Sponsored by: Councilmember Douglas G. Richardson Requested by: County Executive/Planning and Public Works

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ORDINANCE NO. 2017-45s

An Ordinance of the Pierce County Council Granting a Nonexclusive Franchise to Olympic Pipe Line Company LLC, a **Delaware Limited Liability Company, for Location of** Petroleum Products Lines on Certain County Rights-of-Way; and Authorizing the County Executive to Execute Said Franchise.

Whereas, the Olympic Pipe Line Company LLC, a Delaware Limited Liability Company, doing business in Pierce County, Washington, has applied for a nonexclusive Franchise to construct, operate, and maintain a petroleum products pipeline system in, across, upon, along, and under certain county roads, highways, and other County property(ies) in Pierce County, Washington, as hereinafter set forth; and

Whereas, said application for Franchise came on regularly for hearing before the Pierce County Council on the date set forth below under the provisions of Chapter 36.55, Revised Code of Washington; and

Whereas, it appears to the Council that notice of said hearing has been duly given to the public and those interested in providing the same service applied for by the applicant as required by law and that it is in the public interest to grant the Franchise; Now Therefore,

BE IT ORDAINED by the Council of Pierce County:

Section 1. A nonexclusive Franchise, a copy of which is attached hereto and identified as Exhibit A, is hereby given and granted to Olympic Pipe Line Company LLC, doing business in Pierce County, Washington, hereinafter referred to as the Grantee, for a period of 15 years, from and after the date of filing of the Franchise to be granted with the Clerk of the Pierce County Council.

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2	Section 2. The Executive of Pierce County is hereby authorized to execute				
3	said Franchise.				
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5	PASSED this	day of	, 2017.		
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7	ATTEST:		PIERCE COU	NTY COUNCIL	
8			Pierce County,	Washington	
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12			Douglas G. Ri	chardson	
13	Clerk of the Council		Council Chair		
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16			D F. D		
17 18			Bruce F. Dam Pierce County		
19			Approved	Vetoed, this	
20			day o	f, tillo	
21			2017.		
22					
23	Dates of Publication of				
24	Notice of Public Hearing:				
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26	Effective Date of Ordinance:				
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28	Recording Number:				
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	Date Recorded:				
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In the Matter of the Application of Olympic Pipe Line Company LLC, a Delaware 8 Limited Liability Company, doing business in Pierce County, 10 State of Washington for a Franchise to construct, operate, and maintain pipelines for 12 a petroleum products system over, in, along, 13 across, under and upon certain Public Roads and Highways in Pierce County, Washington

FRANCHISE

Application of Olympic Pipe Line Company LLC, a Delaware Limited Liability Company, doing business in Pierce County, Washington, for a nonexclusive Franchise to construct and maintain petroleum pipelines with appurtenances for a petroleum system in, across, under, upon, under and along 20 certain public roads, highways, and other County property in Pierce County. Washington, as hereinafter set forth, having come on regularly for hearing before the County Council of Pierce County, Washington, under the provisions of Chapter 23 36.55, Revised Code of Washington (RCW), and it appearing to the Council that notice of said hearing has been duly given as required by law, and that it is in the public interest to grant the Franchise herein requested;

NOW, THEREFORE, IT IS ORDERED, that a Franchise be, and the same 28 is, hereby given and granted to Olympic Pipe Line Company LLC, doing business in Pierce County, Washington, hereinafter called "Grantee," for a term of fifteen (15) years from and after the date of filing this Franchise with the Clerk of the Pierce County Council. This Franchise is a license for the privilege and authority to construct, maintain, and operate for the said period of time, a petroleum products pipeline with appurtenances for a petroleum system (the "Pipeline System") in, across, under, upon and along public roads, highways, and other County property in Pierce County, Washington, as follows:

Gay Road

Crossing in the Northwest Quarter (NW 1/4), Section 13. Township 20 North, Range 3 East, W.M., said crossing being located approximately 940 feet Westerly along said road from junction of said road and State Route 167 (River Road East).

44th Street East

Crossing in the Southwest Quarter (SW 1/4), Section 13, Township 20 North, Range 3 East, W.M., said crossing being approximately 185 feet along centerline of said 44th Street East from East right-of-way line of Northern Pacific Railway Company.

Pioneer Way East

Crossing in the Southwest Quarter (SW 1/4), Section 13, Township 20 North, Range 3 East, W.M., said crossing being located approximately 525 feet southeasterly along said road from junction of said road and 44th Avenue East.

53rd Street East

Crossing in the Northwest Quarter (NW 1/4), Section 24, Township 20 North, Range 3 East, W.M., said crossing being approximately 112 feet west of East line of said Northwest Quarter.

56th Street East

Crossing the West Quarter Section line in the West half (W 1/2), Section 24, Township 20 North, Range 3 East, W.M., said crossing being approximately 105 feet west of the center of said Section 24.

45th Avenue Court East

Crossing in the Southwest Quarter (SW 1/4), Section 24, Township 20 North, Range 3 East, W.M., said crossing being approximately 500 feet east of 44th Avenue East.

72nd Street East

Crossing the West Quarter Section line in the West half (W 1/2), Section 25, Township 20 North, Range 3 East, W.M., said crossing being approximately 221 feet west of the center of said Section 25.

76th Street East

Crossing in the Southwest Quarter (SW 1/4), Section 25, Township 20 North, Range 3 East, W.M., said crossing being approximately 219 feet west of the East line of said Southwest Quarter.

80th Street East

Crossing the Section line between Sections 25 and 36, Township 20 North, Range 3 East, W.M., said crossing being approximately 123 feet west from the South Quarter corner of said Section 25.

84th Street East

Crossing in the Northwest Quarter (NW 1/4) Section 36. Township 20 North, Range 3 East, W.M., said crossing being 65 feet west from intersection of 84th Street East and 46th Avenue East.

96th Street East

Crossing the Section line between Section 36, Township 20 North, Range 3 East, W.M. and Section 1, Township 19 North, Range 3 East, W.M. said crossing being approximately 655 feet west from South Quarter corner of said Section 36.

104th Street East

Crossing in the West Half (W 1/2), Section 1, Township 19 North, Range 3 East, W.M., said crossing being 287 feet east from junction of 104th Street East and 44th Avenue East.

112th Street East

Crossing in the Southwest Quarter (SW 1/4), Section 1, Township 19 North, Range 3 East, W.M., said crossing being approximately 325 feet east of 44th Avenue East.

128th Street East

Crossing the Section line between Section 12 and Section 13, Township 19 North, Range 3 East, W.M., said crossing being 489 feet west from intersection of 128th Street East and Bingham Avenue East.

Brookdale Road

Crossing in the Southwest Quarter (SW 1/4), Section 24, Township 19 North, Range 3 East, W.M., said crossing being approximately 225 feet west along centerline of said Brookdale Road to East line of said Southwest Quarter.

Military Road East

Crossing in the Northwest Quarter (NW 1/4), Section 25, Township 19 North, Range 3 East, W.M., said crossing being 563 feet west from intersection of Military Road East and center of Chicago, Milwaukee, St. Paul and Pacific Railroad right of way.

176th Street East

Crossing the Section line between Section 25 and Section 26, Township 19 North, Range 3 East, W.M., said crossing being 228 feet west from South Quarter corner of said Section 25.

180th Street East

Crossing in the Northwest Quarter (NW 1/4), Section 36, Township 19 North, Range 3 East, W.M., said crossing being 227 feet, more or less, west from East line of said Northwest Quarter.

38th Avenue East

Crossing the Section line between Section 35 and section 36, Township 19 North, Range 3 East, W.M., said crossing being 1,207 feet north from Southeast corner of said Section 35.

192nd Street East

Crossing the Section line between Section 35, Township 19 North, Range 3 East, W.M. and Section 2, Township 18 North, Range 3 East, W.M., said crossing being 1,228 feet west from Southeast corner of said Section 35.

200th Street East

Crossing in the Northwest Quarter (NW 1/4), Section 2, Township 18 North, Range 3 East, W.M., said crossing being approximately 900 feet east of 22nd Avenue East.

202nd Street East

Crossing in the Southwest Quarter (SW 1/4), Section 2, Township 18 North, Range 3 East, W.M., said crossing being approximately 70 feet east of 22nd Avenue East.

22nd Avenue East

Crossing the Section line between Section 2 and Section 3, Township 18 North, Range 3 East, W.M., said crossing being 712 feet south from west Quarter corner of said Section 2.

208th Street East

Crossing the Section line between Section 3 and Section 10, Township 18 North, Range 3 East, W.M., said crossing being 99 feet east from south Quarter corner of said Section 3.

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8th Avenue East

Crossing the Section line between Section 9 and Section 10. Township 18 North, Range 3 East, W.M., said crossing being 85 feet south from intersection of 8th Avenue East and center of Chicago. Milwaukee, St. Paul and Pacific Railroad right of way.

8th Avenue South

Crossing the Section line between Section 8 and Section 9, Township 18 North, Range 3 East, W.M., said crossing being 1,946 feet south from Northwest corner of said Section 9.

Rice Kandle Road

Crossing in the Northeast Quarter (NE 1/4) of Section 24, Township 18 North, Range 2 East, W.M., said crossing being 35 feet east of junction of Rice Kandle Road and Easterly right of way line of State Highway 507.

280th Street South

Crossing in the North Half (N 1/2), Section 24, Township 18 North, Range 2 East, W.M., said crossing being approximately 130 feet east along centerline of said 280th Street South from east right of way line of Chicago, Milwaukee, St. Paul and Pacific Railroad Company.

288th Street South

Crossing the Section line between Section 34, Township 18 North, Range 2 East, W.M., and Section 3, Township 17 North, Range 2 East, W.M., said crossing being approximately 394 feet west from intersection of 288th Street South and center of Chicago, Milwaukee, St. Paul and Pacific Railroad right of way.

In the construction, installation and maintenance of Grantee's Pipeline System and the excavation of trenches on County roads for the purposes of 35 | laying, relaying, connecting, disconnecting, and repairing its Pipeline System, Grantee shall be governed by and conform to the general rules adopted by Pierce County Public Works and Utilities, except to the extent those general rules conflict 38 with applicable federal or state requirements. It is understood and agreed that Grantee is fully responsible for those Pipeline System located within the limits of 40 Pierce County right-of-way (inclusive of any lines or appurtenances conveying petroleum products from the Grantee); and Grantee, at no expense to the County, 42 shall complete all such work and shall repair the County roads and leave the same in as good condition as before the work was commenced;

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PROVIDED, HOWEVER, that no such work shall be done prior to obtaining permits therefore issued by the Pierce County Engineer (hereinafter "Engineer"), which permits shall set forth conditions pertaining to the work to be done and specifications for the restoration of the roads to the same condition as they were prior to such work. In preparing plans and specifications for the installation or repair of its Pipeline System across County roads and rights of way, Grantee shall comply with applicable provisions of Title 49, Code of Federal Regulations, Part 195, as now enacted or hereafter amended, and any other current or future laws or regulations that are applicable to Grantee's Pipeline System, enacted by any governmental entity with jurisdiction over the Company or such Pipeline System.

All plans and specifications for County road crossings shall be subject to approval by the County Engineer.

Notwithstanding the provisions of this section, the County Engineer may 16 require or permit modifications of such specifications referred to in this section and approve such plans and specifications submitted by the Grantee in applying for a Permit for such work; except to the extent the changes required by the County Engineer conflict with applicable state or federal requirements, in which case, the 19 applicable state or federal requirements will control.

PROVIDED FURTHER, the Engineer, in his or her discretion, may require a bond in a sum sufficient to guarantee to Pierce County that such roads shall be restored to the same condition as existed prior to such work. If Grantee does not repair County roads to the satisfaction of the Engineer within a reasonable time after receiving written notice to perform such repair, Pierce County Public Works and Utilities may, at its sole discretion, repair such County roads, or cause them to be repaired, and Grantee hereby agrees to reimburse the County of Pierce for the cost of such work, including overhead costs.

All Pipeline System constructed, operated and maintained across County roads, rights of way or other County property covered by this franchise shall be constructed, operated and maintained in compliance with the applicable provisions of Title 49, Code of Federal Regulations, Part 195, as now enacted or hereafter amended, and any other current or future laws or regulations that are applicable to Grantee's Pipeline System, enacted by any governmental entity with jurisdiction over the Company or such Pipeline System. All construction, installation, relocation, repair and maintenance of Grantee's Pipeline System performed along or under the County roads, rights of way or other County property subject to this franchise shall be done in such a manner as not to interfere with the construction and maintenance of other utilities, public or private sanitary sewer lines, drains, drainage ditches and structures, located therein, nor with the grading or improvement of such County roads, rights of way or other County property. The

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owner of all utilities, public or private, installed in such County roads, rights of way 2 or other County property prior in time to the lines and facilities of the Grantee shall 3 have preference as to the positioning and location of such utilities so installed with respect to the Grantee. Such preference shall continue in the event of the necessity of relocating or changing the grade of any such County road or right of way.

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All work done under this Franchise shall be done in a thorough and professional manner. In the laying of petroleum pipes and conduits and the digging of ditches therefor. Grantee shall leave ditches in such a way as to interfere as little as possible with public travel and shall take all due and necessary precautions to ensure that damage or injury shall not occur or arise by reason of 13 such work; and that where any ditches or trenches are left open at night, Grantee shall place at all crossings suitable lights in such a position to guard against danger, and Grantee shall be liable for all property damage or personal injury that 16 may be caused by reason of any injury sustained through Grantee's negligence by reason of any person, animal or property being injured through any negligence of Grantee, or by reason of any damage caused through the neglect to properly guard any ditches or trenches dug or maintained by Grantee. The Engineer may specify actions to be taken to ensure the safety of the public and Grantee shall comply with such specifications.

IV

Pierce County, in granting this Franchise does not waive any rights that it now holds or may hereafter acquire and shall not be construed to deprive Pierce County of any powers, rights, or privileges that it now has or may hereafter acquire, including the right of eminent domain to regulate use and control of County roads covered by this Franchise, or to go upon any and all County roads and highways for the purpose of constructing and improving the same in such a manner as Pierce County, or its representatives may elect.

The Grantee shall procure and maintain for the duration of this Franchise, insurance, or in lieu thereof provide self-insurance, against claims for injuries to persons or damage to property which may arise from or in connection with the exercise of the rights, privileges, and authority granted hereunder to the Grantee in this Franchise. The Grantee's maintenance of insurance as required by this 38 Franchise shall not be construed to limit the liability of the Grantee to the coverage provided by such insurance, or otherwise limit the County's recourse to any remedy available at law or in equity.

The Grantee shall obtain insurance of the type described below with the following insurance limits (at a minimum):

Commercial General Liability insurance, which shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 (04-13) or a custom form providing coverage equal to or broader than the CG 0001 (04-13). There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse, or underground property damage.

The County shall be named as an additional insured for both ongoing and completed operations, without limitation, under the Grantee's Commercial General Liability insurance policy using ISO Additional Insured--State or Political Subdivisions - Permits CG 20 12(04-13) and CG2037(04-13) or substitute endorsements providing equivalent coverage.

The Commercial General Liability insurance shall be written with limits no less than \$100,000,000 each occurrence, \$100,000,000 general aggregate, and \$100,000,000 products-completed operations aggregate limit. In addition, the Grantee shall maintain liability insurance with limits not less than \$100,000,000 each occurrence and \$100,000,000 annual aggregate to protect against claims for bodily injury or property damage arising from petroleum releases and Grantee's obligations concerning environmental indemnification as provided herein.

Automobile liability insurance, which shall cover all owned, nonowned, hired, and leased vehicles. Coverage shall be written on Insurance Services Office (IS)) form CA 00 01 (10-13) or a substitute form providing equivalent liability coverage, or in lieu thereof provide self-insurance. The automobile insurance shall have combined single limit for bodily injury and property damage of no less than \$2,000,000 per accident.

Employer's Liability Insurance with limits not less than \$10,000,000 each employee, \$10,000,000 each accident and \$10,000,000 aggregate.

Statutory Worker's Compensation

Environmental or Pollution Liability to include Natural Resource Damage Coverage with limits not less than \$50,000,000 each occurrence. The insurance policies are to contain, or be endorsed to contain, the following provisions for Commercial General Liability insurance, Commercial Automobile Liability insurance, and Pollution Liability:

- (1) the Grantee's insurance coverage shall be primary insurance as respects the County; any insurance, self-insurance or insurance pool coverage maintained by the County shall be excess of the Grantee's insurance and shall not contribute with it; and for all of the above-required insurance.
- (2) the Grantee's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the County. Insurance is to be placed with insurers with a current A.M. Best rating of not less than (A-) VII.

In lieu of the insurance requirements set forth above, the Grantee may selfinsure against such risks in such amounts as are consistent with good utility practice. Upon the County's request, the Grantee shall provide the County with reasonable written evidence that the Grantee is maintaining and funding such selfinsurance at a level to adequately fund up to the liability limits required in above.

During the term of this Agreement, Grantee shall provide and maintain, at its own cost, insurance stated above, in a form and with a carrier reasonably acceptable to the County, naming Pierce County as an additional insured for ongoing operations and completed operations, to cover any and all insurable liability, damage, claims and loss as set forth herein, and, to the extent such coverage is reasonably available in the commercial marketplace, all liability, damage, claims and loss as set forth above, except for liability for fines and penalties for violation of environmental laws and as otherwise provided below. Insurance coverage shall include, but is not limited to, defense costs.

Such insurance shall include, but is not limited to, pollution liability coverage, at a minimum covering liability from pollution incidents, subject to time element reporting requirements, and such other applicable pollution coverage as is reasonably available in the commercial marketplace. Pollution liability shall include coverage for incidents occurring onsite, offsite, and during transportation. In the event that a deductible applies to the insurance herein, Grantee agrees to pay the amount of that deductible. All required liability policies shall be maintained for a period of not less than three years following termination of this Franchise.

Prior to the beginning of any substantial work, testing or construction or reconstruction of the Pipeline System, Grantee shall provide evidence of insurance, and upon request, Grantee shall make available for review at its offices a copy of the insurance policy, including but not limited to, coverage terms and claims procedures. All required liability policies shall be maintained for a period of not less than three years following termination of this Franchise. The indemnity

and insurance provisions set forth herein shall survive the termination of this 2 Franchise and shall continue for as long as the Grantee's Pipeline System and 3 related facilities shall remain in or on the Franchise Area or until the parties execute a new franchise agreement which modifies or terminates these indemnity or insurance provisions.

Any and all above policy limits may be met through a combination of primary, excess, or umbrella coverage, at Grantee's option.

VI

If, at any time, Pierce County shall vacate any County street, road or alley that is subject to rights granted by this Franchise, the Pierce County Council may, 13 at its option, and by giving 30 days written notice to Grantee, its successors and assigns, terminate this Franchise with reference to such County road, street, or alley so vacated and Pierce County shall not be liable for any damages or loss to Grantee by reason of such termination.

VII

If, at any time, a new County road is created or established, and constructed, or an existing County road is reconstructed, realigned, or its grade is changed, or if sewer or drainage facilities, or any other facilities within future or existing County road rights-of-way are constructed, reconstructed, maintained, or relocated (all such work to be called "County Projects" hereinafter) and if the installation of the facilities as allowed in this Franchise, and all supplements and changes thereto, should interfere in any manner with any such County Projects 26 then Grantee at no expense to Pierce County shall, upon notice, change the location or adjust the elevation of its facilities so that such facilities shall not interfere with such County Projects.

When relocation of Grantee's facilities is required by such County Projects, the following procedures shall be followed:

- 1. Pierce County shall make available to Grantee a list of anticipated projects for each new budget period as soon as is reasonably possible.
- 2. Pierce County shall provide to Grantee two sets of preliminary plans for individual projects as soon as such plans are developed to a state of reasonable certainty, and shall advise Grantee of the anticipated date of start of work on such projects.

- 3. Grantee shall, when requested by Pierce County in writing, locate its facilities in the field, show those locations on one set of preliminary plans provided, and return that set to Pierce County Public Works and Utilities within four weeks of receiving the written request.
- 4. Pierce County shall provide to Grantee final plans for such projects as soon as such plans are available and shall confirm or correct the anticipated date of start of work on such projects.
- 5. Pierce County shall assist Grantee in determining how its facilities shall be relocated. Such assistance by Pierce County shall include, at a minimum, copies of plans (as required above) and specifications for such County Projects, and information known to Pierce County as to existing survey control available for location of such County Projects. Such assistance shall not subject Pierce County to any liability for the costs of relocating the subject facilities a second time if Grantee incorrectly relocated its facilities the first time.
- 6. When requested, Pierce County and Grantee shall meet to discuss how County Projects and utility relocations can be accomplished with the least impact on the other. Pierce County's decision shall be final in such matters, but shall not be unreasonable.
- 7. Relocation of Grantee's facilities subject to this franchise shall be completed in a timely manner defined as follows:

Relocation of Grantee's facilities shall normally be accomplished in advance of County Projects by a mutually agreed written deadline. In the event relocation of Grantee's facilities is done concurrently with such Projects, Pierce County shall be so notified and agree to a written schedule for relocation. Compliance with such a written schedule shall be Grantee's duty. In no event shall relocation of Grantee's facilities interfere with County Projects.

8. If Grantee does not relocate its facilities in a timely manner as required above, Pierce County may relocate, or cause to be relocated, such facilities of Grantee as Pierce County deems necessary, and in the manner Pierce County deems necessary, in its sole discretion.

Grantee hereby indemnifies and holds Pierce County, its employees, officers, officials, and agents totally free and harmless from all and any liability which may arise from damages caused by the relocation by

Pierce County of the facilities of Grantee, except to the extent that such damages or liability arise from the negligence or willful misconduct of Pierce County, its employees, officers, officials, and agents. Grantee shall reimburse Pierce County for all costs incurred as a result of Pierce County's relocation of Grantee's facilities pursuant to this Item 8.

9. The Grantee agrees to defend, indemnify and save harmless the County, its appointed and elected officers and employees, from and against all loss or expense, including but not limited to judgments, settlements, attorney's fees and costs by reason of any and all claims and demands upon the County, its elected or appointed officials or employees for damages because of personal or bodily injury, including death at any time resulting therefrom, sustained by any person or persons and for damages to property including loss of use thereof, whether such injury to persons or damage to property is due to the negligence of the Grantee, his/her Subcontractors, its successor or assigns, or its or their agent, servants or employees, the County, its appointed or elected officers, employees or their agents, except only such injury or damage as shall have been occasioned by the sole negligence of the County, its appointed or elected officials or employees.

The preceding paragraph is valid and enforceable only to the extent of the Grantee's negligence where the damages arise out of services or work in connection with or collateral to, a contract or agreement relative to construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of, any building, highway, road, railroad, excavation, or other structure, project, development, or improvement attached to real estate, including moving and demolition in connection therewith, a contract or agreement for architectural, landscape architectural, engineering, or land surveying services, or a motor carrier transportation contract and where the damages are caused by or result from the concurrent negligence of (i) the County or its agents or employees, and (ii) the Grantee or the Grantee's agents or employees.

With respect to the performance of this Agreement and as to claims against the County, its officers, agents and employees, the Grantee expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees and agrees that the obligations to indemnity, defend and hold harmless provided in this Agreement extend to any claim brought by or

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- on behalf of any employee of the Grantee. This waiver is mutually negotiated by the parties to this Agreement.
- 10. Liquidated Damages. It shall be conclusively presumed that Pierce County will have suffered damages as a result of exercising its rights to relocate Grantee's facilities as set forth in Item 8 above, and compensation for such damages will be difficult to ascertain, and therefore, Grantee shall compensate Pierce County for such damages in the amount of 125% of the amount of the cost of such relocation of Grantee's facilities by Pierce County.
- 11. The exercise of its rights, as set forth in Item 8 above, by Pierce County in no way relieves Grantee of completing and/or finalizing the relocation of its facilities at no expense to Pierce County, if the relation work done by Pierce County is incomplete.
- 12. In the event a lawsuit is brought by Pierce County against Grantee to collect damages for the exercise by Pierce County of its rights under Item 8 above, the party prevailing in such an action shall be allowed its legal fees and costs.
- 13. After receipt of written notice requiring changes to or relocation of its Pipeline System to accommodate a County Project, Grantee may submit to the County written alternatives to such changes or relocation. The County shall evaluate such alternatives and advise the Grantee in writing if one or more of the alternatives are suitable to accommodate the County Project that would otherwise necessitate changes to or relocation of the Pipeline System. In determining whether to utilize its original plan or an alternative proposed by the Grantee, the County shall give each alternative proposed by the Grantee full and fair consideration.

VIII

Grantee shall not sell, transfer, or assign this Franchise without securing the written permission to do so upon such terms and conditions as determined by 35 the Pierce County Council. If such permission is granted, the terms and conditions set forth herein shall be binding on the Grantee's successors and assigns unless others are imposed by the Pierce County Council when such permission is granted.

IX

This Franchise is granted upon the further express condition that it shall not 42 be an exclusive Franchise and shall not, in any manner, prohibit Pierce County from granting any other Franchise under and along any of the said County roads of any kind and character or territories that may be deemed proper by the Pierce

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1 County Council, and this Franchise shall not in any way prevent Pierce County 2 from using the County rights-of-way, or affect the jurisdiction over them, and every 3 part of them by Pierce County with full power to make the necessary repairs, changes and alterations in the same and like manner as though this Franchise had 5 never been granted.

Pierce County reserves for itself the right to so change, amend, modify, or amplify this Franchise to conform to any State statute, order of the Washington Utilities and Transportation Commission, or County regulation, ordinance, or rightof-way regulation, as may hereafter be enacted, adopted, or promulgated. This Franchise may be terminated at any time upon 90 days' written notice to Grantee 12 to terminate this Franchise if Grantee violates its terms and conditions and fails to 13 correct such problem within 90 days after receiving such written notice, or if Grantee fails to comply with such changes, amendments, modifications, or 15 amplifications and upon termination Pierce County shall have a lien upon all 16 equipment and materials erected or placed under this Franchise, which lien may be enforced to reimburse Pierce County for any reasonable expenses and payments incurred in terminating this Franchise, and to cure defaults by Grantee.

Furthermore, Grantee shall, within 30 days after written demand thereof on the anniversary of said grant, modification, amendment, renewal, or transfer of any franchise, reimburse Pierce County for all direct and indirect costs and expenses incurred by the County in the preceding 12 months in connection with this Franchise.

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In the event that any territory covered by this Franchise shall at any time during the Franchise period be included within the limits of any incorporated city or town (the "Vacated Territory"), the terms of this Franchise shall terminate with respect to such Vacated Territory.

ΧI

Grantee acknowledges that Pierce County Charter Section 9.20 Franchises provides in part: All Franchises shall be subject to the right of the Council, or the people acting for them through referendum, to repeal for cause, amend, or modify the Franchise in the interest of the public, and agrees to said condition.

XII

Venue and jurisdiction for any controversy arising from the Franchise shall be in Pierce County, Washington.

1 2	XIII Grantee shall provide full acceptance of this Franchise and all its terms and				
3	conditions by filing a signed copy of the Franchise with the Clerk of the Pierce				
4	County Council within 60 days from, 2017. This requirement				
5	shall be a condition precedent to the Franchise taking effect. If Grantee does not				
6	provide a signed copy of the Franchise as set forth in this Section, this Franchise				
7	shall be null and void.				
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9	Pursuant to RCW 36.55.080, a copy of this Franchise shall be recorded in				
10	the Office of the Pierce County Auditor.				
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12	DATED at Tacoma, Washington, this day of, 2017.				
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17	Bruce F. Dammeier				
18	Pierce County Executive				
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20	Olympic Pipe Line Company LLC accepts and agrees to comply with all				
21	terms and conditions of this Franchise.				
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23					
24	Name				
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27	Title				
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30	Company, Corporate Name, or				
31	Individual				
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34	Date				