, first class postage paid, addressed as follows.

If to City:      San Francisco International Airport  
                         Building 100, International Terminal  
                         North Shoulder Building, 5th Floor

P.O. Box 8097  
San Francisco, CA 94128  
Attention: Airport Director

If to PG&E: Pacific Gas and Electric Company (PG&E)  
245 Market Street, Mail Code N10A  
San Francisco, CA 94105

(b) Emergency Contacts.

- i) PG&E shall immediately notify Airport's 24-hour Communications Center at (650) 876-2323 of any emergency or incident requiring emergency response.

**16. Indemnity.** PG&E shall indemnify, defend, reimburse and hold harmless City, its officers, agents, employees and contractors, and each of them, from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages and liabilities of any kind (collectively, "**Claims**"), arising in any manner out of (a) any injury to or death of any person or damage to or destruction of any property occurring in, on or about City's property, including the License Area, or any part thereof, whether such injury, death, damage or destruction is caused by the person or property of PG&E, its officers, directors, members, employees, agents, consultants, contractors or subcontractors (collectively, "**Agents**"), its invitees, guests or business visitors (collectively, "**Invitees**") relating to any use or activity under this License, (b) any failure by PG&E to faithfully observe or perform any of the terms, covenants or conditions of this License, (c) the use of the License Area or any activities conducted thereon by PG&E, its Agents or Invitees (except to the extent caused by the use or activities conducted thereon by any other third party), (d) any release or discharge, or threatened release or discharge, of any Hazardous Material caused or allowed by PG&E, its Agents or Invitees, on, in, under or about the License Area, any improvements or into the environment, or (e) City's environmental review and approval of this License, except to the extent such Claims result directly from the active negligence or willful misconduct of City or City's authorized representatives. In addition to PG&E's obligation to indemnify City, PG&E specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim that actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to PG&E by City and continues at all times thereafter. The foregoing indemnity shall include, without limitation, reasonable attorneys', experts' and consultants' fees and costs, investigation and remediation costs and all other reasonable costs and expenses, incurred by the indemnified parties, including, without limitation, damages for decrease in the value of the License Area and claims for damages or decreases in the value of adjoining property. PG&E's obligations under this section shall survive the revocation or other termination of this License.

**17. Waiver of Claims.**

(a) Neither City nor any of its commissions, departments, boards, officers, agents or employees shall be liable for any damage to the property of PG&E, its officers, agents, employees, contractors or subcontractors, or their employees, or for any bodily injury or death to such persons, resulting or arising from the condition of the License Area or the use of such area by PG&E.

(b) PG&E fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action arising in any manner in connection with this License or the uses authorized hereunder, against, and covenants not to sue, City, its departments, commissions, officers, directors and employees, and all persons acting by, through or under each of them, under any present or future laws, statutes, or regulations, including, without limitation, (i) any and all Claims for consequential, incidental or punitive damages (including without limitation, lost profits), and covenants not to sue for such damages, (ii) any and all Claims for any interference with the uses conducted by PG&E pursuant to this License, regardless of the cause, except for material interference by City with such uses in violation of the terms, covenants or conditions applicable to City under this License, and (iii) any and all Claims in any way connected with the physical or environmental condition of the License Area or any law or regulation applicable thereto or the suitability of the License Area for PG&E's intended use. Nothing herein shall relieve City from liability for actual direct damages or injunctive relief (1) related to City's failure to faithfully observe or perform any of the terms, covenants or conditions of this License applicable to City, or (2) to the extent caused directly by the active negligence or willful misconduct of City or its Agents. PG&E expressly acknowledges and agrees that City would not be willing to enter into this License in the absence of a waiver of liability for consequential and incidental damages due to the acts or omissions of City or its Agents, and PG&E expressly assumes the risk with respect thereto.

In connection with the foregoing releases, PG&E acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

PG&E acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. PG&E realizes and acknowledges that it has agreed upon this License in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of California Civil Code Section 1542, or any statute or other similar law now or later in effect. The releases contained herein shall survive the revocation or other termination of this License.

**18. No Assignment.** This License is personal to PG&E and shall not be assigned, conveyed or otherwise transferred by PG&E under any circumstances. Any attempt to assign, convey or otherwise transfer this License shall be null and void.

19. **No Joint Ventures or Partnership; No Authorization.** This License does not create a partnership or joint venture between City and PG&E as to any activity conducted by PG&E on, in or relating to the License Area. PG&E is not a state actor with respect to any activity conducted by PG&E on, in, under or around the License Area. The giving of this License by City does not constitute authorization or approval by City of any activity conducted by PG&E on, in, around or relating to the License Area.

20. **Pesticide Prohibition.** PG&E shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "Pesticide Ordinance") which (a) prohibit the use of certain pesticides on City property, (b) require the posting of certain notices and the maintenance of certain records regarding pesticide usage, and (c) require PG&E to submit to the Airport an integrated pest management ("IPM") plan that (i) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that PG&E may need to apply to the License Area during the term of this License, (ii) describes the steps PG&E will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance, and (iii) identifies, by name, title, address and telephone number, an individual to act as the PG&E's primary IPM contact person with City. In addition, PG&E shall comply with Sections 303(a) and 303(b) of the Pesticide Ordinance.

21. **Covenant Not to Discriminate.** In the performance of its obligations under this License, PG&E covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, height, weight, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with PG&E.

22. **General Provisions.**

(a) This License may be amended or modified only by a writing signed by City and PG&E.

(b) No waiver by any party of any of the provisions of this License shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. No waiver shall be deemed a subsequent or continuing waiver of the same or any other provision of this License.

(c) Except as expressly provided to the contrary, all approvals, consents and determinations to be made by City hereunder may be made in the sole and absolute discretion of City.

(d) This License contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein.

(e) This License has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have this License reviewed and revised by legal counsel. No party shall be considered the drafter of this License, and no presumption or rule that an

ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this License.

(f) The section and other headings of this License are for convenience of reference only and shall be disregarded in the interpretation of this License.

(g) Time is of the essence in all matters relating to this License.

(h) This License shall be governed by California law and City's Charter.

(i) If either party commences an action against the other or a dispute arises under this License, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof and for purposes of the indemnifications set forth herein, reasonable attorneys' fees of City shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience notwithstanding City's use of its own attorneys.

(j) If PG&E consists of more than one person then the obligations of each person shall be joint and several.

(k) PG&E may not record this License or any memorandum hereof.

(l) Subject to the prohibition against assignments or other transfers by PG&E hereunder, this License shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns.

*[Remainder of Page Intentionally Blank – Signature Page Follows]*

IN WITNESS WHEREOF, the parties hereto have executed this License, in duplicate by their duly authorized officers, as of the Effective Date written above.

LICENSEE:  
PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

By:   
Name: Chris Medders  
Title: Manager, Land Acquisition

Dated: 5/22/2018

CITY AND COUNTY OF SAN FRANCISCO:  
a municipal corporation,  
acting by and through its Airport Commission

By:   
Ivar C. Satero  
Airport Director

*Talbot/KW  
KIK for LF*

Dated: 6/15/19

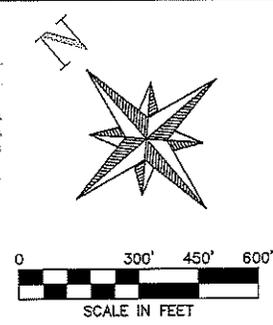
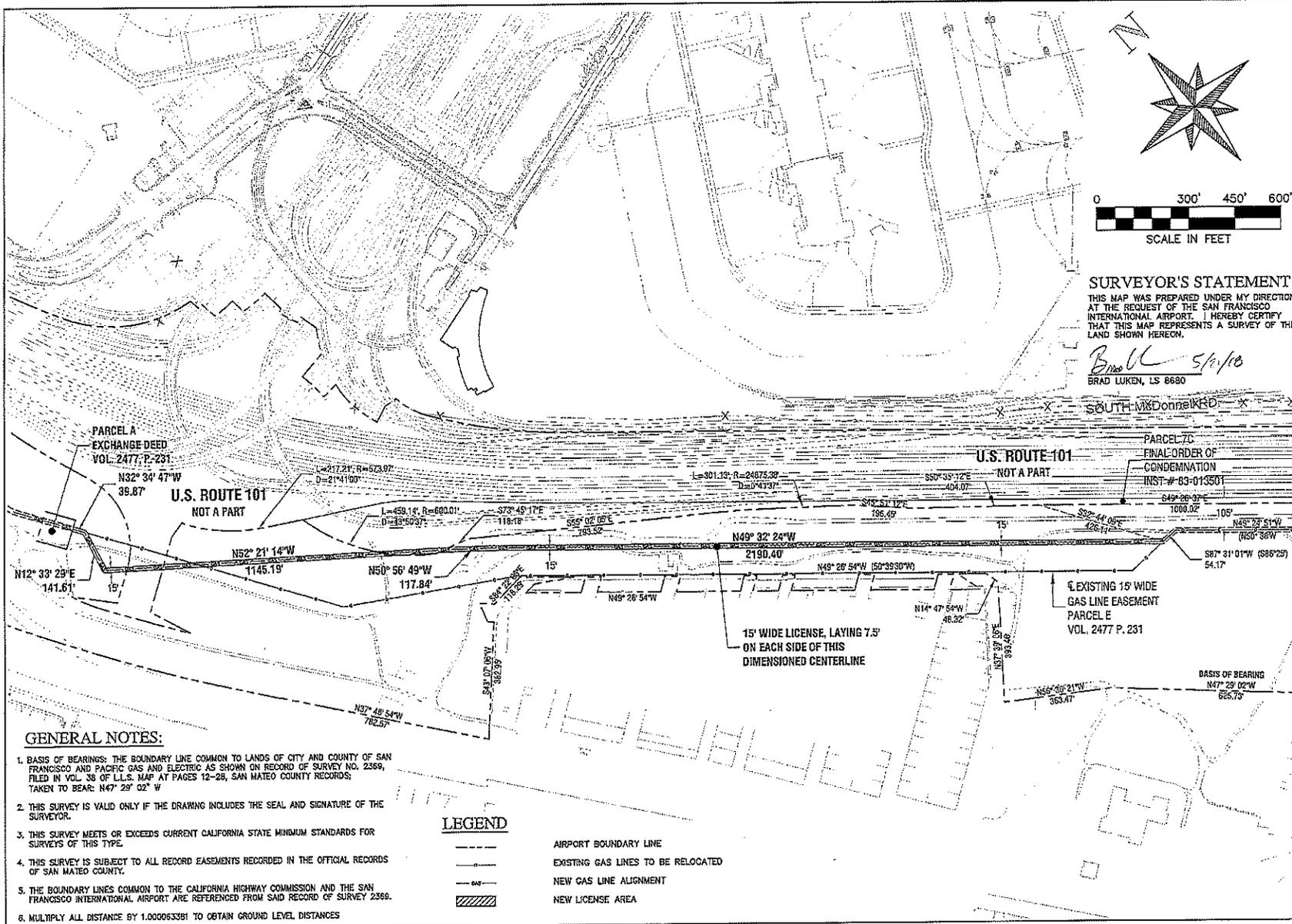
APPROVED AS TO FORM:  
DENNIS J. HERRERA,  
City Attorney

By:   
Luke W. Bowman  
Deputy City Attorney

Signature Page to License Agreement

**EXHIBIT A**  
**LICENSE AREA**

**[Attached]**



**SURVEYOR'S STATEMENT**  
 THIS MAP WAS PREPARED UNDER MY DIRECTION AT THE REQUEST OF THE SAN FRANCISCO INTERNATIONAL AIRPORT. I HEREBY CERTIFY THAT THIS MAP REPRESENTS A SURVEY OF THE LAND SHOWN HEREON.

*Brad Luken* 5/12/10  
 BRAD LUKEN, LS 8680

- GENERAL NOTES:**
1. BASIS OF BEARINGS: THE BOUNDARY LINE COMMON TO LANDS OF CITY AND COUNTY OF SAN FRANCISCO AND PACIFIC GAS AND ELECTRIC AS SHOWN ON RECORD OF SURVEY NO. 2359, FILED IN VOL. 38 OF L.L.S. MAP AT PAGES 12-28, SAN MATEO COUNTY RECORDS; TAKEN TO BEAR: N47° 29' 02" W
  2. THIS SURVEY IS VALID ONLY IF THE DRAWING INCLUDES THE SEAL AND SIGNATURE OF THE SURVEYOR.
  3. THIS SURVEY MEETS OR EXCEEDS CURRENT CALIFORNIA STATE MINIMUM STANDARDS FOR SURVEYS OF THIS TYPE.
  4. THIS SURVEY IS SUBJECT TO ALL RECORD EASEMENTS RECORDED IN THE OFFICIAL RECORDS OF SAN MATEO COUNTY.
  5. THE BOUNDARY LINES COMMON TO THE CALIFORNIA HIGHWAY COMMISSION AND THE SAN FRANCISCO INTERNATIONAL AIRPORT ARE REFERENCED FROM SAID RECORD OF SURVEY 2359.
  6. MULTIPLY ALL DISTANCE BY 1.000063351 TO OBTAIN GROUND LEVEL DISTANCES

**LEGEND**

	AIRPORT BOUNDARY LINE
	EXISTING GAS LINES TO BE RELOCATED
	NEW GAS LINE ALIGNMENT
	NEW LICENSE AREA

**SFO**  
 San Francisco International Airport

1 Sq. Mile

NO.	DATE	DESCRIPTION	BY
1		REVISION	

**LICENSE AGREEMENT TO PACIFIC GAS AND ELECTRIC COMPANY**

**EXHIBIT A**

CONTRACT NO. \_\_\_\_\_  
 SEAL

APPROVED: \_\_\_\_\_  
 DEPUTY AIRPORT DIRECTOR

APPROVED: \_\_\_\_\_  
 RECORDS

APPROVED: \_\_\_\_\_  
 BRAD LUKEN, LS

DESIGNED BY: \_\_\_\_\_  
 CHECKED BY: \_\_\_\_\_

DATE: MAY 17, 2010

SCALE: 1" = 300'

DRAWING NUMBER: \_\_\_\_\_  
 SIGNATURE NUMBER: \_\_\_\_\_  
 CA 7916-01

DESIGN DEVELOPMENT

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**EXHIBIT B**  
**INSURANCE**

PG&E shall procure and keep in effect at all times during the term of the License, at PG&E's expense, and cause its contractors and subcontractors to maintain at all times during any construction activities on the License Area, insurance as follows:

- a. Required Insurance. (i) Commercial General Liability Insurance with limits not less than \$5,000,000 each occurrence combined single limit for bodily injury and property damage, including coverages for contractual liability, personal injury, independent contractors, explosion, collapse and underground (XCU), Broadform Property Damage, Sudden and Accidental Pollution, Products Liability and Completed Operations; (ii) Business Automobile Liability Insurance with limits not less than \$2,000,000 each occurrence combined single limit for bodily injury and property damage, including coverages for owned, non-owned and hired automobiles, as applicable, if PG&E uses or causes to be used any vehicles in connection with its use of the License Area, and (iii) Statutory Workers' Compensation Insurance, including employer's liability coverage with limits of not less than \$1,000,000 each accident.

PG&E shall maintain pollution legal liability, environmental remediation liability and other environmental insurance, including coverage for bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death; Environmental Damages; property damage including but not limited to physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed; defense costs, charges and expenses incurred in the investigation, adjustment of defense claims for such compensatory damages; sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of Hazardous Materials into or upon City's property, the atmosphere or watercourse or body of water, which results in Environmental Damages; transportation coverage for the hauling of any Hazardous Materials by PG&E or PG&E's Contractors or Agents, from the License Area to the final disposal location; and first party environmental remediation that pays for the cost of cleanup and remediation of the License Area required to comply with all Applicable Law. Such insurance shall be endorsed to provide third party disposal site coverage that covers third party bodily injury, property damage and cleanup coverage for pollution conditions emanating from a disposal site or landfill used by the PG&E or PG&E's Agents. PG&E shall maintain limits no less than: Four Million Dollars (\$4,000,000) per accident and Eight Million Dollars (\$8,000,000) annual aggregate for bodily injury and property damage. City and County of San Francisco, acting by and through its Airport Commission and its officers, agents and employees shall be included as additional insureds on the policy as loss payees under the Pollution Legal Liability/Environmental Remediation/Cleanup Liability Insurance Policy.

All of the insurance required shall be issued by one or more companies of recognized responsibility authorized to do business in the State of California with financial rating of at least a Class A-, VIII (or its equivalent successor) status, as rated in the most recent edition of A.M. Best's "Best's Insurance Reports."

b. Self Insurance. PG&E shall have the right to self-insure with respect to any of the insurance requirements required under this License, to the extent permitted by Applicable Law. In the event that PG&E elects to self-insure with respect to any of the insurance requirements required under this License, on or before the Effective Date and upon written request by City, within thirty (30) days of the commencement of each year thereafter, PG&E shall submit to City a certificate of self insurance signed by a duly authorized representative of PG&E, such certificate evidencing that PG&E's self-insurance program is adequately funded, in full force and effect and in compliance with and subject to all the terms, agreements, covenants, conditions and provisions of this License. If PG&E elects to self-insure, PG&E shall give City prompt written notice of any significant change in or the depletion of its self-insurance fund. Notwithstanding the foregoing, PG&E is also responsible for causing any contractors, subcontractors and/or agents to maintain commercially reasonable insurance coverages and coverage limits as required under this License.

With respect to any claim, loss or liability that would have been covered by the insurance policies (including but not limited to the City and County of San Francisco, acting by and through its Airport Commission and its officers, agents and employees' status as an "additional insured" thereunder) required by this License to be maintained by PG&E but within the self-insured retention or deductible amount, PG&E shall cover such claim, loss or liability on the same basis as the insurance arrangements or deductibles on such insurance policies, including but not limited to such insurance carrier responsibility to protect the City and County of San Francisco, acting by and through its Airport Commission and its officers, agents and employees as an "additional insured."

Any deductibles or self-insured retentions must be declared. All deductibles and self-insured retentions shall be paid by PG&E.

c. Additional Insured Parties. All policies required hereunder shall provide for the following: (i) name as additional insureds the City and County of San Francisco, acting by and through its Airport Commission and its officers, agents and employees, as it may direct; (ii) specify that such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this License and that insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limit of liability, and (iii) include a waiver of subrogation endorsement or provision wherein the insurer acknowledges acceptance of PG&E's waiver of claims against City. Such policies shall also provide for severability of interests and that an act or omission of one of the named insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to any insured, and shall afford coverage for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Sudden and accidental pollution coverage in the liability policies required hereunder shall be limited to losses resulting from the activities of PG&E and/or PG&E's Agents and/or Invitees under this License (excluding nonnegligent aggravation of existing conditions with respect to Hazardous Materials).

d. Endorsement. All policies shall be endorsed to provide thirty (30) days prior written notice to City of cancellation or intended non-renewal.

e. Delivery. Prior to the Effective Date of this License, PG&E shall deliver to City certificates of insurance and additional insured policy endorsements from insurers in a form satisfactory to City, evidencing the coverages required hereunder, together with complete copies of the policies at City's request. In the event PG&E shall fail to procure such insurance, or to deliver such policies or certificates, City may procure, at its option, the same for the account of PG&E, and the cost thereof shall be paid to City within five (5) days after delivery to PG&E of bills therefore.

f. General Aggregate Limits. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

g. Continuation of Coverage. Should any of the required insurance be provided under a claims made form, PG&E shall maintain such coverage continuously throughout the term of this License and, without lapse, for a period of three (3) years beyond the License revocation or other termination, to the effect that should any occurrences during the License term give rise to claims made after revocation or other termination of the License, such claims shall be covered by such claims-made policies.

h. Insurance Review. Upon City's request, PG&E and City shall periodically review the limits and types of insurance carried pursuant to this exhibit. If the general commercial practice in the County of San Francisco is to carry liability insurance in an amount or coverage materially greater than the amount or coverage then being carried by PG&E for risks comparable to those associated with the License Area, then City in its sole discretion may require PG&E to increase the amounts or coverage carried by PG&E hereunder to conform to such general commercial practice.

i. No Release of Indemnity. PG&E's compliance with the provisions of this exhibit shall in no way relieve or decrease PG&E's indemnification obligations under this License or any of PG&E's other obligations hereunder. Notwithstanding anything to the contrary in this License, the License shall terminate immediately, without notice to PG&E, upon the lapse of any required insurance coverage. PG&E shall be responsible, at its expense, for separately insuring PG&E's personal property.

**EXHIBIT C**  
**FORM OF EASEMENT AGREEMENT & QUITCLAIM OF EXISTING EASEMENT**

[attached]

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

City and County of San Francisco  
San Francisco Airport Commission  
Building 100, International Terminal  
North Shoulder Building, 5th Floor  
P.O. Box 8097  
San Francisco, CA 94128  
Attn: Airport Director

The undersigned City declares this instrument to be exempt  
from recording fees (Govt. Code §6103 and 27383)

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

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## EASEMENT AGREEMENT & QUITCLAIM OF EASEMENT

(Conveyance of Gas Pipeline Easement and Quitclaim of Existing Gas Pipeline Easement)

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This **EASEMENT AGREEMENT & QUITCLAIM OF EASEMENT** (“**Agreement**”), dated for reference purposes only as of \_\_\_\_\_, is made by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, acting through its Airport Commission (“**City**”), and PACIFIC GAS AND ELECTRIC COMPANY, a California corporation (“**PG&E**”).

### RECITALS

**A.** City owns and operates the San Francisco International Airport (the “**Airport**”), which is located in the County of San Mateo, State of California and which includes that certain portion of real property commonly referred to as the West of Bayshore, as described in deeds: Vol. 532 P. 437, Vol. 602 P. 480, Vol. 634 P. 175, Vol. 657 P. 349, Vol. 711 P. 43, Vol. 755 P. 214, Vol. 813 P. 246, Vol. 862 P. 78, Vol. 1294 P. 45, and Vol. 1301 P. 397, all recorded in the Official Records of San Mateo County (the “**Property**”), as further described on the attached **Exhibit A** and shown on the attached **Exhibit B**.

**B.** Pursuant to that certain Exchange Deed dated July 14, 1953 and recorded in the Official Records of San Mateo County on September 25, 1953 in Volume 2477 at Page 231 (“**1953 Exchange Deed**”), as modified by that certain Exchange Deed dated June 6, 1962 and recorded in the Official Records of San Mateo County on or around June 21, 1962 in Volume 4237 at Page 183 (“**1962 Exchange Deed**”) (collectively, the “**Exchange Deeds**”), PG&E has an existing easement (the “**Original Pipeline Easement**”) over and across that portion of the Property identified as “Parcel E” in the 1953 Exchange Deed as modified by the 1962 Exchange Deed (the “**Original Pipeline Easement Area**”) for PG&E gas pipelines and related appurtenances.

**C.** Within the Original Pipeline Easement Area, PG&E currently operates a 20-inch natural gas transmission line, a portion of which PG&E desires to replace. The pipeline replacement work contemplated by PG&E will result in a realignment of the new pipeline outside of the Original Pipeline Easement Area. As such, PG&E has requested from City a modification to the Original Pipeline Easement. In order to effectuate such modification, the Parties have agreed that PG&E will relinquish and quitclaim to City the Original Pipeline Easement as identified in the Exchange Deeds, and City will

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation, acting through its Airport  
Commission

By: \_\_\_\_\_  
Manager, Land Acquisition

By: \_\_\_\_\_  
Ivar C. Satero  
Airport Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

AUTHORIZED BY  
AIRPORT COMMISSION

Resolution No.: \_\_ - \_\_\_\_

Adopted: \_\_\_\_\_

Attest: \_\_\_\_\_  
Secretary  
Airport Commission

APPROVED AS TO FORM:

DENNIS J. HERRERA  
City Attorney of San Francisco

By: \_\_\_\_\_  
Deputy City Attorney

RECOMMENDED:

By: \_\_\_\_\_  
Andrico Penick  
Director of Property

**A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.**

State of California )  
 ) ss  
County of San Francisco )

On \_\_\_\_\_, before me, \_\_\_\_\_, a notary public in and for said State, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

EXHIBIT A – Airport Property Legal Description

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EXHIBIT B – Airport Property Surveyed Drawing

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EXHIBIT C – Modified Pipeline Easement Area Legal Description

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EXHIBIT D – Modified Pipeline Easement Area Surveyed Drawing

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EXHIBIT E – Relinquished Pipeline Easement Area Legal Description

EXHIBIT F – Relinquished Pipeline Easement Area Surveyed Drawing

EXHIBIT G – Description and Drawings of PG&E’s Improvements

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## EXHIBIT H – Insurance Requirements

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PG&E shall procure and keep in effect at all times during the term of the Easement, at PG&E's expense, and cause its contractors and subcontractors to maintain at all times during any construction activities on the Modified Pipeline Easement Area, insurance as follows:

a. **Required insurance.** (i) Commercial General Liability Insurance with limits not less than \$5,000,000 each occurrence combined single limit for bodily injury and property damage, including coverages for contractual liability, personal injury, independent contractors, explosion, collapse and underground (XCU), Broadform Property Damage, Sudden and Accidental Pollution, Products Liability and Completed Operations; (ii) Business Automobile Liability Insurance with limits not less than \$2,000,000 each occurrence combined single limit for bodily injury and property damage, including coverages for owned, non-owned and hired automobiles, as applicable, if PG&E uses or causes to be used any vehicles in connection with its use of the Modified Pipeline Easement Area, and (iii) Statutory Workers' Compensation Insurance, including employer's liability coverage with limits of not less than \$1,000,000 each accident.

PG&E shall maintain pollution legal liability, environmental remediation liability and other environmental insurance, including coverage for bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death; Environmental Damages; property damage including but not limited to physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed; defense costs, charges and expenses incurred in the investigation, adjustment of defense claims for such compensatory damages; sudden and non-sudden pollution conditions including the discharge, dispersal, release or escape of Hazardous Materials into or upon the City's property, the atmosphere or watercourse or body of water, which results in Environmental Damages; transportation coverage for the hauling of any Hazardous Materials by PG&E or PG&E's Contractors or Agents, from the Modified Pipeline Easement Area to the final disposal location; and first party environmental remediation that pays for the cost of cleanup and remediation of the Modified Pipeline Easement Area required to comply with all Applicable Laws. Such insurance shall be endorsed to provide third party disposal site coverage that covers third party bodily injury, property damage and cleanup coverage for pollution conditions emanating from a disposal site or landfill used by the PG&E or PG&E's Agents. PG&E shall maintain limits no less than: Four Million Dollars (\$4,000,000) per accident and Eight Million Dollars (\$8,000,000) annual aggregate for bodily injury and property damage. City and County of San Francisco, acting by and through its Airport Commission and its officers, agents and employees shall be included as additional insureds on the policy as loss payees under the Pollution Legal Liability/Environmental Remediation/Cleanup Liability Insurance Policy.

All of the insurance required shall be issued by one or more companies of recognized responsibility authorized to do business in the State of California with financial rating of at least a Class A-, VIII (or its equivalent successor) status, as rated in the most recent edition of A.M. Best's "Best's Insurance Reports."

b. **Self Insurance.** PG&E shall have the right to self-insure with respect to any of the insurance requirements required under this Agreement, to the extent permitted by applicable law. In the event that PG&E elects to self-insure with respect to any of the insurance requirements required under this Agreement, on or before the Commencement Date and upon written request by City, within thirty (30) days of the commencement of each year thereafter, PG&E shall submit to City a certificate of self-insurance signed by a duly authorized representative of PG&E, such certificate evidencing that PG&E's self-insurance program is adequately funded, in full force and effect and in compliance with and subject to all the terms, agreements, covenants, conditions and provisions of this Agreement. If PG&E

elects to self-insure, PG&E shall give City prompt written notice of any significant change in or the depletion of its self-insurance fund. Notwithstanding the foregoing, PG&E is also responsible for causing any contractors, subcontractors and/or agents to maintain commercially reasonable insurance coverages and coverage limits as required under this Agreement.

With respect to any claim, loss or liability that would have been covered by the insurance policies (including but not limited to the City and County of San Francisco, acting by and through its Airport Commission and its officers, agents and employees' status as an "additional insured" thereunder) required by this Agreement to be maintained by PG&E but within the self-insured retention or deductible amount, PG&E shall cover such claim, loss or liability on the same basis as the insurance arrangements or deductibles on such insurance policies, including but not limited to such insurance carrier responsibility to protect the City and County of San Francisco, acting by and through its Airport Commission and its officers, agents and employees as an "additional insured."

c. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions must be declared. All deductibles and self-insured retentions shall be paid by PG&E.

d. **Additional insured parties.** All policies required hereunder shall provide for the following: (i) name as additional insureds the City and County of San Francisco, acting by and through its Airport Commission and its officers, agents and employees, as it may direct; (ii) specify that such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Agreement and that insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limit of liability, and (iii) include a waiver of subrogation endorsement or provision wherein the insurer acknowledges acceptance of PG&E's waiver of claims against City. Such policies shall also provide for severability of interests and that an act or omission of one of the named insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to any insured, and shall afford coverage for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Sudden and accidental pollution coverage in the liability policies required hereunder shall be limited to losses resulting from the activities of PG&E and/or PG&E's Agents and/or Invitees) under this Agreement (excluding nonnegligent aggravation of existing conditions with respect to Hazardous Materials).

e. **Endorsement.** All policies shall be endorsed to provide thirty (30) days prior written notice to City of cancellation or intended non-renewal.

f. **Delivery.** Prior to the Effective Date of this Agreement, PG&E shall deliver to City certificates of insurance and additional insured policy endorsements from insurers in a form satisfactory to City, evidencing the coverages required hereunder, together with complete copies of the policies at City's request. In the event PG&E shall fail to procure such insurance, or to deliver such policies or certificates, City may procure, at its option, the same for the account of PG&E, and the cost thereof shall be paid to City within five (5) days after delivery to PG&E of bills therefore.

g. **General aggregate limits.** Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

h. **Continuation of coverage.** Should any of the required insurance be provided under a claims made form, PG&E shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three (3) years beyond the Agreement expiration or termination, to the effect that should any occurrences during the Agreement term give rise to claims made

after expiration or termination of the Agreement, such claims shall be covered by such claims-made policies.

i. **Insurance review.** Upon City's request, PG&E and City shall periodically review the limits and types of insurance carried pursuant to this exhibit. If the general commercial practice in the County of San Mateo is to carry liability insurance in an amount or coverage materially greater than the amount or coverage then being carried by PG&E for risks comparable to those associated with the Modified Pipeline Easement Area, then City in its sole discretion may require PG&E to increase the amounts or coverage carried by PG&E hereunder to conform to such general commercial practice.

j. **No release of indemnity.** PG&E's compliance with the provisions of this exhibit shall in no way relieve or decrease PG&E's indemnification obligations under this Agreement or any of PG&E's other obligations hereunder. Notwithstanding anything to the contrary in this Agreement, the Agreement shall terminate immediately, without notice to PG&E, upon the lapse of any required insurance coverage. PG&E shall be responsible, at its expense, for separately insuring PG&E's personal property.