RESOLUTION NO. 3257

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO SIGN A TEN-YEAR WATER FRANCHISE AGREEMENT WITH PIERCE COUNTY.

WHEREAS, the City's water franchise agreement with Pierce County expired in 2020; and

WHEREAS, the City applied for a nonexclusive franchise agreement to construct, operate, and maintain the City's water system in unincorporated Pierce County; and

WHEREAS, the Pierce County Council approved the City's application authorizing a ten-year water franchise agreement with the City in October of 2024;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1: Signature Authorized. The Mayor is hereby authorized to sign the attached ten-year water franchise agreement with Pierce County.

PASSED BY THE CITY COUNCIL this 10th day of December 2024.

Terry Carter, Mayor

AUTHENTICATED:

Sadie A. Schaneman, CMC, City Clerk

City of Bonney Lake, Washington City Council Agenda Bill (AB)

| Agenda Item Type: Resolution | | Agenda Bill Number & Ordinance/Resolution/Motion Number: AB24-123 - Resolution R24-123 | | | | | | n Number: | |
|--|---|---|------------------|------------------------------|--------------|---|----|------------------|--|
| Department/Division Subm Public Services | Presenter: Jason Sullivan, Interim Public Services Director | | | | rector | City Strategic Goal Category: DON'T FILL OUT YET | | | |
| Agenda Subject: Pierce County Water Franchise Agreement. | | | | | | | | | |
| Full Title/Motion: A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Mayor To Sign A Ten-Year Water Franchise Agreement With Pierce County. | | | | | | | | | |
| Administrative Recommendation: None. | | | | | | | | | |
| Short Background Summary (Use a memo to write a full history): The City's Water Franchise Agreement Required To Construct, Operate, And Maintain The City's Water System Within Unincorporated Pierce County Expired In 2020. The City Applied For A New Agreement In Early 2024. The County Council Approved This Application And Granted A Ten-Year Franchise Agreement On October 24, 2024. The County's Standard Agreement Is Substantially Unchanged As Compared To The Agreement That Expired In 2020. The City Is Required To Accept The Franchise Agreement By December 24, 2024. If The Franchise Agreement Is Not Returned By This Date, The City Would Need To Reapply In 2025. The Franchise Agreement Is Required For The City To Once Again Be A Utility In Good Standing, Which Reduces The Cost Of Installing And Repairing Water Lines In The County For Both The City And Utility Customers In Unincorporated Pierce County. | | | | | | | | | |
| Attachments: Resolution R24-123 And Pierce County Water Franchise Agreement. | | | | | | | | | |
| BUDGET INFORMATION | | | | | | | | | |
| Budgeted Amount | Current B | alance | Expendi | ture Amoun | t Need | led | Bı | ıdgeted | Balance Difference |
| Budget Explanation: | | | | | | | | | |
| COMMITTEE, BOARD & COMMISSION REVIEW | | | | | | | | | |
| Public Hearing Date: | Naı | me Of Commit | tee/Com | mission Publ | ic Hea | ring Wa | 1 | | 1 |
| Date & Name Of Committee/ Commission Meeting | | o Committee/ ssion/Board | \mathbf{W}_{0} | ouncil orkshop cussion | Cons Ager | | | cil Full sues | Chair's Signature For Approval Of Next Steps |
| Date: 12/3/2024 Name: CDC | ☐ Yes | S | □ Y | es | | Yes | | Yes | Am for- Gr |
| Date: Name: | ☐ Yes | , | | | | ▼ 7 | | | |
| Date: | | | □ Y | es | | Yes | | Yes | |
| Name: | ☐ Yes | | | | | Yes | | Yes | |
| Name: Date: Name: | | 5 | | es | | | | | |
| Date: | ☐ Yes | 5 | □ Y | es | | Yes | | Yes | |
| Date: Name: | ☐ Yes | 8 | □ Y | es | | Yes | | Yes | |
| Date: Name: | ☐ Yes | 8 | □ Y | es | | Yes Yes | | Yes | |
| Date: Name: Hearing Examiner Review: | ☐ Yes | 8 | □ Y | es es L ACTION | aring] | Yes Yes | | Yes | |

Mayor:

Terry Carter

Date Reviewed By City Attorney (if applicable):

October 2, 2024

Department Director:

Jason Sullivan



PierceCountyWa.gov/PPW

Jen Tetatzin, PE, PMP - Director

November 5, 2024

Jason Sullivan
21719 96th Street East
Second Floor
Buckley, WA 98321
(253) 447-4355
sullivanj@ci.bonney-lake.wa.us

Dear Mr. Sullivan:

Enclosed is a copy of Pierce County Ordinance No. O2024-549s that grants City of Bonney Lake a nonexclusive franchise to construct, operate, and maintain a waterline system under and along Pierce County roads, highways, and other County property(ies) in Pierce County, Washington.

Your attention is directed to Section XIV (page 11 of 11) of Exhibit "A", which states that written acceptance of this franchise is to be filed with the Clerk of the Council within 60 days from the effective date of the franchise. Please have the appropriate person sign and fill in the signature block on the original signature page that is included in this mailing. Return the original signed page to our office by **December 1, 2024**.

Your company will be receiving a bill from Pierce County for publication charges for the Notice of Public Hearing and recording fees pertaining to this franchise. The Ordinance will be sent to the Auditor's Office for recording after the signature page is signed and returned, and the bill is paid.

If you have any questions, please contact me at (253) 208-8340.

Sincerely,

Tom McMillen

Engineering Technician 3 Right of Way & Utilities

Thomas c mamily

TM:lgc Enclosures

cc: Audrey Persons, Clerk of the Council

File

30

31

32 33

34 35 36

Sponsored by: Councilmember Dave Morell

Requested by: County Executive/Planning and Public Works Department

ORDINANCE NO. 02024-549s

An Ordinance of the Pierce County Council Granting a Nonexclusive Franchise to the City of Bonney Lake, for Location of Waterlines on Certain County-Owned Rights-Of-Way and Authorizing the County Executive to Execute Said Franchise.

Whereas, the City of Bonney Lake of Pierce County, Washington, has applied for a nonexclusive Franchise to construct, operate, and maintain a waterline system under and along Pierce County roads, highways, and other County property(ies) in Pierce County, Washington, as hereinafter set forth; and

Whereas, the proposed franchise is nonexclusive and does not establish a right, either expressly or implied, to the water purveyor to provide water service to properties located outside of their approved water service area. Furthermore, the request for this franchise is consistent with the Pierce County Coordinated Water System Plan (CWSP), provided that no extension of water service occurs without following the service area adjustment provisions outlined in the CWSP; and

Whereas, said application for the 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:



| 1 | Section 1. A nonexclusive Franchise, a copy of which is attached hereto and |
|----------|---|
| 2 | identified as Exhibit A, is hereby given and granted to the City of Bonney Lake of |
| 3 | Pierce County, Washington, hereinafter referred to as the Grantee, for a period of 10 |
| 4 | years, from and after the date of filing of the Franchise to be granted with the Clerk to |
| 5 | the Pierce County Council. |
| 6 | |
| 7 | Section 2. The City of Bonney Lake must indicate their full acceptance of this |
| 8 | Franchise and all its terms and conditions within 60 days from the effective date of the |
| 9 | Ordinance. Said acceptance is to be in writing and filed with the Clerk of the Pierce |
| 10 | County Council and shall be a condition precedent to the validity of said Franchise, |
| 11 | and unless the Franchise is accepted within such time, this grant of permission shall |
| 12 | be null and void. |
| 13 | |
| 14 | Section 3. The Executive of Pierce County is hereby authorized to execute said |
| 15 16 | Franchise. |
| 17 | PASSED this gt day of OCT OVEY, 2024. |
| 18 | , 17,0025 tillo, 202 tillo |
| 19 | ATTEST: PIERCE COUNTY COUNCIL |
| 20 | Pierce County, Washington |
| 21 | |
| 22 | |
| 23 | Fully support & Mr. W. 1900 |
| 24 | Audrey Persons Ryan N. Mello |
| 25 | Acting Clerk to the Council Council Chair |
| 26 27 | 1 th |
| 28 | Bruce F. Dammeier |
| 29 | Pierce County Executive |
| 30 | Approved, this |
| 31 | |
| 32 | Detect of Dublication of |
| 33 | Dates of Publication of |
| 34 | Notice of Public Hearing: august 28, 2024 am September 4, 2024 |
| 35 | Effective Data of Ordinary Act along 214 20214 |
| 36 | Effective Date of Ordinance: October 24, 2024 |
| 37 | December Newsheet |
| 38 | Recording Number: |
| 39 | D. J. D. Sandada |
| 40 | Date Recorded: |

20 21

22 23

26

33 34 35

36

37

32

38 39 40

41

In the Matter of the Application of the City of Bonney Lake of Pierce County, State of Washington, FRANCHISE for a Franchise to construct, operate, and maintain pipelines for a Water System under and along certain Public Roads and Highways in Pierce County, Washington

Application of the City of Bonney Lake of Pierce County, Washington, for a nonexclusive Franchise to construct and maintain water pipelines with appurtenances for a water system under and along 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 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 is, hereby given and granted the City of Bonney Lake of Pierce County, Washington, hereinafter called "Grantee" for a term of 10 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 water pipeline with appurtenances for a water system under and along public roads, highways, and other County property in Pierce County, Washington, as follows:

Sections 2, 3, 4, 5, 8, 9, 10, 11, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 33, 34 and 35, in Township 20 North, Range 5 East, W.M. All Pierce County roads in said Sections.

Sections 7, 18, 29, in Township 20 North, Range 5 East, W.M. All Pierce County roads in the East half of said Sections.

Section 36 in Township 20 North, Range 5 East, W.M. All Pierce County roads in the West half of said Section.

38

40

41

Sections 1, 2, 3, 4 in Township 19 North, Range 5 East, W.M. All Pierce County roads in said Sections.

Section 5 in Township 19 North, Range 5 East, W.M. All Pierce County roads in the South half of said Section.

Sections 8 and 9 in Township 19 North, Range 5 East, W.M. All Pierce County roads in the North half of said Sections.

1

In the construction and installation of water system appurtenances and the excavation of trenches on County roads for the purposes of laying relaying, connecting, disconnecting, and repairing mains and pipes and making connections between the same to dwellings and other buildings of the consumers, Grantee shall be governed by and conform to the general rules adopted by Pierce County Planning and Public Works, it is understood and agreed that Grantee is fully responsible for all such water system appurtenances within the limits of Pierce 18 County right-of-way (inclusive of any lines or appurtenances conveying water from 19 the Grantee); and Grantee, at no expense to the County, 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;

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 26 specifications for the restoration of the roads to the same condition as they were prior to such work; and

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, Pierce County Planning and Public Works 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.

Before any work is performed under this Franchise, which may affect any existing monuments or markers of any nature relating to section subdivisions, plats, roads, and all other surveys, Grantee shall reference all such monuments and markers in accordance with RCW 58.09.130 and WAC 332-130. A Permit to Remove or Disturb a monument will be prepared and submitted to the Department 42 of Natural Resources (DNR) and receive DNR approval prior to field activities

which may remove or disturb any monument. Said permit must be prepared and stamped by a Professional Land Surveyor licensed in the State of Washington. Upon replacement of said removed or disturbed monument a DNR Completion Report will be prepared and submitted to the DNR for final approval. The reference points shall be so located that they will not be disturbed during Grantee's operations under this Franchise. The method of referencing these monuments or other points to be referenced shall be approved by the County Engineer. The replacement of all such monuments or markers disturbed during construction shall be made as expeditiously as conditions permit, and as directed by the County Engineer. The cost of monuments or other markers lost, destroyed, or disturbed, and the expense of replacement with approved monuments shall be borne by Grantee.

13 14

A complete set of reference notes for monuments and other ties shall be filed with Pierce County Planning and Public Works.

15 16 17

18

19

20

21

22

The water mains and pipes shall be laid down as directed by the Engineer at a depth of not less than 36 inches below the surface of the ground under and along the County roads, and in such a manner as not to interfere unnecessarily with the construction of sewers and drains, or with the grading of County roads. All surface appurtenances to the water system shall be installed or constructed as approved by the Engineer.

III

23 24 25

26

27

28

29

30

31

32

33

34

35

36

37

38

All work done under this Franchise shall be done in a thorough and professional manner. In the laying of water pipes and conduits and the digging of ditches therefore. 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 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 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.

39 40 41

42

All abandoned underground utilities shall be removed from the right-of-way within 90 days from abandonment. The underground utility shall be considered

18 19

13

abandoned upon completion of the permitted work. In the abandonment of hazardous materials such as asbestos concrete pipe, the materials being removed will be in accordance with Chapter 296-65 of the Washington Administrative Code (WAC).

The County of Pierce, in granting this Franchise does not waive any rights that it now holds or may hereafter acquire and shall not be construed to deprive the County of Pierce 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 the County of Pierce, or its representatives may elect.

Grantee shall provide a certificate of insurance showing evidence of commercial general liability and property damage liability insurance that includes but is not limited to the operations of Grantee, Grantee's protective liability, products completed operation's coverage, broad form blanket contractual liability:

40

41 42

COVERAGES

Commercial General Liability Insurance Bodily Injury Liability

Property Damage Liability

LIMITS OF LIABILITY

\$2,000,000 Each Occurrence

\$250,000 Each Occurrence

or COMBINED SINGLE LIMIT COVERAGE OF \$2,000,000

The general requirements of the policy shall contain:

Pierce County is named as an additional insured in this Franchise, to applicable coverage.

In the event of nonrenewal, cancellation, or material change in the coverage provided, 30 days' written notice will be furnished to the County prior to the date of nonrenewal, cancellation, or change. Such notice shall be sent to the County Engineer, Pierce County Planning and Public Works, 2702 South 42nd Street, Suite 109, Tacoma, Washington 98409.

Pierce County has no obligation to report occurrences to the insurance companies unless a claim is filed with the County; and Pierce County has no obligations to pay premiums.

Grantee's insurance policies shall contain a "cross-liability" endorsement substantially as follows:

The inclusion of more than one Insured under this policy shall not affect the rights of any Insured with respect to any claim, suit, or judgment made or brought by or for any other insured or by or for any employee of any other Insured. This policy shall protect each Insured in the same manner as though a separate policy has been issued to each, except that nothing herein shall operate to increase Grantee's liability beyond the amount or amounts for which Grantee would have been liable had only one Insured been named.

Grantee's insurance is primary over any insurance that may be carried by Pierce County. Grantee agrees to provide proof of insurance each year to Pierce County.

1

2

3

4

5

Grantee agrees to defend, indemnify, and hold harmless Pierce County, its appointed and elected officials, its agents, and its employees, from and against all loss or expense arising out of any act, error or omission, or the exercise of any of the rights and privileges granted under this Franchise, including but not limited to, judgments, settlements, attorney's fees and costs, and any and all claims and demands upon the County, its elected or appointed officials, its agents, or its employees. Additionally, for damages because of personal or bodily injury including death at any time resulting therefrom, sustained by any person or persons, and for damages on account of damage to property, including loss of use thereof, where such injury to persons or damage to property is due to the negligence of Grantee, its contractors, its or their employees or agents, Grantee agrees to defend, indemnify, and hold harmless Pierce County, its appointed or elected officers, or its employees, or its agents, except only such injury or damage as shall have been occasioned by the sole negligence of Pierce County, its appointed or elected officials, or its agents, or its employees; and the Grantee expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, and this waiver has been mutually negotiated by the parties to this Franchise.

If the claim, suit, or action for injuries, death, or damages as provided for in this Franchise agreement is caused by or results from the concurrent negligence of (a) Pierce County or Pierce County's agents or employees; or (b) Grantee, or Grantee's agents or employees, the indemnity provisions provided for in this Franchise shall be valid and enforceable only to the extent of Grantee's negligence.

Grantee specifically and expressly waives any immunity under Industrial Insurance Title 51 RCW and acknowledges that this waiver was mutually agreed upon by the parties herein.

If, at any time, the County of Pierce shall vacate any County street, road or alley that is subject to rights granted by this Franchise, the Pierce County Council may, 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 the County of Pierce shall not be liable for any damages or loss to Grantee by reason of such termination.

If, during the term of this Franchise, Grantee acquires any rights to real property within the area of the Franchise as described herein, those rights shall be 3 | subordinate to the terms of this and any future Franchise agreements. The terms of this and future Franchises, including Section VII below, will govern the 5 respective rights and obligations between Grantee and the County with respect to 6 these newly acquired property rights, whether within existing or newly acquired right-of-way, regardless of the nature of the newly acquired rights.

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 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:

- Pierce County shall make available to Grantee a list of anticipated 1. projects for each new budget period as soon as is reasonably possible.
- Pierce County shall provide to Grantee two sets of preliminary plans 2. 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.
- 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 Planning and Public Works within four weeks of receiving the written request.
- 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.

- 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.
- 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.
- Relocation of Grantee's facilities shall be completed in a timely manner 7 defined as follows:

Relocation of Grantee's facilities shall normally be accomplished in advance of County Projects. 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.

- 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 deem 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, even if such damages and liability arise from the negligence of Pierce County, its employees, officers, officials, and agents.
- Grantee hereby indemnifies and holds harmless Pierce County, its 9. officers, officials, and employees, from damages that may arise from Grantee's failure to relocate its facilities in accordance with the dates for completion of relocation of facilities set forth above, or any other act or omission by Grantee, its contractor(s), agents, officers, or employees related to the provisions of this Franchise.

- It shall be conclusively presumed that Pierce County will have suffered 10. damages as a result of exercising its rights 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 twice the amount of the cost of such relocation of Grantee's facilities by Pierce County.
- 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 relocation work done by Pierce County is incomplete.
- In the event a lawsuit is brought by Pierce County against Grantee to collect damages presumed under Item 10 above for the exercise by Pierce County of its rights under Item 8 above, Grantee hereby agrees the only issue will be the actual cost to Pierce County for relocating Grantee's facilities. The party prevailing in such an action shall be allowed its legal fees and costs.

VIII

Grantee shall not sell, transfer, or assign this Franchise without first notifying the Pierce County Council. The terms and conditions set forth herein shall be binding on Grantee's successors and assigns unless amended by the Council of Pierce County.

IX

This Franchise is granted upon the further express condition that it shall not be an exclusive Franchise and shall not, in any manner, prohibit the County of Pierce 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 County Council, and this Franchise shall not in any way prevent the County of Pierce from using the County rights-of-way, or affect the jurisdiction over them, and every part of them by the County of Pierce with full power to make the necessary repairs, changes and alterations in the same and like manner as though this Franchise had never been granted.

Pierce County reserves for itself the right to so change, amend, modify, or 39 amplify this Franchise to conform to any State statute, order of the Washington 40 Utilities and Transportation Commission, or County regulation, ordinance, or right-41 of-way regulation, as may hereafter be enacted, adopted, or promulgated. This 42 Franchise may be terminated at any time upon 90 days written notice to Grantee

13 14 15

20 21 22

> 30 31 32

36 37

38

34

1 to terminate this Franchise if Grantee fails to comply with its terms and conditions, 2 or if Grantee fails to comply with such changes, amendments, modifications, or amplifications and upon termination Pierce County shall have a lien upon all 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.

Grantee agrees to and shall provide available financial information to the County upon reasonable request. Grantee agrees to and shall during regular business allow agents of Pierce County access for inspection and reproduction of all of Grantee's business records, gross revenue reports, or rules and regulations relevant to a determination of the gross revenues received by Grantee from the area served by the facilities permitted by this Franchise.

Furthermore, all Grantees 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 any said franchise.

X

In the event that the 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 authorities of said city or town shall have the right, to be exercised at their discretion, to acquire by purchase or condemnation, any part of such pipes, conduits, and water system other than transmission lines at a price to be based upon the reasonable value of the same at the time, without any additional value for the Franchise or any unexpired period thereof, and upon such acquirement, this grant and Franchise shall immediately terminate, only that portion to be incorporated.

XΙ

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

Any failure to render adequate service to the patrons of said water system, or the discontinuance of such water services without fault on the part of the patron 40 | or patrons involved, for a period of 30 days, shall work a forfeiture of this 41 | Franchise, at the discretion of the Pierce County Council, unless the failure should 42 result from causes beyond human control.

| 1 2 | XIII |
|----------|---|
| 3 | Venue and jurisdiction for any controversy arising from the Franchise shall be in Pierce County, Washington. |
| 5 | VIV. |
| 6 | XIV |
| 7 | Grantee shall provide full acceptance of this Franchise and all its terms and |
| 8 | conditions by filing a signed copy of the Franchise with the Clerk of the Pierce County Council within 60 days from |
| 9 | |
| 10 | This requirement shall be a condition precedent to the Franchise taking effect. If |
| 11 | Grantee does not provide a signed copy of the Franchise as set forth in this |
| 12 | Section, this Franchise shall be null and void. |
| 13 | Description DOW 20 FF 000 - convertable Franchise shall be recorded in |
| 14 | Pursuant to RCW 36.55.080, a copy of this Franchise shall be recorded in |
| 15 | the Office of the Pierce County Auditor. |
| 16 | DATED at Tacoma, Washington, this day of October, 2024 |
| 17 18 | DATED at Tacoma, Washington, this Today of, 20, 20, |
| 19 | |
| 20 | |
| 21 | Bruce F. Dammeier |
| 22 | Pierce County Executive |
| 23 | Thoros Southly Excountry |
| 24 | The City of Bonney Lake accepts and agrees to comply with all terms and |
| 25 | conditions of this Franchise. |
| 26 | Jan M A |
| 27 | - ayrela |
| 28 | Name / |
| 29 | 11 |
| 30 31 | Title |
| 32 | Tiue |
| 33 | |
| 34 | The City of Bonney Lake |
| 35 | The Oily of Borniey Lake |
| 36 | 12/10/24 |
| 37 | Date |
| | |