



ARLINGTON COUNTY, VIRGINIA

**County Board Agenda Item
Meeting of March 13, 2010**

DATE: February 24, 2010

SUBJECT: Approval of a License Agreement between the County Board of Arlington County, Virginia and Washington Gas Light Company Permitting Two Pressure Regulator Stations to be Constructed, Operated, and Maintained on Portions of the Arlington County Water Pollution Control Plant Site (RPC #37036002 and RPC #38006004).

C. M. RECOMMENDATION:

1. Approve the attached License Agreement between The County Board of Arlington County, Virginia and Washington Gas Light Company (“WGLCO”) granting WGLCO a license to use portions of the Water Pollution Control Plant Site (RPC #37036002 and RPC #38006004) (“Property”) for the construction, operation and maintenance of two pressure regulator stations for the purpose of supplying natural gas for the Standby Generator Facility (“SGF”) and other facilities at the WPCP; and
2. Authorize the Real Estate Bureau Chief, Engineering and Capital Projects Division, Department of Environmental Services, or his designee, to execute, on behalf of the County Board, the License Agreement, attached hereto as Attachment 1, subject to approval as to form by the County Attorney.

ISSUES: As part of the license process, the County Board is being requested to approve and authorize the execution of this License Agreement (“Agreement”) permitting WGLCO to construct, operate, and maintain two pressure regulator stations on portions of the Arlington County WPCP.

SUMMARY: This is a request for the approval of an Agreement between the County Board and WGLCO to permit WGLCO to construct, operate, and maintain two pressure regulator stations at the WPCP. One regulator station will be located along South Glebe Road opposite South Fern Street (“License Area 1”) and the other will be located along 31st Street South near the intersection at South Eads Street (“License Area 2”) (License Area 1 and License Area 2 are hereinafter referred to jointly as “License Area”). The regulator stations are being constructed at the request of WPCP for the purpose of providing gas, at the required pressure, to minimize the

County Manager: BMD MAA

County Attorney: BAK SAM

Staff: Lynne Porfiri & Troy Harris, DES, Real Estate Bureau

21.

carbon footprint and fuel costs of the facility and SGF operations while providing reliable backup electrical power for all WPCP process systems. The construction costs are included in the \$568 million overall WPCP Master Plan 2001 (MP01) budget.

BACKGROUND: In January 2003, the County Board endorsed the concept for the WPCP MP01 to enable the County to meet current and future capacity demands in the most environmentally appropriate manner. The capital improvements included in the MP01 provide for redundancy; increased capacity sufficient for existing and future flows estimated to meet the needs out to the year 2015-2020+; a positive environmental impact for Four Mile Run, the Potomac River, and the Chesapeake Bay; as well as address external wet-weather bypasses, aging infrastructure, reliability, odor control, and security matters. The SGF is necessary because the power supply grid in Northern Virginia has experienced numerous low voltage events and outages during storms, inclement weather, and peak demand periods in the last several years. Dominion Virginia Power (“DVP”) does not have the ability to rectify these challenges in a timely manner. The SGF will enable the WPCP to reliably meet the Total Nitrogen 3 mg/l (TN3) required by the Water Quality Improvement Fund (WQIF) grant (\$96 million) requirements, participate in Dominion Virginia Power’s Demand Side Management Program, better achieve Fresh AIRE goals (by using ultra low sulfur diesel and natural gas/diesel blend to reduce sulfur dioxide emissions {SO_x}, and 90% reduction in NO_x and CO {nitrogen oxides and carbon monoxide} emissions by using catalytic reduction equipment), address fuel availability challenges with the flexibility of the generators to operate on a dual fuel natural gas-diesel blend, and ensure that emissions generated will be within applicable County, State and Federal Regulations.

The minimization of the operational costs and the carbon footprint of the facility can only be achieved through the addition of the compressed natural gas supply lines and pressure regulator stations to fuel the SGF facility. WGLCO specifically designed these facilities to provide fuel to the new SGF, and they will construct, operate, and maintain all of the supply and distribution lines and the above-ground facilities to the required specifications. The above-ground facilities will consist of one (1) two-stage regulator station, bollards, valves, access covers, and groundmarkers in each of the License Areas.

The Agreement should be approved in a timely manner to facilitate the start of construction and to ensure that at least one (1) two-stage regulator and supply line connecting to the SGF system is completed and operational by September 1, 2010.

DISCUSSION: The attached Agreement has been structured to protect the County’s rights as a local government, while accommodating the needs of the WPCP and WGLCO. Some of the pertinent provisions of the Agreement are as follows:

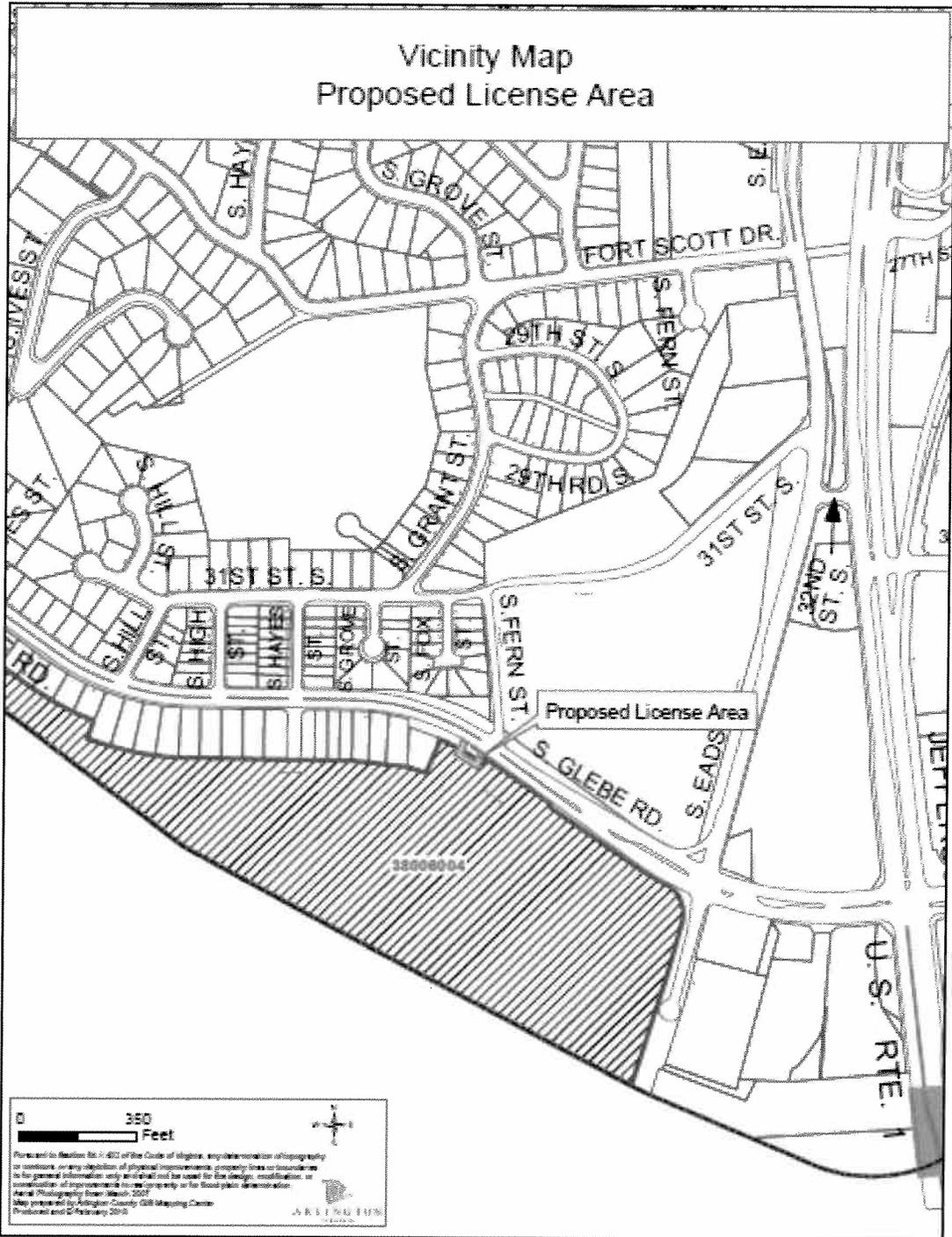
- License Area 1 consists of 3,147 square feet, more or less, of land along the south side of South Glebe Road opposite South Fern Street.
- License Area 2 consists of 1,883 square feet, more or less, of land along 31st Street South near the intersection at South Eads Street.

- The license is nonexclusive, and permits WGLCO to use the License Area solely for the purpose of laying, constructing, maintaining, monitoring, operating, removing, replacing, relocating, and repairing the required facilities.
- There will be no fee charged to WGLCO for use of the License Area.
- The Agreement requires WGLCO to provide evidence of adequate insurance coverages required by the Agreement.
- The Agreement provides that the County does not waive its rights as a local government.
- The Agreement is terminable by the County and by WGLCO upon a 270-day prior written notice to the non-terminating party. The County, upon 60 days notice to WGLCO, may terminate the Agreement if WGLCO discontinues use of the facilities for a continuous one year period.

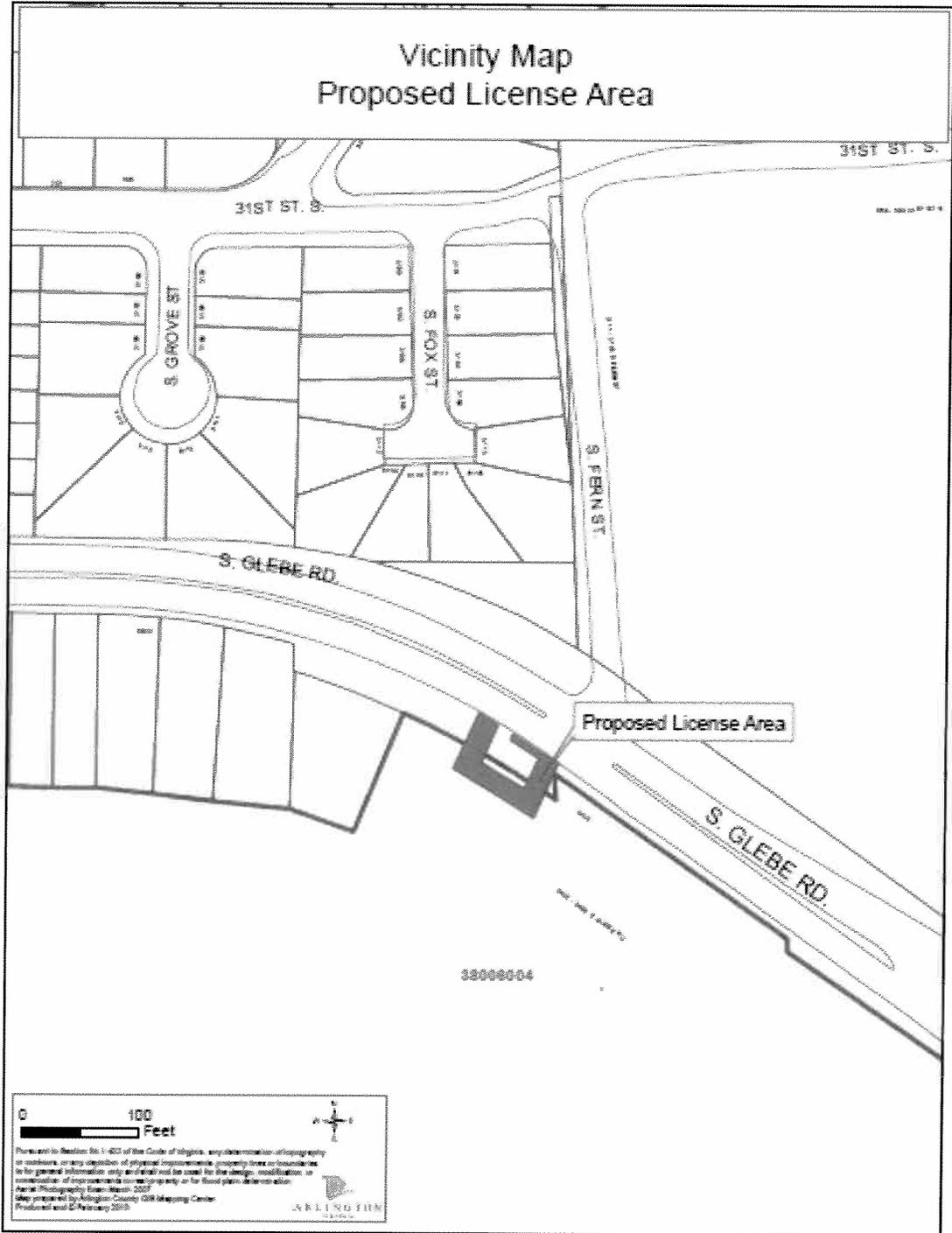
The Agreement has been executed by WGLCO and is included as Attachment “1” to this report, and Vicinity maps showing the proposed locations of the License Area are attached hereto and designated as Exhibits “1”, “2”, “3”, and “4”.

FISCAL IMPACT: No compensation is being charged by the County to WGLCO because the construction of the facilities is at the request of the County and WGLCO takes full responsibility for the maintenance of such facilities. Execution of this Agreement will reduce the operating costs of the SGF by approximately a minimum of \$55,000/year when compared to using only diesel as the fuel source.

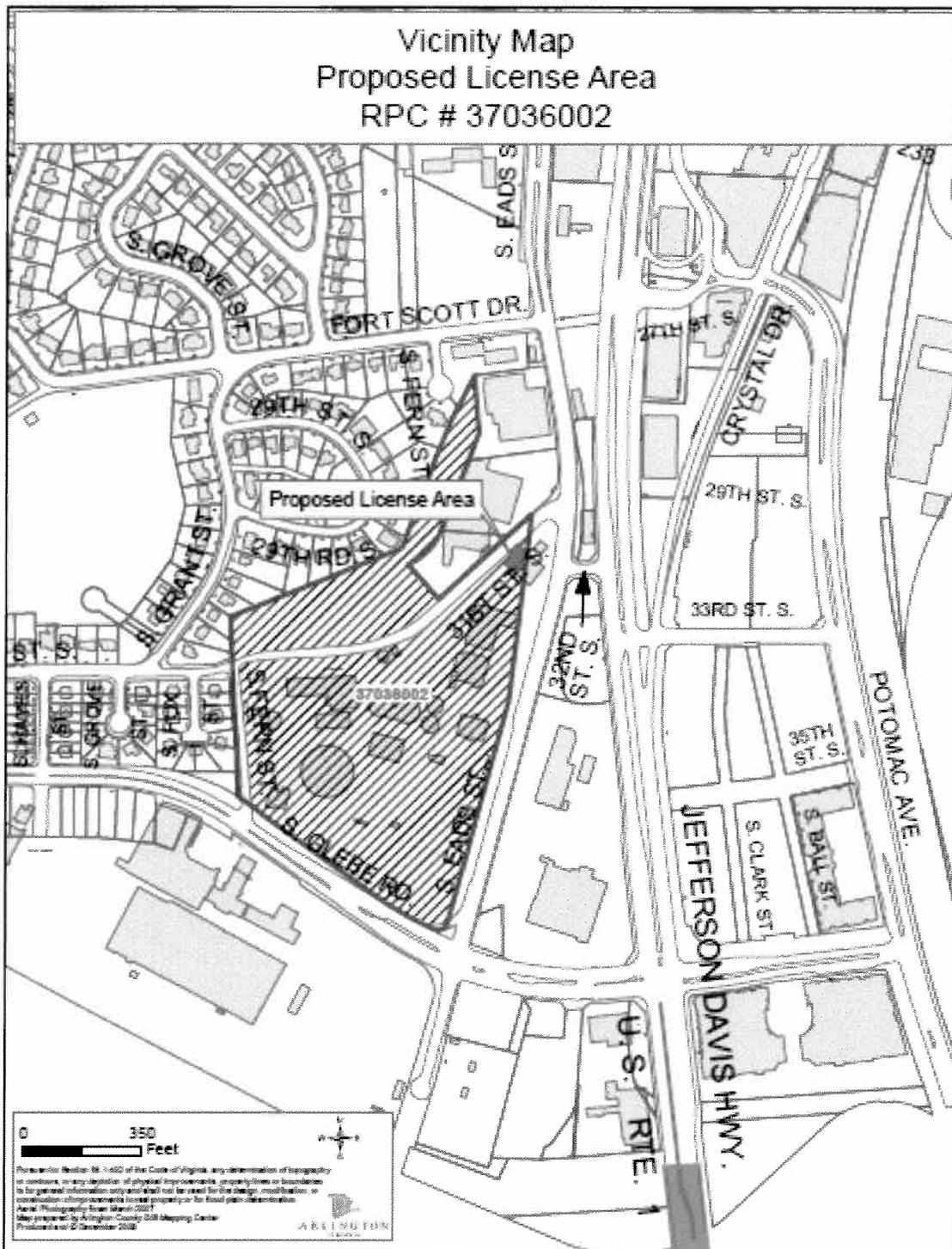
License Area 1



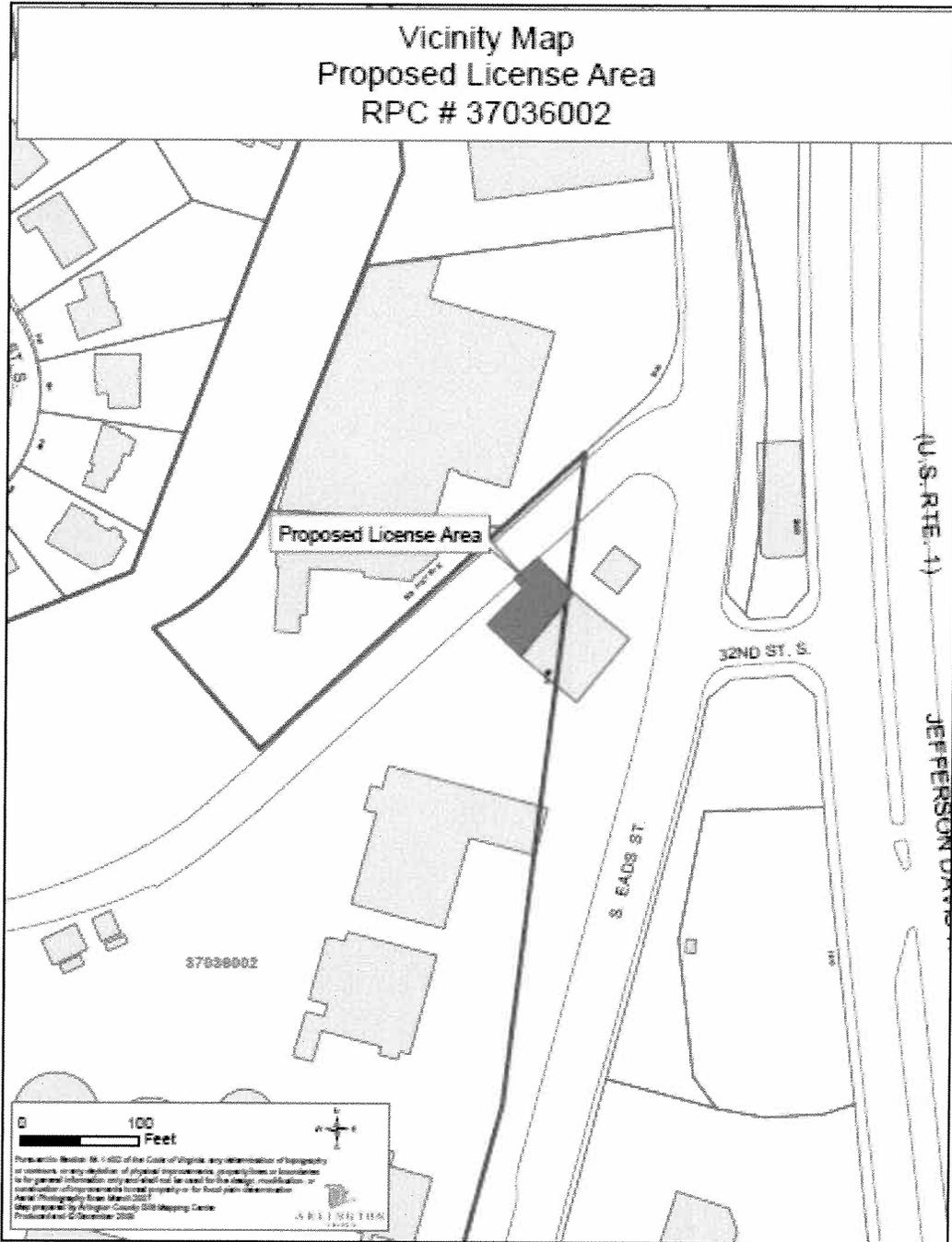
License Area 1



License Area 2



License Area 2



LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "Agreement" or "License Agreement") is made as of the ____ day of _____, 2010, between THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA, a body politic (the "Licensor") and WASHINGTON GAS LIGHT COMPANY, a body corporate, (the "Licensee").

WHEREAS, Licensor owns, in fee simple, the real estate hereinafter described in Exhibit A ("Property"); and

WHEREAS, Licensor has previously granted rights and permissions to others in the Property; and

WHEREAS, Licensee desires permission to install certain Facilities, as hereinafter defined, and perform Work, as hereinafter defined, associated with the laying, constructing, maintaining, operating, removing, replacing, and repairing the Facilities within portions of the Property; and

WHEREAS, by this License Agreement, Licensor permits Licensee to perform Work and install Facilities within portions of the Property described as License Area 1 and License Area 2 as provided herein (jointly "Licensed Area").

WITNESSETH:

For and in consideration of the sum of One Dollar (\$1.00) and the mutual benefits to be derived by the parties hereto, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Licensed Area. Licensor hereby grants to Licensee non-exclusive permission to use, upon the terms hereinafter provided, the following Licensed Area:

LICENSE AREA 1:

Three Thousand One Hundred Ninety-Seven (3,197) square feet of the Property, which licensed area is a portion of the County Board of Arlington County, Virginia, property known as the Water Pollution Control Plant, having been acquired by the Licensor by (1) deed dated November 10, 2008, and recorded in the Land Records of the Arlington County Circuit Court in Deed Book 4229 at Page 639, and more particularly described therein, and by (2) deed dated January 15, 1970 and recorded in the Land Records of the Arlington County Circuit Court in Deed Book 1723 at page 337, (RPC #38006004), and more particularly described therein. The Property, in which this licensed area is situated, is more fully described in Exhibit A, attached hereto and made a part hereof.

This licensed area is of variable width and shown on a plat prepared by Willard Ross Dickerson, entitled "Plat Showing Washington Gas Light Company License Area 1 Through Properties of the County Board of Arlington County, D.B. 1723, PG. 337 & D.B. 4229, PG. 639, Arlington County, Virginia," dated January 25, 2010, and attached hereto as Exhibit C, and made a part hereof.

LICENSE AREA 2:

One Thousand Eight Hundred Eighty-Three (1,883) square feet of the Property, which licensed area is a portion of County Board of Arlington County, Virginia, property known as the Water Pollution Control Plant, having been acquired by the Licensor by (1) deed dated August 31, 1950, recorded in the Land Records of the Arlington County Circuit Court in Deed Book 974 at Page 46 (RPC #37036002), and more particularly described therein, and by (2) deed dated September 5, 1934 recorded in the Land Records of the Arlington County Circuit Court in Deed Book 357 at Page 278, and more particularly described therein. The property, in which the licensed area is situated, is more fully described in Exhibit A, attached hereto.

The licensed area is of variable width and shown on a plat prepared by Willard Ross Dickerson, entitled "Plat Showing Washington Gas Light Company License Area 2 Through Properties of the County Board of Arlington County, D.B. 357, PG. 278 & D.B. 974, PG. 46, Arlington County, Virginia" dated January 25, 2010, and attached hereto as Exhibit C.

Hereinafter, License Area 1 and License Area 2, as further described in Exhibit C, are referred to, jointly, as "Licensed Area". The properties owned by the Licensor within which the Licensed Area lies are described in Exhibit A and are referred to, jointly, as the "Property".

2. Nonexclusive License. The Licensor grants to the Licensee a nonexclusive license to the Licensee, for the term and upon the conditions set forth in this License Agreement, including the General Terms and Conditions for the License Agreement, set out in Exhibit B, for the purpose of performing the Work, defined hereinafter in paragraph 5, which, notwithstanding anything herein to the contrary, shall pertain solely to the Facilities defined hereinafter in paragraph 7.
3. Term, Effective Date. The term of this License Agreement shall begin on the date that this License Agreement is executed on behalf of the Licensor (the "Effective Date") and shall continue until terminated by either Licensor or Licensee ("Term") in accordance with paragraph 19. Licensee shall complete all initial construction associated with the Facilities within two hundred and seventy (270) calendar days from the Effective Date, with one (1) two-stage regulator and supply line connecting to the standby generator facility ("SGF") system completed and operational by September 1, 2010, and thereafter shall engage only in the Work associated with the operation,

maintenance and monitoring of Facilities and improvements constructed on the Licensed Area as well as landscaping restoration.

4. License Fee. There shall be no fee charged to Licensee for the use of the Licensed Area, because this License Agreement is required to permit Licensee to provide equipment and services requested by the Licensor at the Arlington County Water Pollution Control Plant.
5. Permitted Uses. Licensee is permitted to use the Licensed Area solely for the purpose of laying, constructing, maintaining, monitoring, operating, removing, replacing, relocating, and repairing ("Work") the Facilities as defined hereinafter. In using the Licensed Area and in performing the Work, Licensee shall comply at all times with all existing and future laws, statutes, rules, orders, ordinances, codes, policies, requirements, and regulations of the Licensor, and of all applicable governmental authority, applicable to the Property and the Work.
6. Licensor's and Other's Use of the Licensed Area. Nothing herein shall be deemed to limit or restrict the Licensor's use of the Licensed Area, or its right to assign rights, interests, and privileges to others provided such uses by the Licensor or others do not unreasonably interfere with the Work or the permission granted to the Licensee hereunder. Licensor and Licensee agree to notify Miss Utility when performing the Work or any work within the Licensed Area that requires Miss Utility notification.
7. Facilities Permitted. Licensee is permitted to only install one (1), two-stage regulator station in each of the License Areas ("Facilities"); one on the parcel described as License Area 1 and the other on the parcel described as License Area 2, in locations and of specifications acceptable to the Licensor. The regulator stations will each have 4" wrapped steel inlet pipe, two 4" control valves, two 4" regulators, a 6" check valve, and 6" wrapped steel out pipe. In addition, there will be 4" wrapped steel pipe for the bypass and ¼ inch wrapped steel control lines. All Facilities shall be installed as subsurface features, with the exception of bollards, valves, access covers, groundmarkers and the two regulator stations which will each be enclosed in two 37"W x 54"H x 83"L enclosures (protective appurtenances). Facilities shall be of a depth and construction material of a sort that will be suitable for vehicular traffic to travel over the Facilities. Facilities shall be of a depth and construction material of a sort that is suitable for paving over the Licensed Area, by Licensor, persons and entities authorized by the Licensor, and for the purposes of motor vehicle and pedestrian traffic, except as otherwise provided or required herein. Except for required temporary tree protection fencing, Licensee is prohibited from installing fencing or any other structures, other than the regulators, bollards, valves, access covers, and groundmarkers, at or above grade within the Property or the Licensed Area. The piping and control lines shall be at a depth of at least thirty six (36) inches below finished grade throughout the Licensed Area.
8. Ownership of Facilities. Except where Licensee abandons its Facilities as otherwise provided herein, the Facilities shall be and remain the property of the Licensee.

9. No Property Rights Granted. Nothing contained in this License Agreement shall be interpreted to create any interest in Licensee other than a license, and specifically shall not be interpreted to create any property right, title, or interest in the Licensed Area.
10. Prior Rights of Others. The rights or privileges herein granted to the Licensee are subject to, and subordinate to, all rights or interests held by or granted to others in the Licensed Area. The Licensor makes no representations or warranties, express or implied, concerning the extent of such rights held by others. The Licensor shall have no responsibility for conflicts or disputes among Licensee or the Licensor and others as a result of the rights granted to the Licensee pursuant to this License Agreement. The Licensor makes no warranties with respect to the Licensed Area, but merely gives the Licensee permission to use the Licensed Area consistent with this License.
11. Previously Granted Easements and Permissions. Certain easement agreements and permissions have been previously granted to others in the Property within which the Facilities are to be located. The Licensor is not granting to Licensee any greater rights, privileges, or permissions than those which the Licensor has retained pursuant to such easements and permissions. The Licensee represents that it has read all of the recorded easement agreements and permissions concerning the Licensed Area and any other areas on the Property.
12. Relocation of Facilities. Licensor, in its sole discretion, shall have the unilateral right, at any time, to require Licensee, upon (60) days prior written notice to Licensee, to relocate the Facilities to an alternative location within the Licensed Area or elsewhere upon Licensor's property, said relocation to be at Licensor's sole expense.
13. Removal, Abandonment of Facilities. If Licensee discontinues use of the Facilities, with discontinuation being defined as having no throughput or transmission of gases to the Facilities during the calendar year, then Licensor, in its sole discretion, shall have the unilateral right, at any time after one continuous calendar year of discontinued use, to require Licensee to remove Licensee's Facilities upon (60) days prior written notice to Licensee requiring removal of such Facilities. Within thirty (30) days of Licensee's receipt of the notice of removal, Licensee shall submit to Licensor a plan of removal for Licensor's approval. Removal of Licensee's Facilities shall commence upon, and be in accordance with written approval by Licensor of the Licensee's removal plan. Removal costs of the Facilities shall be at Licensee's sole expense. Licensor, in its sole discretion, may permit Licensee to abandon in place the Facilities, provided that the Licensee first delivers to the Licensor copies of all applicable federal, state, and local laws and requirements regarding such abandonment, and complies fully therewith.
14. Conditions. This License Agreement is subject to the Conditions attached hereto as Exhibit B, and made a part hereof.
15. No Liability, Indemnification.
 - A. All Facilities of Licensee, its employees, agents, contractors, business invitees, licensees, customers, clients, and guests in and on the Licensed Area or the Property, shall be and remain therein under any and all circumstances at the sole

risk of the above described persons and entities. The Licensor shall not be liable to any such person or entity for any damage to, or loss of such Facilities. The Licensee hereby agrees to defend, indemnify and hold harmless Licensor and its elected and appointed officials, officers, employees, contractors and agents from all liability, cost and expenses for lost, stolen, damaged or destroyed property.

- B. Licensee acknowledges that Licensor, its elected and appointed officials, officers, employees, contractors and agents shall not be liable for any damages, special, consequential, punitive or otherwise, as a result of any claim relating to this License Agreement or Licensee's use of the Licensed Area or the Property.
- C. Licensee hereby agrees to defend, indemnify and hold harmless Licensor, and its elected and appointed officials, officers, employees, contractors, agents, successors and assigns, from and against all claims, causes of action, liabilities, losses, costs and expenses arising from or in connection with any death, injury or damage to any person or property: (i) which occurs in the Licensed Area or the Property; and (ii) is caused by negligence or willful misconduct of Licensee, its agents, contractors, employees, customers, and invitees. The indemnification in this paragraph shall survive the expiration or termination of the License Agreement.

16. Insurance.

- A. Licensee, at its sole expense, shall obtain and maintain a policy of commercial general liability insurance, throughout the Term, from an insurance carrier satisfactory to Licensor, providing coverage for claims arising from or in connection with the exercise of the permission granted hereunder by Licensee for personal injury, death, property damage or loss suffered by any person, thing or interest with a minimum of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) annual aggregate. Such insurance coverage shall protect from liability the persons and entities indemnified under paragraph 14 of this License Agreement. Licensee shall maintain such insurance coverage in full force and effect continuously at all times during the Term. The insurance policy and policy limits shall not operate as a limit of Licensee's liability to Licensor under this License Agreement, nor as a limit of Licensee's duty of indemnification hereunder.
- B. Prior to the beginning of the Term, Licensee shall furnish Licensor with certificates of insurance indicating that the insurance is prepaid for a one year policy period insuring all activity contemplated under this License Agreement, and containing a thirty (30) day written notice provision, prior to termination, cancellation, non-renewal, material change, or reduction of coverage. The policy shall provide, among other things, that the actions or omissions of any insured party shall not invalidate the policy as against any other insured party or otherwise adversely affect the rights of any other insured party under the policy. No provision contained in this License Agreement shall act as a waiver of any rights of subrogation of the Licensor's Self Insurance Program or Licensor insurance

carrier(s). The insurance required to be carried by Licensee herein shall be with an insurance company licensed to do business in the Commonwealth of Virginia and rated not lower than A-X in the A.M. Best Rating Guide. Such insurance (i) shall contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured has released its right of action against any party before the occurrence of a loss; (ii) shall name Licensor and others listed hereinafter as additional insureds and loss payees; and (iii) shall provide that the policy shall not be canceled, failed to be renewed or materially amended without at least thirty (30) days' prior written notice to Licensor. At Licensor's written request, an original of the policy (including any renewal or replacement policy) or a certified copy thereof, together with evidence satisfactory to Licensor of the payment of all premiums for such policy, shall be delivered to Licensor. Licensor, its elected and appointed officials, officers, employees, contractors and agents shall be named as additional insureds under all coverage maintained by Licensee hereunder and the certificate of insurance, or the certified policy must so state. Coverage afforded under this Section shall be primary as respects the Licensor, its elected and appointed officials, officers, employees, contractors and agents. The following definition of the term "Licensor" applies to all policies issued under the License Agreement:

"The County Board of Arlington County, Virginia and any affiliated or subsidiary Board, Authority, Committee, or Independent Agency (including those newly constituted), provided that such affiliated or subsidiary Board, Authority, Committee, or Independent Agency is either a Body Politic created by the County Board of Arlington County, Virginia, or one in which controlling interest is vested in Arlington County; or Arlington County Constitutional Officers."

C. All insurance policies and certificates of insurance required of Licensee hereunder shall be endorsed to include the following provision: "It is agreed that this policy is not subject to cancellation, non-renewal, material change, or reduction in coverage until thirty (30) days prior written notice has been given to Arlington County, Virginia." Therefore, the words "endeavor to" and "but failure to mail such notice shall impose no obligation of liability of any kind upon the company, its agents or representatives" are to be eliminated from the cancellation provision of any standard ACORD certificates of insurance.

17. Self-Insurance. Notwithstanding anything to the contrary, in order to comply with paragraph 16 or other provisions of this License Agreement requiring the Licensee to provide insurance coverage, Licensee shall have the right, upon prior written notice to the Licensor, to self-insure as to all or any portion of the insurance coverage or coverages which would otherwise have been required by a third party insurance carrier. Any change in Licensee's self-insurance status shall obligate Licensor to promptly send written notification to Licensor describing such change in status.
18. Default. This License Agreement shall, at the option of Licensor, cease and terminate if Licensee shall violate or fail to perform any of the conditions, covenants or requirements of this License Agreement, provided that any such violation or failure to

perform any of such conditions, covenants or requirements shall continue for a period of forty-five (45) days after written notice thereof has been delivered by Licensor to Licensee. In such event, Licensee shall, however, be and remain liable to Licensor for all monetary and other damages and liability arising from such default. Upon the termination or expiration of this License Agreement, Licensor shall have the right to prevent Licensee's entry to or access upon the Licensed Area and the Property and to immediately remove any property of Licensee located upon the Licensed Area and Property at Licensee's sole risk and expense. In the event of any default or dispute arising under this License Agreement, Licensee shall reimburse Licensor for any and all attorneys' fees and court costs incurred by Licensor, for exercising the Licensor's rights upon Licensee's default or resolving any such dispute.

19. Termination.

- A. Notwithstanding anything herein to the contrary, as to the portion of the Licensed Area described as License Area 1 and 2, both Licensor and Licensee each shall have the unilateral right to terminate this License Agreement at any time, without cause and without penalty, by providing two hundred and seventy (270) days prior written notice of such termination to the other party. Upon termination of License Agreement, Licensee shall, at the option of Licensor, or unless otherwise provided herein, remove Facilities from Licensed Area within forty five (45) days of termination date, and restore Property to the condition at the time commencement of this License Agreement. If Licensor requires the removal of Facilities, Licensee shall submit for Licensor's approval within thirty (30) days of the termination date a removal plan. Removal of Licensee's Facilities will commence upon, and be in accordance with, the approved removal plan.
- B. Licensor recognizes the purpose of the Facilities to be installed within the Licensed Area will be for Licensee to provide gas for Licensor's stand-by generators located at the Water Pollution Control Plant. If Licensee fails to terminate its use of the Licensed Area, or a portion thereof, and to vacate all areas of the Property and remove the Facilities upon the termination of this License Agreement, then Licensee shall be deemed a trespasser as to such portion of the Licensed Area. Thereafter, Licensor may immediately remove Licensee and Licensee's property from the Licensed Area and the Property, at Licensee's sole risk and expense.
- C. Termination of any of the rights or privileges granted to the Licensee by this License Agreement shall not relieve or release the Licensee from any liability or obligation previously incurred or assumed by the Licensee pursuant to this License Agreement or otherwise.

20. Notices.

- A. All notices or other communications hereunder shall be in writing and shall be given to the other party either by hand delivery, by courier service, or by certified mail, return receipt requested, at the following addresses or such other addresses hereafter provided by notice to the other party:

B. To Licensor:

Arlington County, Virginia
Water Pollution Control Plant
OCB
3402 S. Glebe Road, 3rd Floor
Arlington, VA 22202
Attention: Water Pollution Control Plant Bureau Chief

with a copy to:

Arlington County, Virginia
Department of Environmental Services - Real Estate Bureau
2100 Clarendon Blvd., Suite 800
Arlington County, Virginia 22201
Attention: Real Estate Bureau Chief

D. To Licensee:

Washington Gas Light Company
6801 Industrial Road
Springfield, Virginia 22151
Attention: Douglas A. Staebler, Vice President of Operations, Engineering, and Marketing

Notices shall be effective upon receipt.

21. No Partnership or Lease. It is agreed that nothing contained in this License Agreement shall be deemed or construed as creating: a partnership; joint venture; the relationship of landlord and tenant between Licensor and Licensee; or a leasehold interest. Licensor reserves the right to enter upon and use the Licensed Premises without prejudice to Licensee's use hereunder.

22. No Assignment. This License Agreement is non-assignable and non-transferable by the Licensee.

23. Role of the Licensor/Licensor Decisions; No Waiver. The Licensor's execution of this License Agreement shall neither constitute nor be deemed to be governmental approval for any actions or interests contemplated herein, or for any other governmental approval or consent required to be obtained by Licensor. Without limiting the foregoing, the issuance by the County to the Licensee, or its contractors or agents, of any permit to perform Work in any County right-of-way shall not be construed as permission by, or approval of, the Licensor for any of the Licensee's proposed installation of Facilities or Work in the License Area. Whenever, in this License Agreement, Licensor is required to join in, consent, give its approval, or otherwise act under this License Agreement, it is understood that such obligations are meant to apply to the Licensor acting in its capacity as a Licensor and not in its capacity as a governing authority. Notwithstanding the foregoing, nothing in this License Agreement shall be construed to waive any

of Licensor's powers, rights or obligations as a governing authority or local governing body, whether or not affecting the Licensed Area, including, but not limited to its police power, right to grant or deny permits, right to collect taxes or fees, or any other power, right or obligation whatsoever.

24. No Waiver of Sovereign Immunity by Licensor. Notwithstanding any other provisions of this License Agreement to the contrary, nothing in this License Agreement nor any action taken by Licensor pursuant to this License Agreement nor any document which arises out of this License Agreement shall constitute or be construed as a waiver of either the sovereign immunity or governmental immunity of the Licensor, or of its elected and appointed officials, officers and employees.

25. No Rights in Third Parties. The parties hereto mutually agree that no provision of this License Agreement shall create in the public, or in any person or entity other than those signing this License Agreement as parties hereto, other than successor entities pursuant to any future acquisition of all the business and/or assets of Licensee, rights as a third party beneficiary hereunder, or authorize any person or entity, not a party hereto, to maintain any action for personal injury, property damage, or breach of contract pursuant to the terms of this License Agreement or otherwise.

26. No Indemnification or Hold Harmless By Licensor. Notwithstanding any other term or provision of this License Agreement to the contrary, Licensor shall have no obligation to explicitly or implicitly indemnify or hold harmless the Licensee or any third party or parties from any liability whatsoever.

27. Approval of License Agreement by Licensor. This License Agreement shall not become effective unless and until it is signed by the Licensee, approved by the County Board and signed on behalf of County Board. If this License Agreement is not approved by the County Board and executed by an authorized person on behalf of the County Board, then no liability whatsoever shall accrue to the Licensor or Licensee and the Licensor and Licensee shall have no obligations whatsoever to each other.

28. Entire Agreement/Applicable Law. This License Agreement contains the entire agreement of the parties hereto with respect to the subject matter hereof. All representations, inducements, or agreements, oral or otherwise, between the parties not contained in this License Agreement shall be of any force and effect. This License Agreement shall not be modified, changed or terminated, in whole or in part, in any manner other than by an agreement in writing signed by duly authorized representatives of the Licensor and Licensee. This License Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia. The courts of Arlington County, Virginia shall be the proper and sole forum for any disputes arising hereunder.

29. Incorporation of Recitals. The foregoing recitals are fully incorporated into this License by this reference.

IN WITNESS WHEREOF, Licensor and Licensee have caused this License Agreement to be executed and delivered as their respective acts, intending to be legally bound by its terms.

WITNESS the following signatures:

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

LICENSOR: THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

By: _____

Name: _____

Title: _____

Date: _____

COMMONWEALTH OF VIRGINIA
COUNTY OF ARLINGTON, to-wit:

The foregoing instrument was acknowledged before me by _____
_____, on behalf of THE COUNTY BOARD OF ARLINGTON COUNTY,
VIRGINIA, a body politic, this _____ day of _____, 2010.

Notary Public _____

My Commission expires: _____

APPROVED as to form: _____
COUNTY ATTORNEY

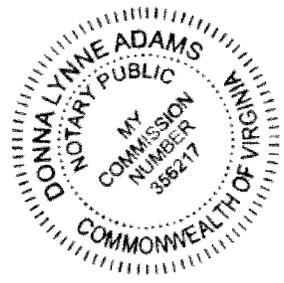
LICENSEE: WASHINGTON GAS LIGHT COMPANY

By: Terry D. McCallister
Name: Terry D. McCallister
Title: Chairman and Chief Executive Officer
Date: 2/25/10

STATE: Virginia
COUNTY: Fairfax, to-wit:

The foregoing instrument was acknowledged before me by Terry D. McCallister, on behalf of WASHINGTON GAS LIGHT COMPANY, a body corporate, this 25th day of February, 2010.

Notary Public Donna Lynne Adams
My Commission expires: August 31, 2013



- EXHIBITS:**
Exhibit A – Description of Property
Exhibit B – General Terms and Conditions
Exhibit C – Plats of License Areas 1 and 2

EXHIBIT A

LICENSE AREA 1 lies within the following Properties:

PROPERTY OF COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA
WATER POLLUTION CONTROL PLANT

Being as shown on Sheet 6RW of the plans for Route 120, State Highway Project 0120-000-003-R/W, and lying southwest and adjacent to the southwest revised proposed right of way line of Route 120, from a point approximately 12 feet opposite approximate Station 304+00 (Route 120 revised survey centerline) to a point approximately 14.5 feet opposite approximate Station 306.50 (Route 120 revised survey centerline) and containing 0.126 acre, more or less, land; and being a part of the same lands acquired from Roy L. Knight, et al., by deed dated December 15, 1955, recorded in Deed Book 1232, page 480, recorded in the Office of the Clerk of the Circuit Court of the County of Arlington, Virginia;

Sheet 6RW of the plans for Route 120, State Highway Project 0120-000-003-R/W is recorded in the State Highway Plat Book 11, Page 241

* * * * *

PROPERTY OF COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA
WATER POLLUTION CONTROL PLANT
RPC #38006004

All that parcel of land containing an area of 38,045.09 square feet (0.8734 Acre) as shown on the plat entitled "Property of John D. & William C. Holman Along S. Glebe Rd. @ S. Fern St., DB 645, PG 589", which plat was approved on February 19, 1969 by the Arlington County Director of Transportation, and is attached to and made part of the Deed dated January 15, 1970, recorded among the Land Records of the Arlington County Circuit Court, in Deed Book 1723, page 337

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LICENSE AREA 2 lies within the following Properties:

PROPERTY OF COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA
WATER POLLUTION CONTROL PLANT
RPC #37036002

All of Parcels numbered 1, 2 and 3, having areas of 76,067.11 sq. ft., 21,521.70 sq. ft., and 43,413.16 sq. ft, respectively, as shown upon a certain plat prepared by the Planning Division, Department of Public Service, Arlington, Virginia, entitled "Plat Showing Property of Arlington County and Katherine Hayden & Louise Hayden DeNeale", which plat was approved on August 10, 1950 by the Arlington County Director of Public Service, and is attached to and made part of the Deed dated August 31, 1950, recorded among the Land Records of the Arlington County Circuit Court, in Deed Book 974, page 46

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PROPERTY OF COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA
WATER POLLUTION CONTROL PLANT

TRACT NO. 1. A continuous strip of parcel of land running and extending from the north line of the recently established Four-Mile Run Road, in a northerly direction, as hereinafter outlined, to the south, or southeast corner of the lands of the United States of America, known as the Arlington Reservation, the said parcel of land having a uniform width of fifty feet throughout its entire length, being the land formerly occupied by the tracks of the Mount Vernon, Alexandria and Washington Railway Company, the various parcels of land from which the said continuous 50-foot strip was derived being as follows: (a) Deed of bargain and sale dated October 22, 1895, by which was acquired the land of Edward Crane, being all of that portion of the right-of-way so acquired from Edward Crane which lies north of the said Four-Mile Run Road; (b) Deed of bargain and sale dated December 14, 1895, and recorded in Deed Book W, No. 4, at page 9, of the said land records, conveying a part of the land of J. K. M. Norton; (c) Condemnation proceeding recorded in Deed Book U, No. 4, at page 39, wherein were procured a portion of the land of Claudius E. R. King, et al; (d) Deed dated July 24, 1901, and recorded in Deed Book 105, at page 1, conveying certain land of John C. Wilson; (e) Deed dated April 26, 1905, and recorded in Deed Book 111, at page 405, conveying certain land of the West Brothers Brick Company, a corporation; (f) Deed dated August 10, 1895, and recorded in Deed Book W, No. 4, at page 458, conveying certain land of John P. Appleman et ux; (g) Condemnation proceedings recorded in Deed Book 113, at page 41, of the said land records, wherein we_e acquired certain land of the heirs of Horace S.

Johnston. Reference is made to the foregoing deeds for a full and complete description by metes and bounds of the land herein conveyed.

TRACT NO. 2. Beginning for the same at a point which marks the southeast corner of the property of J. R. Hayden, formerly the southeast corner of the Luna Park Tract; thence along the east line of Hayden, the following courses and distances: N. 15° 40' 30" E. 450.88 feet; N. 7° 51' E. 578.73 feet; N. 2° 0' E. 160.29 feet; and N. 3° 13' 30" W., passing the northeast corner of Hayden, which is the southeast corner of the Garfield Manor Corporation, and continuing along the East line of the Garfield Manor Corporation 352.95 feet to to a point in the south line of a 30-foot outlet road, which is the northwest corner of the tract herein described; thence N. 83° 25' E. 37.95 feet to a point in the West line of the right-of-way of the Mount Vernon, Alexandria and Washington Railroad Company; thence along the said west right-of-way line by the following courses and distances, - S. 9° 22' E. 219.58 feet; thence along a curve having a chord S. 3° 12' W. 612.56 feet and a radius of 1407.70 feet; and south 15° 46' 30" W. 802.83 feet to the southeast corner of the tract herein described; thence departing from the said railway right-of-way N. 5° 7' West 76.86 feet to the point of beginning, recorded among the Land Records of the Arlington County Circuit Court, in Deed Book 357, page 280

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EXHIBIT B
General Terms and Conditions

The terms of Licensee's access to and use of Facilities within the Licensed Area under the License Agreement shall be as set forth below:

1. **Definitions.** Any word defined in the License Agreement shall have the same meaning herein.
2. **Construction Approval.**
 - i. The Licensee shall construct the Facilities in strict accordance with the plans that will be submitted to and approved in writing by the Engineering Program Coordinator, Water Pollution Control Plant, Department of Environmental Services of Arlington County, Mr. Yen Fu Ho, or his designee, for the construction of the Facilities in the Licensed Area. However, if required by an emergency or law or appropriate governmental authority, the Licensee may deviate from the approved plans without prior Licensor written approval for a period not to exceed seventy-two (72) hours, and such deviation shall not be considered a breach of the License Agreement if the Licensee expeditiously notifies the Licensor and requests the Licensor's written approval for the deviation. Only the Facilities and the Work may be established on the Licensed Area. It shall be the Licensee's responsibility to obtain any and all necessary permits that may be required by other governmental agencies.
 - ii. Licensee shall deliver to Licensor a copy of as-built plans within sixty (60) days after substantial completion of the installation of Facilities. All subsequent modifications to the Facilities shall be delivered, with revised plans, to the Licensor within sixty (60) days of the completion of such modifications.
3. **Subsurface Activities.**
 - A. Licensee shall perform subsurface activity in a careful and prudent manner.
 - B. Crossing by Licensee of Existing or Future Public Utilities - Pertaining to initial construction of Facilities, Licensee shall keep a minimum of a twelve (12) inch vertical separation and a minimum of a five (5) foot horizontal separation from all public utility facilities, unless a written waiver from such requirement, if permissible, is obtained by the Licensee from all of the applicable agency(ies). If requested by Licensor to accommodate a future public facility or public utility, Licensee shall, at Licensee's sole expense, move the Facilities to another location acceptable to Licensor within License Area.

- C. In the event of any damage to or dislocation of any underground facility or of any person or entity, in connection with the existence of the Facilities in the Licensed Area, the Licensee shall immediately notify the owner of such facility and shall immediately cease all work in the affected area until repairs are complete. Each such incident shall be immediately reported to the Licensor, and no further subsurface activity shall be done until permission is granted by the Licensor, which permission shall not be unreasonably withheld. The Licensor will attempt to respond to such requests within two working days.
 - D. All subsurface activity undertaken by the Licensee shall be properly safeguarded for the prevention of accidents. All manhole covers, equipment and materials shall be adequately secured at the end of each work day.
4. Access, Security.
- A. Licensee at all times shall not impede or restrict access to the Property, and any areas within the Property, unless written permission is given otherwise by Licensor to the Licensee. During construction of the Facilities, the Licensee shall enter and exit the Licensed Area only from Arlington County, State, or Federal right-of-way or through the security gate at 3151 South Fern Street near the intersection of South Glebe Road. After the Facilities have been constructed, Licensee shall enter and exit the Licensed Area only from the security gate at 3151 South Fern Street. In the event of a natural gas leak or suspected gas leak from the Facilities, the Licensee may access the Licensed Area through portions of the Property to the minimum extent reasonably necessary for investigation and response to the leak or suspected leak. When exercising such access, Licensee shall use the routes and means that are least damaging to buildings, structures, trees and other County property.
 - B. Should the Work require temporary removal of any perimeter fencing, Licensee shall, at the end of each work day, in order to secure the Property, replace or re-install and secure that portion of fencing that was temporarily removed. Licensee shall provide security guards or other personnel to control access at the locations where the fencing has been temporarily removed.
5. Inspection of the Work. Licensee shall have an Inspector on the Property at all times when Work is being performed.
6. Maintenance and Operation.
- A. The Licensee shall be responsible for maintaining and operating the Work in a manner and at such frequency as necessary to keep the Licensed Area safe and to protect against damage by the Work to the Licensed Area and adjoining properties.

- B. Licensee shall maintain the Facilities in good working condition at all times.

The Licensee shall provide notice to the Licensor at least forty-eight (48) hours before entering the Licensed Area to maintain or operate the Work, except that in the case of an emergency where the Licensee cannot provide the required advance notification, the Licensee shall notify the Licensor as soon as practicable.

The Licensee shall confine all maintenance and operation activities, within the Licensed Area.

- E. The Licensee shall not dig, excavate, or otherwise disturb the Licensed Area while maintaining or performing the Work. To the extent such disturbance does occur, the Licensee shall restore such disturbed areas in accordance with the requirements set forth in Paragraph 7 below.

7. Arlington County Department of Parks, Recreation, & Cultural Resources ("Parks") Conditions and Specifications.

- A. All tree protection and all restoration work shall be at sole expense of Licensee.
- B. All soil that is excavated in performing Work shall be removed from Property and not stockpiled.
- C. Licensee shall install tree protection fencing in accordance with Arlington County standards, policies, and guidelines prior to the commencement of construction in the Licensed Area. If equipment, used in performing Work, must be driven within the Critical Root Zone, as defined in the Department of Community Planning, Housing, and Development's Landscape Standards (Drawing Number R-7.7), measures must be taken by Licensee to minimize root compaction. In order to address compaction issues, Licensee shall obtain recommendations from one of the Parks Department's Urban Foresters and implement recommendations prior to the commencement of Work.
- D. During the course of constructing, maintaining, relocating, or removing Facilities, if Licensee deems it necessary to remove any trees or shrubs, Licensee must first obtain permission from one of the Parks' Urban Foresters before proceeding. If any trees must be removed, the root ball of the tree shall be removed as well. Any trees or shrubs that are removed shall be replaced promptly, weather permitting, by Licensee upon the completion of construction, utilizing the Arlington Tree Replacement Guidelines. The species and location of the replacement trees shall be determined by an Urban Forester from Parks.

- E. If construction of the Facilities occurs within the critical root zone of trees and trees die within two years of any construction by Licensee, trees will be replaced, by Licensee, in accordance with the Arlington County Tree Replacement Guidelines. If, within the two-year period, an Urban Forester determines that a tree or shrub needs to be removed and replaced, Licensor will provide written notification to the Licensee with location of existing tree, replacement species requirements, and location of new tree(s).
- F. If hedge plants are to be removed, they shall be replaced as soon as possible once construction is substantially completed. If hedge plants are harmed by Work and die within two years, the plants will be replaced by Licensee. A list of acceptable species will be provided to Licensee from Parks.
- G. In areas where Licensee trenches or digs a hole, Licensee will refill excavated area with soil, or other suitable material as agreed to, in writing, by one of the Parks Department's Urban Foresters, and the top six (6) inches of soil shall be topsoil and sod will be planted on top. If these excavated sections later show signs of settling to a point that could be reasonably considered to cause a hazard, then Licensee will remedy the problem. Any other grassy portion of Licensed Area that is harmed by Licensee, then Licensee shall, subject to Parks approval, resod the affected area(s).
- H. Licensee shall warrant survival of all replacement plants (trees, hedge plants, and grass) for period of two years.
- I. Fences and any other structure that are removed by Licensee shall be replaced in kind. Licensor reserves the right to construct future fences in Licensed Area. Licensee shall not construct fencing within the Licensed Area without the written permission of Licensor.
- J. Licensee shall install groundmarkers, acceptable to Licensor, flush with soil and landscaping, over Facilities in locations approved by Licensor. Licensee is responsible for replacing groundmarkers if they become damaged, sink, or are stolen.
- K. The Licensee shall, as soon as practicable after the completion of any Work including operation, maintenance, or monitoring activities, restore all areas disturbed during such activities. These areas shall be restored as nearly as possible to their original condition, i.e. the condition which existed prior to Licensee's performance of such activities, and shall be restored to the reasonable satisfaction of the Licensor.
- L. In the event any area of the Licensed Area, disturbed by the Licensee, is a paved area utilized by the public, the Licensee shall immediately

restore the disturbed area with a temporary patch until the paving can be permanently restored by Licensee.

- M. In case of the failure of the Licensee to perform its obligations pursuant to this paragraph, the Licensor may restore the disturbed area or areas and the cost of such restoration, including the cost of inspection and supervision, shall be paid by the Licensee to the Licensor.

8. Approvals. The Licensor's approval of any submittal shall not be deemed to be a waiver of any requirement of this License.

9. General Responsibilities of the Licensee.

- A. The Licensee shall construct, operate, monitor, and maintain the Work in accordance with the Arlington County Department of Environmental Services Construction Standards and Specifications and all applicable construction standards and specifications, meeting all federal, state, and local laws, orders, ordinances, codes, rules, regulations, and policies existing on the date of this License Agreement or enacted, amended, or modified hereafter, affecting the Licensee's use of the Licensed Area. The Licensee shall pay all costs, expense, and responsibilities in connection therewith.
- B. Licensee shall maintain Facilities in good condition. The Licensee shall construct, operate, monitor, and maintain the Work in an orderly and workmanlike manner and at such frequency as necessary so as not to endanger the general public or property in the vicinity of the Licensed Area.
- C. The construction, operation, monitoring, and maintenance of the Work, if undertaken, shall be performed by the Licensee in a safe and proper manner so as not to endanger the general public or property in the vicinity of the Licensed Premises, or to unreasonably interfere either with the rights of the Licensor or with the Licensor's use of Property, including the Licensed Area for its intended functions.
- D. Whenever the Work or any Work-related activities of the Licensee within the Licensed Area create a hazard to public health, safety, or welfare, the Licensee shall immediately abate the hazard and notify the Licensor and any other affected parties of such incidents. The Licensor shall have the right to direct the Licensee to halt any activity or use of the Licensed Area for noncompliance with this License Agreement or when the Licensor believes it necessary to protect public health, safety, or welfare.
- E. In the event that Licensor requires the use of the Licensed Area for construction of another project and for construction staging purposes, and

Licensors use of the same areas coincides with Licensee's construction or maintenance of Facilities, Licensors use of the Property, including Licensed Area, shall take priority over that of Licensee. Licensee shall be obligated to either halt, suspend, or delay its use of the License Area until Licensors has completed its staging and/or construction use.

10. Conflicts. If any provision or requirement of this Exhibit B conflicts with any provision or requirement of the License Agreement, the terms of the License Agreement shall govern.

ACKNOWLEDGED:

By the Licensors: _____
(initials)
Name: _____

By the Licensee: TM
(initials)
Name: TERRY M^cGALLISTER

