MOTION

I hereby move that the following motion be approved:

19-04. In accordance with Rule 2, Election of Officers, of the Public Utility Board RULES FOR ORDER OF BUSINESS, that Karen Larkin, Bryan Flint, and Mark Patterson be nominated as elected Chair, Vice-Chair, and Secretary respectively.
RESOLUTION NO. U-11089

A RESOLUTION related to the purchase of materials, supplies, equipment and the furnishing of services; authorizing the City officials to enter into contracts and, where specified, waive competitive bidding requirements, authorize sale of surplus property, or increase or extend existing agreements.

WHEREAS the City of Tacoma, Department of Public Utilities, requested bids/proposals for the purchase of certain materials, supplies, equipment and/or the furnishing of certain services, or proposes to purchase off an agreement previously competitively bid and entered into by another governmental entity, or for the sales of surplus, or desires to increase and/or extend an existing agreement, all as explained by the attached Exhibit “A,” which by this reference is incorporated herein, and

WHEREAS in response thereto, bids/proposals (or prices from another governmental agreement) were received, all as evidenced by Exhibit “A,” and

WHEREAS the Board of Contracts and Awards and/or the requesting division have heretofore made their recommendations, which may include waiver of the formal competitive bid process because it was not practicable to follow said process, or because the purchase is from a single source, or there is an emergency that requires such waiver, and/or waiver of minor deviations, and in the case of sale of surplus, a declaration of surplus has been made certifying that said items are no longer essential for continued effective utility service, as explained in Exhibit “A,” and
WHEREAS the Director requests authorization, pursuant to TMC 1.06.269 A, to amend contract amounts up to $200,000 and to approve term extensions and renewals for all items contained in Exhibit “A;” Now, therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That the Public Utility Board of the City of Tacoma hereby concurs and approves the recommendations of the Board of Contracts and Awards and/or the requesting division, and approves, as appropriate: (1) the purchase and/or furnishing of those materials, supplies, equipment or services recommended for acceptance; (2) the sale of surplus materials, supplies or equipment recommended for acceptance; (3) the Interlocal agreement that authorizes purchase off another governmental entity’s contract; (4) the increase and/or extension of an existing agreement, and said matters may include waiver of the formal competitive bid process and/or waiver of minor deviations, all as set forth on Exhibit “A,” and authorizes the execution, delivery and implementation of appropriate notices, contracts and documents by the proper officers of the City for said transactions, and (5) the administrative authority of the Director, per TMC 1.06.269 A., to amend contract amounts up to $200,000 and to approve term extensions and contract renewals for all items in Exhibit “A.”

Approved as to form:

Chair

Chief Deputy City Attorney

Secretary

Clerk

Adopted
RECOMMENDATION SUMMARY:
The Rates, Planning & Analysis section of Tacoma Power recommends a contract be awarded to Projectize Group LLC, Avon, CT, for curriculum development and onsite staff training to advance organizational project management maturity on an as-needed basis in the amount of $430,000.00 plus applicable taxes, for an initial two-year contract term, with the option to renew for three additional one-year renewal terms, for a projected contract amount of $600,000.00.

BACKGROUND:

ISSUE: Tacoma Power conducted a Project Management Maturity Assessment (PMMA) in 2018. The PMMA identified opportunities for improvement in Power’s project management discipline. One of these areas of improvement is training to help Tacoma Power achieve the future project management maturity targets outlined in the PMMA report as well as the milestones outlined in the PMO Program Roadmap (attached).

In order to meet these milestones, potential training topics, as outlined in the PMMA Suggested Training, as well as other training areas suggested by the Tacoma Power PMO staff include:

A. General Project Management Book of Knowledge (PMBOK) methodology (basic, intermediate, and advanced project manager levels)

B. Project Management Professional (PMP) Certification Training

C. Enterprise Project Portfolio Management (EPPM) System (once selected and implemented by City)

D. Schedule Management/Development (including software training once selected by City)

E. Cost Management/Development (including estimating tools, templates, techniques)

F. Risk Management/Planning (including risk register, risk assessment techniques, etc.)

G. Resource Management/Planning (including software training once selected by City)
H. Stakeholder Management/Planning

I. Communications Management/Planning

J. Enterprise Portfolio Management review training (focused on Executive Manager)

K. Project Portfolio Management review training (focused on Functional Managers)

L. Portfolio Resource Management/Planning (focused on Functional Manager)

M. Tacoma Power Project Management Process Training (once developed and implemented by City)

N. Agile Project Management Training

ALTERNATIVES: An alternative to curriculum development and onsite staff training for project management is the option to pay for online courses. This alternative would not be as effective, consistent, or engaging as the on-site training. Online training would also not be customized to align with our organizational needs, internal processes, and development of the PMO program. For these reasons on-line training was found to be less desirable than the on-site training proposed by this contract.

COMPETITIVE SOLICITATION:
Request for Proposals Specification No. RP19-0021F was opened February 26, 2019. Five companies were invited to bid in addition to normal advertising of the project. Five submittals were received. A five-member selection advisory committee (SAC) scored proposals using the following categories and weights: Qualifications/Experience of Firm and On-Site Trainers - 45%; Training Curriculum / Course Content and Cost Matrix - 45%; Small Business Enterprise (SBE) / Minority and Women's Business Enterprise (MWBE) - 5%; and Submittal Quality, Organization, Completeness – 5%. The proposal submitted by Projectize Group LLC was ranked the highest by the SAC.

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Location</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Projectize Group LLC</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology Learning Group dba TLG Learning</td>
<td>Avon, CT</td>
<td>402</td>
</tr>
<tr>
<td>K R E Consulting LLC</td>
<td>Bellevue, WA</td>
<td>391</td>
</tr>
<tr>
<td>Project Planning &amp; Management LLC</td>
<td>Pasadena, CA</td>
<td>361</td>
</tr>
<tr>
<td>RefineM, LLC</td>
<td>Bellevue, WA</td>
<td>350</td>
</tr>
<tr>
<td></td>
<td>Springfield, MO</td>
<td>329</td>
</tr>
</tbody>
</table>

Pre-bid Estimate: $250,000.00
The recommended award is 72% percent above the two-year pre-bid training estimate suggested by the consultant who performed the PMMA (as outlined above).

CONTRACT HISTORY: New contract.
SBE/LEAP COMPLIANCE: Not applicable.

FISCAL IMPACT:

EXPENDITURES:

<table>
<thead>
<tr>
<th>FUND NUMBER &amp; FUND NAME *</th>
<th>COST OBJECT (CC/WBS/ORDER)</th>
<th>COST ELEMENT</th>
<th>TOTAL AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>4700 PWR PSS Training &amp; Dev</td>
<td>80013054</td>
<td>5310100</td>
<td>$600,000.00</td>
</tr>
<tr>
<td><em>other divisions to be charged if they attend</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
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REVENUES:

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<tr>
<th>FUNDING SOURCE</th>
<th>COST OBJECT (CC/WBS/ORDER)</th>
<th>COST ELEMENT</th>
<th>TOTAL AMOUNT</th>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: $250,000.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? YES

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A

Chris Robinson, Power Superintendent

APPROVED:

Jackie Flowers, Director of Utilities
Request for Proposals (RFP) - RP19-0021F Project Management Training
Selection Advisory Committee (SAC) Scoring Sheet

Overall SAC Scoring Summary

<table>
<thead>
<tr>
<th>Respondents</th>
<th>SAC Interview Total Score</th>
<th>Total Score</th>
<th>Overall Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>KPE Consulting</td>
<td>76</td>
<td>61</td>
<td>73</td>
</tr>
<tr>
<td>Project Planning and Management</td>
<td>72</td>
<td>56</td>
<td>68</td>
</tr>
<tr>
<td>KPE Consulting</td>
<td>72</td>
<td>60</td>
<td>71</td>
</tr>
<tr>
<td>TGI Learning</td>
<td>88</td>
<td>66</td>
<td>74</td>
</tr>
<tr>
<td>Project Group</td>
<td>90</td>
<td>88</td>
<td>76</td>
</tr>
</tbody>
</table>

Notes:
1) 100 points possible per SAC member (500 Points total)
2) Qualifications Experience of Firm (20 points) and On-Site Trainers (25 points) for a total of 45 points for the category
3) Training Curriculum (15 points), Course Content (10 Points), and Cost Matrix (25 Points) for a total of 45 Points for the category
4) SBE/WMBE (5 points) was evaluated by Purchasing and it was determined that none of the proposers qualified as SBE/WMBE.

Selection Advisory Committee Member 1

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Qualifications Experience of Firm and On-Site Trainers</th>
<th>Notes</th>
<th>Training Curriculum, Course Content and Cost Matrix</th>
<th>Submittal Quality, Organization, Completeness</th>
<th>SBE/WMBE</th>
<th>Total Score</th>
<th>Rank</th>
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</thead>
<tbody>
<tr>
<td>KPE Consulting</td>
<td>RFP Ref. 3.02.4, 3.01.5, &amp; 3.02.6 45 Points Max</td>
<td>34</td>
<td>RFP Ref. 3.02.4 45 Points Max</td>
<td>1</td>
<td>0</td>
<td>74</td>
<td>3</td>
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<td>Project Planning and Management</td>
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<td>35</td>
<td>RFP Ref. 3.02.4 45 Points Max</td>
<td>3</td>
<td>0</td>
<td>72</td>
<td>4</td>
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<td>TGI Learning</td>
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<td>34</td>
<td>RFP Ref. 3.02.4 45 Points Max</td>
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<td>RFP Ref. 3.02.4 45 Points Max</td>
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<td>Project Group</td>
<td>RFP Ref. 3.02.4, 3.01.5, &amp; 3.02.6 45 Points Max</td>
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<td>RFP Ref. 3.02.4 45 Points Max</td>
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Selection Advisory Committee Member 2

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<tr>
<th>Respondents</th>
<th>Qualifications Experience of Firm and On-Site Trainers</th>
<th>Notes</th>
<th>Training Curriculum, Course Content and Cost Matrix</th>
<th>Submittal Quality, Organization, Completeness</th>
<th>SBE/WMBE</th>
<th>Total Score</th>
<th>Rank</th>
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<tbody>
<tr>
<td>KPE Consulting</td>
<td>RFP Ref. 3.02.4, 3.01.5, &amp; 3.02.6 45 Points Max</td>
<td>35</td>
<td>RFP Ref. 3.02.4 45 Points Max</td>
<td>22</td>
<td>5</td>
<td>58</td>
<td>3</td>
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<td>Project Planning and Management</td>
<td>RFP Ref. 3.02.4, 3.01.5, &amp; 3.02.6 45 Points Max</td>
<td>20</td>
<td>RFP Ref. 3.02.4 45 Points Max</td>
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<td>TGI Learning</td>
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<td>37</td>
<td>RFP Ref. 3.02.4 45 Points Max</td>
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<td>RFP Ref. 3.02.4 45 Points Max</td>
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Selection Advisory Committee Member 3
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<th>Respondents</th>
<th>Scoring Criteria</th>
<th>Qualifications Experience of Firm and On-site Trainers</th>
<th>Training Curriculum, Course Content and Cost Matrix</th>
<th>Submittal Quality, Organization, Completeness</th>
<th>SBE/WMBE</th>
<th>Total Score</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMI Consulting</td>
<td>RFP Ref. 3.02.4, 3.02.5, &amp; 3.02.6</td>
<td>45 Points Max</td>
<td>Notes</td>
<td>RFP Ref. 3.02.7</td>
<td>Notes</td>
<td>5 Points Max</td>
<td>Notes</td>
</tr>
<tr>
<td>38</td>
<td>KRE in business for 12 years, 2 partners teach at USC and Sr Program Manager designs curriculum for USC on-line courses. OCM is an optional offering</td>
<td>Core Module 1-2 for Basic PM Training Intermediate Module 3-4 for EV, Lessons Learned, Risk, Status Reporting, Leadership, Conflict Mgt. Communication Mgt. Advanced Modules - Train the Trainer, Agile/Scrum, OCM, PM Prep, mentorship program Partnership and customizable curriculum evident No cost matrix provided (indication of 4 sessions (cohorts)/module and only 10 students per session) Train the Trainer concept Cost of training $2500/12-15 months</td>
<td>5</td>
<td>Very organized, well presented and met the RFP Requirements</td>
<td>0</td>
<td>78</td>
<td>5</td>
</tr>
<tr>
<td>Project Planning and Management</td>
<td>RFP Ref. 3.02.4, 3.02.5, &amp; 3.02.6</td>
<td>45 Points Max</td>
<td>Notes</td>
<td>RFP Ref. 3.02.7</td>
<td>Notes</td>
<td>5 Points Max</td>
<td>Notes</td>
</tr>
<tr>
<td>40</td>
<td>PMBOK focused on PMBOK but customized to Public Sector real-world application Not a large amount of training experience referenced (may be more focused on PM project support) Was involved in Water/Power PMMA (understands organization)</td>
<td>Core Module 1-2 for Basic PM Training Intermediate Module 3-4 for EV, Lessons Learned, Risk, Status Reporting, Leadership, Conflict Mgt. Communication Mgt. Advanced Modules - Train the Trainer, Agile/Scrum, OCM, PM Prep, mentorship program Partnership and customizable curriculum evident No cost matrix provided (indication of 4 sessions (cohorts)/module and only 10 students per session) Train the Trainer concept Cost of training $2500/12-15 months</td>
<td>5</td>
<td>Very organized, well presented and met the RFP Requirements</td>
<td>0</td>
<td>78</td>
<td>5</td>
</tr>
<tr>
<td>RiskM, LLC</td>
<td>RFP Ref. 3.02.4, 3.02.5, &amp; 3.02.6</td>
<td>45 Points Max</td>
<td>Notes</td>
<td>RFP Ref. 3.02.7</td>
<td>Notes</td>
<td>5 Points Max</td>
<td>Notes</td>
</tr>
<tr>
<td>38</td>
<td>RefineM staff appear to have vast experience in developing and providing PM training.</td>
<td>Core Module 1-2 for Basic PM Training Intermediate Module 3-4 for EV, Lessons Learned, Risk, Status Reporting, Leadership, Conflict Mgt. Communication Mgt. Advanced Modules - Train the Trainer, Agile/Scrum, OCM, PM Prep, mentorship program Partnership and customizable curriculum evident No cost matrix provided (indication of 4 sessions (cohorts)/module and only 10 students per session) Train the Trainer concept Cost of training $2500/12-15 months</td>
<td>5</td>
<td>Very organized, well presented and met the RFP Requirements</td>
<td>0</td>
<td>78</td>
<td>5</td>
</tr>
<tr>
<td>TCG Learning</td>
<td>RFP Ref. 3.02.4, 3.02.5, &amp; 3.02.6</td>
<td>45 Points Max</td>
<td>Notes</td>
<td>RFP Ref. 3.02.7</td>
<td>Notes</td>
<td>5 Points Max</td>
<td>Notes</td>
</tr>
<tr>
<td>40</td>
<td>Great experience in public and private sector. Great Experience in PM Training however using a consultant to do most of the training.</td>
<td>Core Module 1-2 for Basic PM Training Intermediate Module 3-4 for EV, Lessons Learned, Risk, Status Reporting, Leadership, Conflict Mgt. Communication Mgt. Advanced Modules - Train the Trainer, Agile/Scrum, OCM, PM Prep, mentorship program Partnership and customizable curriculum evident No cost matrix provided (indication of 4 sessions (cohorts)/module and only 10 students per session) Train the Trainer concept Cost of training $2500/12-15 months</td>
<td>5</td>
<td>Very organized, well presented and met the RFP Requirements</td>
<td>0</td>
<td>78</td>
<td>5</td>
</tr>
<tr>
<td>40</td>
<td>Great experience in public and private sector. Very experienced trainer and PMI credits offered</td>
<td>Core Module 1-2 for Basic PM Training Intermediate Module 3-4 for EV, Lessons Learned, Risk, Status Reporting, Leadership, Conflict Mgt. Communication Mgt. Advanced Modules - Train the Trainer, Agile/Scrum, OCM, PM Prep, mentorship program Partnership and customizable curriculum evident No cost matrix provided (indication of 4 sessions (cohorts)/module and only 10 students per session) Train the Trainer concept Cost of training $2500/12-15 months</td>
<td>5</td>
<td>Very organized, well presented and met the RFP Requirements</td>
<td>0</td>
<td>78</td>
<td>5</td>
</tr>
</tbody>
</table>

4Selection Advisory Committee Member 4
<table>
<thead>
<tr>
<th>Qualifications Experience of Firm and On-Site Trainers</th>
<th>Training Curriculum, Course Content and Cost Matrix</th>
<th>Submittal Quality, Organisation, Completeness</th>
<th>SRF/VRBF Total Score</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondents</td>
<td></td>
<td>RFP Ref. 3.02.7 45 Points Max Notes</td>
<td>RFP Ref. 3.02.7 45 Points Max Notes</td>
<td>5 Points Max Notes</td>
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<tr>
<td>KRC Consulting</td>
<td></td>
<td>35</td>
<td>30</td>
<td>3 good-quality, but lacking completeness</td>
</tr>
<tr>
<td>Project Planning and Management</td>
<td></td>
<td>37</td>
<td>30</td>
<td>3 organized, complete, quality okay</td>
</tr>
<tr>
<td>National LLC</td>
<td></td>
<td>30</td>
<td>25</td>
<td>3 quality okay, lacking completeness</td>
</tr>
<tr>
<td>TLC Learning</td>
<td></td>
<td>38</td>
<td>35</td>
<td>4 good-quality, organized and complete; followed specifics of what was requested</td>
</tr>
<tr>
<td>PropexC Group</td>
<td></td>
<td>40</td>
<td>35</td>
<td>4 good-quality, organized and complete</td>
</tr>
</tbody>
</table>
We strive to create and implement a consistent and transparent project management culture that provides value to our organization.

**CONTINUOUS**

**COMMUNICATION STRATEGY**
Quarterly
The Communication Plan will ensure the PMO is deliberate about informing stakeholders in a 360° fashion about what communications are taking place and when. The strategy will be evaluated and updated on a quarterly basis.
- PMO Communication Plan
- PMO Communication Matrix
- Power Pack Communication

**COMMUNITY OF LEARNING**
Continuous
The Community of Learning will support the continuous development of our staff, promote ongoing sharing of project management knowledge, and cultivate a culture of learning across Tacoma Power.

Key Deliverables
- Lunch and Learns
- Project Management Forums
- Power Pack Training

**POWER PACK ELEMENTS**
Continuous
Each Power Pack will focus on specific project management deliverables, will build upon previous Power Packs, and will include the following elements related to the identified deliverables:
- Project Communication Plan
- Clarity on Roles & Responsibilities
- Alignment with other systems [Asset Mgmt, Budget, Purchasing, etc.]
- Process Map
- Glossary
- Authorization & Release Process
- PMO Tool/Template Repository Update

**TIMEBOUND**

**PMO FOUNDATION**
Jan 2019 - May 2019
Develop and finalize PMO foundation documents and confirm expectations with key stakeholders to provide clarity to the organization about the primary objectives and scope of the PMO.
- PMO Charter
- PMO Risk Plan
- PMO Management Plan
- PMO Key Performance Indicators

**POWER PACK #1**
Jan 2019 - Jun 2019
The deliverables for this Power Pack will provide some universal planning tools for staff, establish some basic processes, and start developing common terminology.
- Project Charter Template
- Project Management Plan Template
- PMO Tool/Template Repository
- High-level Project Process Map
- Staff Training

**POWER PACK #2**
Jul 2019 - May 2020
The deliverables for this Power Pack will define expectations for more complicated projects and provide tools and standards for all projects.
- Project Categorization & Definitions
- Project Progress Report Template
- Project Documentation Repository
- Lessons Learned Process and Templates
- Staff Training
- Advancement of Power Pack #1 Deliverables

**FUTURE POWER PACKS**
The following deliverables have been identified by key stakeholders and will be grouped into specific power packs as the PMO Program develops:

Key Deliverables:
- WBS Standards
- Resource Plan
- Project Communication Plan with Metrics
- Project & Portfolio Health Dashboard
- Phase Gate Process
- Stakeholder Register
- Change Control Process
- Risk Register
- Project Closing Process
- Scheduling
- Cost Estimating

**PMO Team Contact**
Ryan McLaughlin x8814
Auoriai Crawford x4494
Kay Chung x7201
RESOLUTION NO. U-11090

A RESOLUTION authorizing the grant of an easement over Tacoma Power property above SR 7 near Alder Lake, in unincorporated Pierce County, Washington.

WHEREAS the City of Tacoma, Department of Public Utilities, Light Division (d.b.a. "Tacoma Power"), requests that the Board authorize the grant of an easement over approximately 0.19 acres of Tacoma Power’s property (Pierce County Assessor Tax Parcel No. 0416334004), located to the south of Eatonville and north of Alder Lake ("Property"); and

WHEREAS the Property was originally acquired in 1991 from Brazier Forest Industries in order to expand the landholdings for the La Grande Dam hydroelectric project by Resolution U-8616, and

WHEREAS State Route 7 passes through Tacoma Power property that has been susceptible to rock slides, and the Washington State Department of Transportation ("WSDOT") is currently developing the installation of a cable net slope protection system to prevent further rock falls along this portion of the SR 7 corridor as part of their SR 7 Slide Repair and Slope Stabilization Project, and

WHEREAS Tacoma Power supports this request to improve safety for the traveling public, and

WHEREAS the proposed easement provides that it is subject to the Federal Energy Regulatory Commission (FERC) Hydroelectric Project License requirements in this area, thus insuring WSDOT’s use will not negatively impact current or future Tacoma Power operations, and
WHEREAS, due to the rural location and minimal land and impacts, WSDOT has offered $500 in compensation for the easement; Now, therefore, BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA: That the proposed easement located over approximately 0.19 acres above State Route 7 near Alder Lake (Pierce County Assessor tax parcel number 0416334004) to Washington State Department of Transportation, to install a cable net slope protection system for the consideration of $500, is approved, and the Public Utility Board authorizes the proper officers of the City of Tacoma to execute all necessary documents, substantially in the same form as on file with the Clerk and approved by the City Attorney.

Approved as to form and legality:

[Signature]
Chair

[Signature]
Chief Deputy City Attorney

[Signature]
Secretary

[Signature]
Clerk

Adopted
TO: Jackie Flowers, Director of Utilities
COPY: Charleen Jacobs, Director and Board Offices
FROM: Bret Forester, Wildlife & Lands Manager, Tacoma Power Generation
       Greg Muller, Real Estate Officer, Real Property Services
MEETING DATE: July 10, 2019
DATE: June 26, 2019

SUMMARY: Authorize the grant of an easement over approximately 0.19 acres of Tacoma Power property to the Washington State Department of Transportation to install a cable net slope protection system above State Route 7 operating highway right-of-way near Alder Lake in unincorporated Pierce County. This request is made to improve safety and prevent further rock falls along this portion of the SR 7 corridor as part of their SR 7 Slide Repair and Slope Stabilization project.

BACKGROUND: State Route 7 passes through Tacoma Power property (aka Pierce County Assessor Tax Parcel No. 0416334004) located to the south of Eatonville and north of Alder Lake. This area has been susceptible to rock slides and WSDOT desires to improve safety for the travelling public. Tacoma Power previously granted a temporary permit to WSDOT (copy included) to allow site preparation work. This permanent easement will allow installation of the cable net slope protection system. Tacoma Power staff has reviewed the transaction and supports this request.

Due to the rural location and minimal land and impacts thereto, WSDOT has offered $500.00 in compensation for the easement. This has been reviewed and approved.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No.

IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A.

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING $200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? No.

ATTACHMENTS: Tacoma Power Easement No. E13625; Short Form License No. 388; WSDOT ROW Plan; Location Map

CONTACT: Primary Contact: Greg Muller, Real Estate Officer, Ext 8256
       Supervisor: Dylan Harrison, Senior Real Estate Officer, Ext 8836
January 9, 2019

City of Tacoma – TPU
Tacoma Power-Real Properties Services
Attn: Mr. Greg Muller
3628 S. 35th ABS-2
Tacoma, WA 98409-3115

Re: SR 7, MP 23.12 to MP 25.24 Alder to La Grande
RW5415, C.S. 272800
FA No. STBG-0007(026)
RW Plan Sheet 4 of 5 Sheets
Parcel Number 3-10825

Dear Mr. Muller:

In our letter dated September 28, 2018, the State of Washington, acting by and through its Department of Transportation, offered to purchase property and/or property rights owned by you and identified as parcel number 3-10825.

The appraisal which resulted in our offer has now been revised because the acquisition has changed from fee to permanent easement. This revision makes it necessary to withdraw our earlier offer and make a new offer.

You may wish to employ professional services to evaluate the state’s new offer. However, the $750 evaluation allowance mentioned in our original offer letter is a onetime allowance only.

An administrative offer of $500.00 is being made for your property or property rights. (Per the WSDOT $500.00 minimum payment policy)

This offer consists of:

$400.00 for 8,276 sq. ft. (0.19 Acres), more or less, of land in fee. A cable net slope protection system and rock bolts and dowels will be installed in acquisition area.

An administrative offer (based on market research) is used when the property rights being acquired involve compensation of less than $10,000.
Your rights, as summarized in our earlier offer letter, remain unchanged. May we please have your early reply as to acceptance or rejection of this offer? Thank you.

Sincerely,

[Signature]

Herb Dick
Property & Acquisition Specialist
(360) 357-2797

Receipt of this letter is hereby acknowledged. I understand that this acknowledgment does not signify my acceptance or rejection of this offer.

Signature          Date
After recording return document to:
State of Washington
Department of Transportation
Real Estate Services Office
P O Box 47338
Olympia WA 98504-7338

Document Title: Easement
Reference Number of Related Document: None
Grantor: City of Tacoma, Department of Public Utilities, Light Division (d.b.a. Tacoma Power), a Municipal corporation
Grantee: State of Washington, Department of Transportation
Legal Description: PTN. SE ¼, STR 33-16-4E
Additional Legal Description is on Page 9 of Document.
Assessor's Tax Parcel Number: 0416334004
Grantor ID: P2019-031 GWM / E13625

EASEMENT

State Route 7, MP 23.12 to MP 25.24 Alder to La Grande

The Grantor, City of Tacoma, Department of Public Utilities, Light Division (d.b.a. Tacoma Power), a Municipal corporation, hereinafter referred to as “Tacoma Power” or “Grantor”, for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other valuable consideration, conveys and grants unto the State of Washington, acting by and through its Department of Transportation and its assigns, Grantee, under the imminent threat of the Grantee’s exercise of its rights of Eminent Domain, an easement over, under, upon and across the hereinafter described lands (the “Easement Area”) for the purpose of the construction, reconstruction, operation, and maintenance of a cable net slope protection system, rock bolts, and dowels. Grantee, its assigns, agents, contractors, and permittees may use the Easement Area for the aforesaid purposes.

Said lands being situated in Pierce County, State of Washington, and described as follows:

For legal description and additional conditions, see Exhibit A attached hereto and made a part hereof

FA No. STBG-0007(026)
Project No. 300750A
 Parcel No. 3-10825
EASEMENT

Terms and Conditions of the Easement.

A. Assumption of Risk. Grantee, its agents, employees, assigns, contractors, customers and/or invitees expressly assume all risks associated with its activities and/or operations within the Easement Area. Storage of flammable materials or refueling of vehicles/equipment is prohibited within the Easement Area. Grantor shall not be liable for damage to Grantee’s property, facilities, or injury to persons which might occur during Grantee’s activities within the Easement Area except to the extent such damage results from the sole negligence of Grantor.

B. Approval of Plans and Specifications. Grantee acknowledges that any activities performed within the Easement Area will require plans, specifications and guidelines that must be approved, in writing, by Grantor. Grantee shall not access the Easement Area for any reason until said plans, specifications, and guidelines are approved by Grantor in writing.

Grantor’s review and approval of any activities, plans, specifications, and/or guidelines is not intended as an engineering review/analysis of said activities, plans, specifications, and/or guidelines and all associated implications. It shall remain the sole responsibility of the Grantee to ensure the proposed activity meets all code and permitting requirements. Further, consent and or approval by Grantor of any activities, plans, specifications, and guidelines shall not be deemed consent, authorization, or acknowledgment that Grantee has obtained all required authorizations with respect to such activity or that the proposed activity, plans, specifications, guidelines, construction, or maintenance are correct, meet professional or engineering standards, are sufficient, or are fit for a particular purpose.

C. Maintenance. Grantee shall notify Grantor a minimum four (4) weeks prior to any scheduled maintenance to be performed within the Easement Area that may interfere with Grantor’s use or operations. It is agreed that if maintenance schedules result in a use conflict, Grantor’s schedule shall prevail. Grantee shall notify Grantor as soon as reasonably practicable if emergency maintenance is required and Grantor shall take reasonable measures to accommodate such emergency maintenance. Grantee is not prevented from performing emergency maintenance without prior notification to Grantor if conditions within the Easement Area warrant immediate action to ensure the safety of Grantee’s agents, employees and/or contractors and/or persons traveling on State Route 7 where it abuts the Easement Area. However, Grantee shall reimburse Grantor for any extraordinary costs incurred to accommodate such emergency maintenance.

D. Indemnification. Grantee shall protect, defend, indemnify, and hold harmless Grantor and its employees, while acting within the scope of their employment as such, from any and all costs, claims, judgments, and/or rewards of damages (both to persons and/or property), arising out of, or in any way resulting from, Grantee’s use of the Easement Area as authorized herein. Grantee shall not be required to indemnify, defend, or hold harmless Grantor if the claim, suit, or
action for injuries, death, or damages (both to persons and/or property) is caused by the negligence of the Grantor; provided that, if such claims, suits, or actions result from the concurrent negligence of (a) the Grantor, its employees, authorized agents, invitees, or contractors and (b) the Grantee, its employees, authorized agents, or contractors, or involves those actions covered by RCW 4.24.115, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the negligence of each Party, its employees, authorized agents, invitees, and/or contractors.

E. Environmental Liability. By accepting this grant of Easement, Grantee assumes no liability for existing site conditions including any Hazardous Substances that may be present on, in, or under the Easement Area prior to the execution of this Easement; except that to the extent Grantee removes any soil, Grantee shall pay for the removal of and disposal of such soil, whether or not it contains Hazardous Substances. Grantee assumes sole liability and shall be responsible for any remedial action costs incurred due to the release, or exacerbation of the release, of Hazardous Substances by Grantee, its officers, agents, employees, volunteers, subcontractors, invitees, licensees, or guests. A “Hazardous Substance” as used in this Easement shall mean the presence of any substance or group of substances around, above, on or in the soil of the Easement Area which, by its presence, triggers a remedial investigation or action, or which requires any excavated materials to be disposed of as anything other than clean fill. The meaning of “Hazardous Substance” shall also include without limitation, any substance which now or in the future becomes regulated or defined under any federal, state, or local statute, ordinance, rule, regulation, or other law relating to human health, environmental protection, contamination or cleanup. The terms of this Hazardous Substances provision have been mutually negotiated.

F. Binding on Successors. The terms and conditions of this Easement shall constitute real covenants that run with the land and are binding upon the parties and their heirs, successors and assigns.

G. Assignment. Grantee shall not assign, subcontract, delegate, or transfer any obligation, interest, or claim to or under this Easement without the prior written consent of Grantor.

H. Condition Subsequent. Upon sixty (60) calendar days’ written notice from Grantor, if Grantee defaults in the performance of any term, condition, or covenant contained in this Easement and fails to cure such performance within that sixty (60) calendar day period or is not diligently working to cure the default, Grantor has the right to enter the premises and cure the default. Grantee shall reimburse Grantor the entire cost and expense of such performance within sixty (60) calendar days of the date of Grantor’s invoice for such cure.
EASEMENT

I. Recording and Effective Date. Grantee will record this Easement in the real property records of Pierce County, Washington. This Easement shall become effective on the date it is recorded by the Pierce County Auditor’s Office.

J. No Third Party Beneficiaries. This Easement shall be for the sole benefit of the parties hereto, and nothing contained herein shall create a property right or a cause of action in favor of a third party against either party hereto.

K. Waiver. A waiver or failure by either party to enforce any provision of this Easement shall not be construed as a continuing waiver of such provisions, nor shall the same constitute a waiver of any other provision of this Easement.

L. Severability. If any term, condition, or provision of this Easement is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable.

M. All Writings Contained Herein. This Easement, together with all exhibits, constitutes the complete and final agreement of the parties, replaces and supersedes all oral and/or written proposals and agreements heretofore made on the subject matter, and may only be modified by a writing signed by both parties.

N. Applicable Laws; Reasonable Use. In exercising their rights under this Easement, each party shall comply with all federal, state, county and municipal statutes, laws, codes, rules, regulations, ordinances, resolutions, permits and/or other requirements of any kind, type or nature whatsoever applicable to their respective uses of the Easement Area. Any use, entrance upon or movement within, over, across, and/or upon the Easement Area by any party shall be conducted such that it does not damage the Easement Area or any improvements thereon, or unreasonably interfere with the use thereof by the other party. Grantor and Grantee shall maintain the Easement Area in a clean, neat and orderly manner and will not create or permit any nuisance or waste, or allow the Easement Area to be used for any immoral or unlawful purpose.

O. Disclaimers. Grantee acknowledges and agrees that Grantor has made no representation as to the present or future condition of the Easement Area and Grantor expressly disclaims any representation or warranties regarding the Easement Area and its suitability for any of Grantee’s intended uses.

P. Insurance (Self Insured). For purposes of this Easement the Grantee, as an agency of the state of Washington, is self-insured for all exposure to general liability and vehicle liability.
EASEMENT

Q. Taking. If the Easement Area, or any portion thereof, should be taken for any public or quasi-public use under governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof (collectively, “Taking”), this Easement shall terminate as to the portion of the Easement Area taken when the physical taking of the Easement Area occurs and Grantor shall have no liability to Grantee for its loss of use of the Easement Area. If any portion of the Easement Area is subject to a Taking, Grantee may terminate occupation and use of such portion of the Easement Area, but continue use and occupation as to the remaining Easement Area but without abatement of any obligations due Grantor herein.

R. FERC Covenant. This Easement is subject to the Federal Energy Regulatory Commission (FERC) Hydroelectric Project License requirements as may be imposed. Grantor has and reserves the express right to supervise and control the use of the Easement Area, for which it grants permission herein, and to monitor the use of, and ensure compliance with the following FERC Hydroelectric Project License-related requirements and obligations of this Easement:

a. Grantee’s use of the Easement Area shall not endanger health, create a nuisance, or otherwise be incompatible with overall Hydroelectric Project recreational use.

b. Grantee shall take all reasonable precautions to insure that the construction and maintenance of any improvements within the Easement Area will occur in a manner that will protect the scenic, recreational and environmental values of the Hydroelectric Project.

c. Grantee shall not unduly restrict public access to Hydroelectric Project waters.

If any occupancy or use violates any of the above requirements and obligations imposed by Tacoma Power for protection and enhancement of the Hydroelectric Project’s scenic, recreational, or other environmental values as required by FERC Cowlitz License Article 407, Tacoma Power may take lawful action necessary to correct the violation and shall notify Grantee of such violation; such lawful action includes, if necessary, terminating the permission to use and occupy the Hydroelectric Project lands and requiring removal of any non-compliant structures and improvements.
EASEMENT

Authorized by Public Utility Board Resolution No. _______, adopted _____________, 2019.

Executed this ___ day of _______________, 2019.

CITY OF TACOMA
DEPARTMENT OF PUBLIC UTILITIES

By: ________________________________
    Jackie Flowers, Director of Utilities

STATE OF WASHINGTON )
COUNTY OF PIERCE    )

On this ___ day of _______________, 2019, before me personally appeared Jackie Flowers, to me known to be the Director of Utilities of the City of Tacoma, the municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of the City of Tacoma, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument and that the seal affixed is the corporate seal of the City of Tacoma.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Place Notary Seal in Box

Notary Public in and for the State of Washington
Residing in ____________________
My commission Expires ____________
EASEMENT

Authorized:

Chris Robinson, Power Superintendent

Date

Reviewed:

Chris Mattson, P.E.
Generation Power Section Manager

Date

Keith Underwood,
Natural Resources Manager

Date

Bret Forrester, Wildlife & Lands Manager

Date

Jeff Singleton, Chief Surveyor

Date

Form Approved:

Michael W. Smith, Deputy City Attorney

Date
It is understood and agreed that delivery of this easement is hereby tendered and that the terms and obligations hereof shall not become binding upon the State of Washington unless and until accepted and approved hereon in writing for the State of Washington, by and through its Department of Transportation, by its authorized agent.

Accepted and Approved

STATE OF WASHINGTON
Department of Transportation

By: __________________________
Claude A. Partin, Olympic Region
Real Estate Services Manager
Authorized Agent

Date: ________________________
EASEMENT

EXHIBIT A
(the “Easement Area”)

All that portion of the following described PARCEL “A” lying within a tract of land beginning at a point opposite Highway Engineer’s Station (hereinafter referred to as HES) 117+10 on the SR 7 line survey of SR 7, Alder to La Grande and 30 feet Southeasterly therefrom; thence Southeasterly to a point opposite said HES and 75 feet Southeasterly therefrom; thence Northeasterly, parallel with said line survey, to a point opposite HES 118+95 thereon; thence Northwesterly to a point opposite said HES and 30 feet Southeasterly therefrom; thence Southwesterly, parallel with said line survey, to the point of beginning.

PARCEL “A”

That portion of the North half of the Southeast quarter of Section 33, Township 16 North, Range 4 East, W.M., lying East of the thread of the stream of the Nisqually River, records of Pierce County, Washington;

Except that portion conveyed to Tacoma-Eastern Railroad Company (Now Chicago Milwaukee, St. Paul and Pacific Railroad Company) by deed dated August 6, 1904 and recorded under Recording Number 183986.

Also except that portion conveyed to the State of Washington by deed dated March 17, 1922 and recorded under Recording Number 624722.

Also except National Park Highway.

Sittuate in the County of Pierce, State of Washington.

The lands herein described contain an area of 8,325 square feet (0.19 Acres), more or less, the specific details concerning all of which are to be found on sheet 4 of 5 sheets of that certain plan entitled SR 7, Alder to La Grande, now of record and on file in the office of the Secretary of Transportation at Olympia, and bearing date of approval October 17, 1968 and revised December 28, 2018.

Grantor’s Initials

RES-324 Page 9 of (9) Pages Parcel No. 3-10825
The applicant ("Licensee") has requested permission to use/access land owned or controlled by City of Tacoma, Department of Public Utilities, Light Division (d.b.a. Tacoma Power) ("Licensor"), for a specific purpose and for a definite period of time.

<table>
<thead>
<tr>
<th>Licensee</th>
</tr>
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<tbody>
<tr>
<td>Name: State of Washington Department of Transportation (&quot;WSDOT&quot;)</td>
</tr>
<tr>
<td>Phone:</td>
</tr>
<tr>
<td>Attn: Paul S. Lovgren, Olympic Region Real Estate Services, Acquisition Supervisor</td>
</tr>
<tr>
<td>Address: PO Box 47440</td>
</tr>
<tr>
<td>Work Phone: (360) 704 - 3259</td>
</tr>
<tr>
<td>City: Olympia State: WA Zip: 98504</td>
</tr>
<tr>
<td>Cell Phone:</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Premises</th>
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</thead>
<tbody>
<tr>
<td>That portion of Tacoma Power real property located in Pierce County, Washington as described in Exhibit B attached hereto and by this reference incorporated herein.</td>
</tr>
<tr>
<td>(hereinafter “Premises”)</td>
</tr>
<tr>
<td>Street Address (if applicable): N/A - approximate location SR 7 Mile Post 24.50 in the vicinity of Alder Lake (tax parcel no. 0416334004).</td>
</tr>
<tr>
<td>Section: 33 Township 16N Range 4E</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Permitted Use</th>
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</thead>
<tbody>
<tr>
<td>Access to perform the following work only unless otherwise first approved in writing by Tacoma Power:</td>
</tr>
<tr>
<td>- Site preparation activities, including but not limited to ground clearing, debris and tree removal, associated with Licensee’s SR 7 Slide Repair and Slope Stabilization project. No installation of permanent structures and improvements (i.e. anchors, wire mesh/cable net, etc.) and/or related construction activities is authorized herein.</td>
</tr>
<tr>
<td>(hereinafter “Permitted Use”)</td>
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<tr>
<th>Term</th>
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<tr>
<td>Beginning on: June 1, 2019 Ending on: November 1, 2019</td>
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</table>

<table>
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<tr>
<th>Fees</th>
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<tbody>
<tr>
<td>Licensee shall pay the sum of FIVE HUNDRED DOLLARS ($ 500.00) for License processing and administration.</td>
</tr>
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<tr>
<th>Additional Conditions</th>
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<tbody>
<tr>
<td>Additional Conditions are attached to this License as Exhibit A “Additional Conditions”.</td>
</tr>
</tbody>
</table>

Licensor hereby grants Licensee limited, nonexclusive, and revocable permission to use the Premises for the above described Permitted Use subject to the following terms and conditions:
1. Ownership and Control of Premises. The permission granted to Licensee is wholly subordinate to Licensor's paramount rights of ownership, enjoyment, use, and control of the Premises. Licensor retains full ownership of the Premises and this License conveys no right, title, or interest in the Premises. The permission granted by this Permit is a license to use Licensor's real property only. Further, Licensee shall not interfere with Licensor's operations, structures, or facilities on the Premises. Licensor, at its sole discretion, may require Licensee to move or modify its use, operations, facilities, or structures at Licensee's expense. Any damages to the Premises or to Licensor's improvements, structures, or facilities caused by Licensee shall be repaired at Licensee's expense.

2. Licensee’s Responsibility. Licensee assumes and shall be responsible for all activities conducted on the Premises, including, but not limited to, supervision and control necessary to prevent injury or damage, ensure clean-up of litter and debris, and provide surveillance and security necessary to preserve order. Additionally, Licensee shall maintain its facilities/equipment and the Premises in a clean and neat manner and shall take all reasonable precautions to prevent or minimize damage to natural resources within the Premises. Further, Licensee shall be responsible for all costs for work or activities conducted by Licensee on the Premises. Licensor assumes no responsibility whatsoever for damage or injury caused by Licensee, the Licensee's agents, contractors, employees, and/or the Licensee's equipment, operations, or use.

3. Compliance with Laws / Permits. Licensee shall comply with all applicable laws, including all federal, state, county and municipal laws, ordinances, or regulations in effect. Licensee shall comply with all code provisions, regulations, rules, and policies of Licensor. Licensee shall obtain and be in possession of all permits and licenses required for the Permitted Use, and shall provide proof of such permits/licenses upon request by Licensor's representative.

4. Scope. Permission is granted for the specific Premises and for the specific Permitted Use stated herein. Neither the area of the Premises nor the Permitted Use shall be expanded or changed without prior written consent of Licensor.

5. Termination, Revocation, and Restoration. This License shall automatically terminate upon the term ending date specified above. However, this License may be revoked at will by the Licensor at any time by written or oral notice to the Licensee. Upon termination or revocation, Licensee shall restore the Premises to as good or better condition than it was at the beginning date of this License. If Licensee fails to restore the Premises to Licensor's satisfaction, Licensor may restore the Premises at Licensee's cost. Licensee shall pay for all restoration and clean-up costs including administrative and legal fees incurred by Licensor.

6. CONDITION OF PREMISES. LICENSOR HAS INSPECTED THE PREMISES AND ACCEPTS IT IN ITS PRESENT CONDITION "AS-IS." LICENSOR EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY THAT THE PREMISES ARE SUITABLE FOR THE PERMITTED USE.

7. Assumption of Risk. Licensee, on behalf of itself and its employees, personnel, contractors, agents, invitees, or licensees expressly assumes all risks associated with the Permitted Use and use of the Premises. Any equipment, facilities, materials, or other property of the Licensee on the Premises are subject to being damaged or destroyed by Licensor's operations. Licensee assumes the risk of such limited use rights and will be responsible for its own additional costs and expenses.

8. No Warranty. Licensor does not warrant its authority to grant the Permitted Use of the Premises, and the Licensee shall secure any other rights that are needed for the Permitted Use.

9. Hazardous Substances. No goods, merchandise or materials which are or may be considered in any way toxic, explosive, or hazardous, including any "Hazardous Substance" as defined herein, shall be kept, stored, disposed of, transported across or sold on the Premises. Licensee shall be liable for the remediation of any Hazardous Substance or toxic substance on the Premises resulting from or associated with Licensee's Permitted Use or any use of the Premises. "Hazardous Substance" means any substance which now or in the future becomes regulated or defined under any federal, state, or local statute, ordinance, rule, regulation, or other law relating to human health, environmental protection, contamination or cleanup.

10. Indemnification. The Licensee shall indemnify, defend, and hold harmless the Licensor including the City of Tacoma, its officers and employees, from any and all claims for damages or loss to Licensor and/or the City of Tacoma, its operations or property and from any and all claims or litigation arising in connection with this License or use of the Premises. This includes damages to or loss of property and personal injury (including death) to persons, including Licensee or Licensee's agents, contractors or employees which may be caused or occasioned by the existence, operation, use or maintenance of any and all of the property subject of this License or associated with the Premises, or caused or occasioned by any act, deed or omission of the Licensee, its agents, employees, guests, customers or invitees. In this regard, the Licensee understands that Licensee hereby
waives immunity under Title 51 RCW Industrial Insurance Laws. In no event shall the Licensee's obligations hereunder be limited to the extent of any insurance available to or provided by Licensee. Licensee acknowledges that the terms of this provision were mutually negotiated.

11. License Non-transferrable and Non-exclusive. This License is personal to the Licensee and may not be transferred or assigned. This License is non-exclusive and Licensor may grant others permission to use the Premises.

12. Notice and Inspections. Licensee agrees to notify Licensor at least 48 hours in advance of any work authorized on the Premises by this License. Licensor's point of contact is Bret Forrester at (253) 502-8782. Licensor's mailing address is Tacoma Public Utilities, Real Property Services, 3628 South 35th Street, Tacoma, WA 98409-3192. If requested by Licensor, the Licensee agrees to meet on the Premises to allow inspection thereof and to ensure that all conditions of the License have been fulfilled.

13. Recording Prohibited. Neither this License nor any memorandum hereof shall be recorded in any public office and any attorney's fees or other costs incurred in clearing a cloud on title to the Premises shall be the Licensee's responsibility.

I HAVE READ THE ABOVE TERMS AND CONDITIONS AND AGREE TO COMPLY THERewith.

STATE OF WASHINGTON, DEPARTMENT OF TRANSPORTATION

Ron Landon
3-25-19
Date
Project Development Engineer
LICENSOR:

APPROVED:

Keith Underwood, Natural Resources Manager

Reviewed:

Bret Forrester, Wildlife & Lands Manager

Approved as to form:

Deputy City Attorney

Date
EXHIBIT A
ADDITIONAL CONDITIONS

1. Licensee agrees to notify Licensor within 48-hours of completion of any work authorized on the Premises by this License. Licensor’s point of contact is Wildlife and Lands Manager, Bret Forrester at (253) 502-8782 or bforrest@ci.tacoma.wa.us. Notification of any work in advance required pursuant to term and condition no. 12 herein.

2. No materials and/or debris associated with any work authorized on the Premises by this License may be abandoned within the FERC boundary of the Nisqually Hydroelectric Project and must be removed.

3. COUNTERPARTS. This license may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but all of which together shall constitute one agreement binding all of the parties hereto.

4. INSURANCE

A. During the term of this Permit-License, Licensee and its contractors, shall obtain and maintain at its sole expense the following liability insurance coverage:

i. A policy of Commercial General Liability insurance coverage, providing coverage for claims of bodily injury, death, personal injury, and property damage arising from operations on the Licensor’s property. Coverage shall include, but not be limited to: products hazard and completed operations coverage, contractual liability coverage, and employer stop gap coverage. The policy shall name the City of Tacoma ("City") and Licensee as an additional insured.

B. For all insurance policies required by this section:

i. Coverage shall be written on a policy form published by the Insurance Service Office (ISO) or its functional equivalent. The Licensor reserves the right to determine if a proposed policy is in fact a functional equivalent and its decision shall be conclusive on the issue.

ii. Coverage shall be underwritten by insurance carriers licensed to do business in the State of Washington and of adequate financial strength (an A.M. Best Company rating of no less than A-V) subject to review and approval by the Licensor.

iii. Coverage shall be primary over and non-contributing to the Licensor’s own insurance coverage or program.

iv. No coverage required by this section shall be subject to a deductible or self-insured retained limit in excess of $10,000 without the Licensor’s prior written approval. To assure that the Licensor receives the full benefit of coverage, the Licensee shall pay any deductible or self-insured retained limit on behalf of the Licensor, notwithstanding any negligence or liability on the part of the Licensor.

v. All coverage required by this section shall be written on a per “occurrence” basis and not on a “claims-made” policy form.

vi. All policies required by this section shall provide policy limits of no less than $1,000,000 combined single limit of liability per occurrence with a general aggregate limit of $2,000,000. The aggregate limit shall be dedicated or limited to the location or work reflected by the contract, permit or right of entry or industry track agreement by policy endorsement.
vii. The Licensee and the Licensor, shall mutually and reciprocally waive claims of subrogation against each other for claims of damage to their property or injury to their employees, and shall obligate their insurance carriers to do the same. This provision is not intended to waive contractual indemnification obligations or claims under any additional insured policy provision.

C. **Subcontractors.** If any portion of Licensee’s operation or work permitted by the Licensor is to be contracted by Licensee, Licensee must require that the contractor provide and maintain insurance and coverages set forth herein and require that its contractor release, defend, hold harmless, and indemnify the Licensor to the same extent and under the same terms and conditions as Licensee.

D. **Certificate of Insurance.** Certificates of Insurance, reflecting evidence of the required insurance and coverage as described in A. above, shall be sent to the following address prior to the use of any rights provided by the Permit/License:

    Tacoma Public Utilities  
    Real Property Services  
    3628 South 35th Street  
    Tacoma, WA 98409

The certificate shall be filed with the acceptance of the Permit/License and annually thereafter. All coverage shall be listed on one certificate with the same expiration dates.

In the event that the insurance certificate provided indicates that the insurance shall terminate or lapse during the period of the Permit/License, then, in that event, the Licensee shall furnish, at least 30 days prior to the expiration of the date of such insurance, a renewed certificate of insurance as proof that equal and like coverage has been or will be obtained prior to any such lapse or termination.

Failure to obtain or provide adequate evidence of the required insurance and coverage will entitle, but not require, the Licensor to terminate this Permit/License.

E. **Modification / Adjustment of Insurance Requirements.** The Licensor reserves the right to modify the insurance requirements of this Permit/License, require any other insurance coverage, or adjust the policy limits as it deems reasonably necessary to reflect then-current risk management practices. Licensee shall have thirty (30) days from receipt of written notice of the change, modification, or adjustment to provide the Licensor with a Certificate of Insurance evidencing that Licensee has obtained the required insurance as described in the notice.

F. **Self-Insurance Provision.** An entity that is wholly or partially self-insured may, with the approval of the City of Tacoma, provide evidence of such self-insurance funding and, by letter, commit its self-insurance program to the minimum amounts required herein. By executing this License, Licensee agrees that it will pay any deductible or self-insured portions of the insurance or self-insurance provided.
EXHIBIT B
PREMISES DESCRIPTION

All that portion of the following described PARCEL "A" lying within a tract of land beginning at a point opposite Highway Engineer's Station (hereinafter referred to as HES) 117+10 on the SR 7 line survey of SR 7, Alder to La Grande and 30 feet Southeasterly therefrom; thence Southeasterly to a point opposite said HES and 75 feet Southeasterly therefrom; thence Northeasterly, parallel with said line survey, to a point opposite HES 118+95 thereon; thence Northwesterly to a point opposite said HES and 30 feet Southeasterly therefrom; thence Southwesterly, parallel with said line survey, to the point of beginning.

PARCEL "A"

That portion of the North half of the Southeast quarter of Section 33, Township 16 North, Range 4 East, W.M., lying East of the thread of the stream of the Nisqually River, records of Pierce County, Washington;

Except that portion conveyed to Tacoma-Eastern Railroad Company (Now Chicago Milwaukee, St. Paul and Pacific Railroad Company) by deed dated August 6, 1904 and recorded under Recording Number 183986.

Also except that portion conveyed to the State of Washington by deed dated March 17, 1922 and recorded under Recording Number 624722.

Also except National Park Highway.

Situate in the County of Pierce, State of Washington.

(approximately 8,325 square feet/0.19 acres in size)
SHORT-FORM LICENSE NO. 388

State of Washington Department of Transportation ("WSDOT")

<table>
<thead>
<tr>
<th>Order of Routing</th>
<th>Routing</th>
<th>Name</th>
<th>Initial</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Real Property Services</td>
<td>Dylan Harrison (Review Only)</td>
<td></td>
<td>5/28/19</td>
</tr>
<tr>
<td>2.</td>
<td>Wildlife &amp; Lands Manager</td>
<td>Bret Forrester (Signature)</td>
<td></td>
<td>3/28/15</td>
</tr>
<tr>
<td>3.</td>
<td>Legal</td>
<td>Mike Smith (Signature)</td>
<td></td>
<td>4/3/19</td>
</tr>
<tr>
<td>4.</td>
<td>Natural Resources Manager</td>
<td>Keith Underwood (Signature)</td>
<td></td>
<td>6/4/19</td>
</tr>
</tbody>
</table>

Please initial above and sign documents where indicated.

DESCRIPTION

Issue a Short-Form License to allow WSDOT to perform site preparation activities related to its SR 7 Slide Repair and Slope Stabilization project near Alder Lake starting June 1, 2019 while the permanent easement for the planned slope protection system is finalized. WSDOT provided a 2012 cultural resources survey report for Tacoma Power review and acceptance that covers the subject area and proposed ground disturbance.

Location: SR 7 Mile Post 24.50 in the vicinity of Alder Lake.

The attached form is:

☑ A template with no changes
☐ A template with changes approved by legal (see attached email / redline)

The attached form was completed in accordance with all applicable TPU policy.

RPS Project Manager

PLEASE RETURN TO:

Dori Bishop, (253) 502-8873
Real Property Services
TPU, ABS – 2nd Floor