

**Memorandum of Understanding
Records of Facilities within the Franchise Area**

This Memorandum of Understanding ("MOU") is entered as of this ___ day of _____, 2018 ("Effective Date") by and between the City of Bellevue, a municipal corporation of the state of Washington (the "City") and Puget Sound Energy Inc., a Washington corporation ("PSE"), which are together referred to herein as the "Parties" and each individually as a "Party".

WHEREAS, the City and PSE have entered into a Franchise Agreement, Ordinance No. _____ (the "Franchise") which provides certain operating rights and privileges to PSE for use of the Franchise Area (as defined therein) pursuant to the terms, conditions and obligations of the Franchise; and

WHEREAS, PSE recognizes and acknowledges the City's desire to have reasonable access to available drawings with sufficient detail to show the approximate location of PSE's Facilities within the Franchise Area (as defined in the Franchise), for the City's use in management of the Franchise Area; and

WHEREAS, the City recognizes and acknowledges PSE's concern for security and liability relating to the release of such information, to third parties, and

WHEREAS, existing law subjects such information in the possession of the City to requirement(s) for public disclosure, and

WHEREAS, the Parties desire to work cooperatively to address their respective interests concerning such information with the intention to facilitate potential future amendment of the Franchise as it relates to this issue,

NOW, THEREFORE, it is hereby understood and agreed between the Parties as follows:

This Memorandum of Understanding is intended by the Parties to be supplemental to the Franchise to the extent it contains provisions intended to facilitate future amendment of the Franchise (Section 8.2) to provide for provision by PSE to the City of PSE's available drawings showing the approximate location of PSE's Facilities within and throughout the entire Franchise Area.

Unless specifically defined otherwise in this agreement, all defined terms herein will have the same meaning as when used in the Franchise.

This Memorandum of Understanding may be amended by mutual agreement of the Parties. Any amendments must be set forth in writing, signed by both Parties, and specifically state that it is an amendment to this Memorandum of Understanding.

This Memorandum of Understanding, as from time to time amended, will remain in full force and effect until the earlier of the amendment of the Franchise as contemplated by this Memorandum of Understanding, or the expiration of the Franchise, or the termination of the Franchise (as provided for therein and herein), unless sooner terminated by mutual agreement of the Parties.

The Parties agree that City access to available drawings showing the approximate location of PSE's Facilities within the Franchise Area is appropriate for the City's use in management of the

Franchise Area. The Parties agree to work together, cooperatively to facilitate such City access as follows.

1. The Parties will use their respective best efforts and in good faith mutually determine and pursue opportunities, as may be reasonably practicable, to achieve enactment of appropriate state legislation (and also federal legislation if appropriate) to exempt from public disclosure information concerning the location of PSE's Facilities within and throughout the Franchise Area.
2. Following the effective enactment of such legislation, the Parties intend and agree to amend the Franchise to provide for provision by PSE to the City of PSE's available drawings showing the approximate location of PSE's Facilities within and throughout the Franchise Area, consistent with such legislation. The Parties intend and agree that such amendment shall replace Section 8.2 of the Franchise substantially as follows:

“Upon the City's reasonable request (such requests not to occur more often than two (2) years apart), PSE shall provide to the City copies of available drawings in use by PSE showing the location of its Facilities within and throughout the Franchise Area. As to any such drawings so provided, PSE does not warrant the accuracy thereof and, to the extent the locations of Facilities are shown, such Facilities are shown in their approximate location. PSE shall provide such drawings within thirty (30) days of such request.”

Provided, however, such amendment shall be revised by mutual agreement of the Parties as may be required to conform with and be made consistent with any such legislation so enacted.

3. If, the Parties' best efforts notwithstanding, no appropriate legislation as contemplated by this Memorandum of Understanding has been enacted by December 31, 2021, the Parties agree that thereafter, upon the written request of the City, the Parties will, at a time and in a manner then mutually agreed by the Parties, enter into negotiations to amend the Franchise to address, to the extent then reasonably practical, the matter addressed by this Memorandum of Understanding.
4. In the event the Parties are unable to reach mutual agreement on amendment(s) to Section 8 (or other relevant sections) of the Franchise within 180 days after such negotiations commence, then the Parties agree that the City will have the right, notwithstanding any language in the Franchise to the contrary, at its option and by ordinance, to terminate the Franchise, effective eighteen (18) months from the effective date of such termination ordinance. In the event of such termination, the Parties hereby agree to enter into negotiations, at a time and in a manner then mutually agreed by the Parties, on a new franchise agreement to replace the terminated Franchise.
5. This Memorandum of Understanding and the respective commitments and rights of the Parties hereunder are in addition to any of the respective obligations of the Parties under the Franchise. Nothing in this Memorandum of Understanding will be deemed to alter any of the terms and conditions of the Franchise (including but not limited to Section 8 thereof), or the obligations of any Party under the Franchise, except as expressly provided for in this Memorandum of Understanding, nor shall it be construed to have waived any respective rights of the Parties under the Franchise.
6. Any dispute, disagreement or claim arising out of this Memorandum of Understanding must first be presented to and considered by the Parties. A Party who wishes to present such dispute, disagreement or claim will notify the other Party and pursue resolution of the dispute, disagreement

or claim pursuant to the Dispute Resolution process set forth in the Franchise. In the event the Parties are unable to reach an agreement, the parties are free to file suit, seek any available legal remedy, or agree to alternative dispute resolution methods such as mediation.

7. This MOU shall commence as of the Effective Date and remain in effect for the term of the Franchise unless terminated earlier by either of the Parties prior to the end of the Franchise.
8. Nothing in this MOU is intended to create any rights or interests as third-party beneficiaries. Each of the Parties reserve their right to terminate this MOU and to pursue remedies provided in the Franchise. Each of the Parties, reserves all their respective rights and interests with respect to the subject matter of this MOU. Any amendment shall be set forth in writing, signed by the Parties, and specifically state to what section or sections it is an amendment to this MOU.
9. This MOU and the Franchise sets forth the entire agreement of the Parties and supersedes any and all prior agreements of the Parties with respect to the subject matters hereof. The invalidity or unenforceability of any provision of this MOU shall not affect the other provisions hereof, and this MOU shall be construed in all respects as if such invalid or unenforceable provisions were omitted. This MOU shall be governed by and construed in accordance with the laws of the State of Washington.

Agreed and Accepted this _____ day of _____, 2018.

<p>CITY OF BELLEVUE</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p>	<p>PUGET SOUND ENERGY</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p>
<p>Approved as to form:</p> <p>_____</p> <p>BY: Monica Buck</p> <p>Assistant Bellevue City Attorney</p>	