

PERMIT FOR LIMITED USE OF OPERATING PROPERTY

PERMIT NO. 21-25-07-2021-10-15

THIS LIMITED USE PERMIT made this 22nd day of May, 2023 ("Effective Date") by and between PUGET SOUND ENERGY, INC., a Washington corporation ("PSE" herein) and SNOQUALMIE VALLEY WATERSHED IMPROVEMENT DISTRICT ("Permittee" herein).

In consideration of the mutual promises of the parties and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

- 1. Property.** PSE hereby grants permission to Permittee to use the real property described on Exhibit "A" attached hereto and incorporated by this reference (the "Property" herein) situated in King County, Washington, subject to the terms and conditions of this Permit.
- 2. Term.** Unless otherwise terminated pursuant to the terms hereof, this Permit will commence on January 1, 2023 and will expire on October 31, 2024 (the "Term").
- 3. RENT.** This Permit is granted for and in consideration of mutual benefits to be derived therefrom ("Rent").
- 4. Use.** Permittee may use the Property for activities consistent with replacing the existing culvert on the PSE property as detailed in plans provided to PSE in May 2021 and planting approved vegetation. Said plans are on file with PSE.

NOTICE:

- Western Serviceberry is the only approved tree species for planting on PSE property.
- Using PSE property for any form of staging construction related materials is strictly prohibited.
- Permittee and/or it's contractor will comply with WAC clearances from electric lines and electric facilities.
- Permittee will inform PSE Property Management once the construction date is confirmed so it may communicate the construction time frame to PSE System Operators.

ANY ADDITIONAL USE OF THE PROPERTY REQUIRES PSE'S PRIOR WRITTEN APPROVAL, WHICH PSE MAY WITHHOLD IN ITS SOLE AND ABSOLUTE DISCRETION. Permittee acknowledges that the Property is an operating utility property of PSE and that PSE may use same for the purposes of its utility business as fully as if this Permit had not been given. Permittee shall not erect any building or structures of any kind on the Property, or use the Property for any purpose other than specified in this Paragraph. Permittee shall comply with all laws and ordinances applicable to the Property and Permittee's use thereof and shall keep the Property free from any and all liens which might arise as a result of Permittee's use and occupancy of the Property.

5. Indemnity; Environmental.

a. **General Indemnity.** Permittee acknowledges that the Property is subject to the hazards incident to the operation of electric and gas utility systems. Permittee hereby agrees that PSE shall not be liable for (i) any damage, injury, loss, expense or death suffered by Permittee or Permittee's agents, employees, permittees, assignees, invitees, or contractors (collectively, the "Permittee Parties") on the Property, or (ii) any damage, injury, loss, expense or death suffered by third parties, resulting from the use of the Property. Permittee will defend, indemnify and hold PSE and its affiliates, agents, servants, directors, officers and employees (the "PSE Parties") harmless from and against any and all losses, claims, demands, actions, fines, suits, damages, penalties, liabilities, expenses, and costs (including, without limitation, reasonable attorneys' fees) resulting from allegations or claims brought against PSE or the PSE Parties occasioned by (i) injuries or damages to any person or entity or damage to, or theft or loss of, property occurring in or about the Property caused by Permittee's or any Permittee Party's use of the Property, or (ii) any actual or alleged breach of this Permit by Permittee.

b. **Environmental Indemnity.** Permittee will defend, indemnify and hold PSE and the PSE Parties harmless from and against any and all losses, claims, demands, actions, fines, suits, damages, penalties, liabilities, expenses (including, without limitation, remediation, removal, repair, corrective action, or cleanup expenses), and costs (including, without limitation, reasonable attorneys' fees, consultant fees, or expert fees) which are brought or recoverable against, or suffered or incurred by PSE or any PSE Parties, which arise from or relate in any way to Hazardous Materials that are brought onto the Property by Permittee or any of the Permittee Parties. As used herein, "Hazardous Materials" means and includes any substance, material, waste, pollutant, or contaminant listed or defined as hazardous or toxic, under any Environmental Requirements, asbestos and petroleum, including crude oil or any fraction thereof, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas); and "Environmental Requirements" means and includes all applicable present and future statutes, regulations, ordinances, rules, codes, judgments, orders or other similar enactments of any governmental authority or agency regulating or relating to health, safety, or environmental conditions on, under, or about the Property or the environment, including, without limitation, the following: the Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation and Recovery Act; the Model Toxics Control Act, and any regulations or policies promulgated or issued thereunder.

c. General Provisions. Without limiting the generality of the foregoing, for purposes of the indemnities provided pursuant to this Permit, Permittee hereby waives its immunity under the Washington State Industrial Insurance Act, Title 51 RCW, and all other applicable industrial insurance/worker's compensation acts or their equivalent in the applicable jurisdiction. In case any action or proceeding is brought against PSE or any PSE Party and such claim is a claim from which Permittee is obligated to indemnify pursuant to this Section, then Permittee, upon notice from PSE, shall resist and defend such action or proceeding with respect to that claim (by counsel reasonably satisfactory to PSE) at Permittee's expense. The furnishing of insurance required hereunder will not limit the Permittee's obligations under this Section. The obligations of Permittee under this Section will survive termination or expiration of this Permit.



05/17/2023

Signature

Date

6. Insurance.

a. Policies. Permittee shall at all times during the Term, at its sole cost and expense, procure and maintain, or cause its agents, contractors and subcontractors to procure and maintain, in full force:

i. Insurance in accordance with the applicable laws relating to Workers' Compensation and Employers' Liability insurance, regardless of whether such coverage or insurance is mandatory or merely elective under the law;

ii. Commercial Auto Liability coverage including owned, hired and non-owned autos with limits of \$2,000,000 per occurrence for bodily injury (including death) and property damage;

iii. Commercial General Liability coverage on an "occurrence" basis, including coverage for products/completed operations, explosion, collapse and underground hazards, broad form property damage, blanket contractual liability, independent contractors and personal injury, with coverage limits of \$2,000,000 for bodily injury (including death) and damage to property; and

iv. Umbrella Excess Liability coverage with limits not less than \$1,000,000 per occurrence.

b. Insurance Requirements. All insurance required to be held by Permittee under this Permit shall:

i. Be placed with such insurers and under such forms of policies as may be acceptable to PSE, having A.M. Best's Financial Security ratings of at least A-; VII;

ii. With the exception of Workers' Compensation and Employers' Liability, be endorsed to name PSE as an additional insured;

iii. With the exception of Workers' Compensation and Employers' Liability, apply severally and not collectively to each insured against whom claim is made or suit is brought, except that the inclusion of more than one insured shall not operate to increase the insurance company's limits of liability as set forth in the insurance policy; and

iv. Provide that the policies will not be canceled or their limits or coverage reduced or restricted without giving at least thirty (30) days prior written notice to the Real Estate Department of Puget Sound Energy at its home office: Puget Sound Energy, PO Box 97034 EST-06E, Bellevue, Washington 98009-9734.

c. General Provisions. All insurance or self-insurance maintained by PSE is excess and not contributory insurance with the insurance required within this Section 6. Permittee shall ensure that any policies of insurance that Permittee or Permittee's agents, contractors or subcontractors carry against loss of or damage to property (including, but not limited to tools, equipment, vehicles, watercraft and aircraft) or against liability for property damage or bodily injury (including death) shall include a waiver of the insurer's right of subrogation against PSE. To the extent allowed by its policies, Permittee hereby waives all rights of subrogation or otherwise that Permittee may have against PSE or any insurance company arising from any risk to the extent covered by, or would have been covered by, Permittee's insurance required hereunder. Permittee shall furnish to PSE insurance certificates, or copies of policies if requested, upon mutual execution of this Permit, and thereafter, fifteen (15) days prior to the expiration date of such policies. The requirements of this Section 6 and the acceptability to PSE of insurers and insurance to be maintained by Permittee are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Permittee under this Permit.

7. **Assignment; Termination.** This Permit is not assignable. PSE may terminate this Permit for any reason upon thirty (30) days' notice to Permittee.

8. **Surrender and Holdover.** Upon expiration or earlier termination of this Permit, Permittee shall remove any personal property or facility which Permittee has placed upon the Property and shall otherwise restore the Property to as good a condition as it was prior to the issuance of this Permit. If Permittee remains in possession of the Property after the expiration or earlier termination of the Term, such possession will be month-to-month at a rate of 150% of the Rent.

9. Default. Permittee will be in default if Permittee fails to (a) pay any amount due under this Permit within 5 days after such amount is due, or (b) comply with any other provision of this Permit within 10 days after receipt of notice, provided that where any such default cannot reasonably be cured within a 10 day period, Permittee will not be in default if Permittee commences to cure the failure within the 10 day period, and thereafter diligently pursues the cure (but in no event shall such extended cure period exceed sixty (60) days). If Permittee is in default pursuant to this Section, PSE may terminate this Permit immediately upon notice to Permittee and/or pursue any other remedies at law or in equity.

10. Consequential Damages. PSE will not be liable to Permittee for consequential damages, such as lost profits or interruption of Permittee's business.

11. No Waiver. No waiver by PSE of any provisions of this Permit is a waiver of any other provisions hereof or of any subsequent breach by Permittee.

12. Miscellaneous. This Permit is governed by the laws of the State of Washington, excluding its conflicts of law rules. If any provision of this Permit is determined by any court or governmental authority to be unenforceable, the parties intend that this Permit be enforced as if the unenforceable provisions were not present and that any partially valid and enforceable provisions be enforced to the extent that they are enforceable. This Permit constitutes the complete and final agreement of the parties pertaining to the Property and supersedes the parties' prior agreements, understandings and discussions relating to the Property. No modification of this Permit is binding unless it is in writing and signed by PSE and Permittee. This Permit may be executed in any number of counterparts, each of which will be deemed an original and all of which counterparts together constitutes an agreement with the same effect as if the parties had signed the same signature page.

EXECUTED as of the date first above written.

ACCEPTED:
Snoqualmie Valley Watershed Improvement
District

Puget Sound Energy, Inc.

By: Erin K Ericson
Erin Ericson
Executive Director

By: Snita Phommavong
Snita Phommavong
Real Estate Representative

Address: PO Box 1148
Carnation, WA 98014

Phone: 425 549 0316

Email: erin@svwid.com

Exhibit "A" Permitted Property

That portion of the 50 foot right-of-way across the east side of the SE quarter of Section 21-25N-07E shown within the red circle below.

