

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

EXHIBIT D – Modified Pipeline Easement Area Surveyed Drawing

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

## 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.