UTILITY CROSSING AGREEMENT (FOR GRANT OF EASEMENT FOR 30-YEAR PERIOD)

THE STATE OF CALIFORNIA § § KNOW ALL MEN BY THESE PRESENTS: COUNTY OF LOS ANGELES §

That, for and in consideration of the payments herein provided and other valuable considerations, **TORRANCE PIPELINE COMPANY LLC,** a Delaware limited liability company, successor in interest to ExxonMobil Oil Corporation, a New York corporation, hereinafter called "Grantor," does hereby grant to THE DEPARTMENT OF WATER AND POWER OF LOS ANGELES, hereinafter called "Grantee," subject to the terms herein specified, the right to construct, maintain, operate, repair, and remove a (1) control cable duct bank herein after called "Facility", linking to the Grantee's Halldale Receiving Station, in the City of Torrance, California. Affected Parcel Number is 7351-021-031 as **approved in writing by Grantor in advance such approval shall not be unreasonably withheld** within the lands shown on Exhibit "A", hereinafter referred to as "Grantor's Easement", situated in County of Los Angeles, California. The combined gross area covered by this agreement is estimated to be 210 square feet.

<u>Term.</u> The rights herein granted shall continue in effect, subject to proper payment of the annual payment provided herein, from year to year, for a total period of Thirty (30) Years, beginning October 13, 2017, unless earlier terminated as hereinafter provided. Upon termination of this agreement, prior to the expiration of its full term or at the end of said Thirty (30) Year period, Grantee shall be obligated to remove said Facility from Grantor's Easement within the time hereinafter provided, unless prior to that time this agreement has been extended, or a new agreement in writing has been made with Grantor under the terms of which Grantee shall have the right to keep said Facility in Grantor's Easement for an additional period of time. It is understood that if, at the expiration of said term, Grantee should desire to extend the agreement for an additional period of time, Grantee shall notify Grantor in writing of its desire to extend rights hereunder. Upon such notification, Grantor shall provide to Grantee a new agreement extending the rights granted hereunder and based upon rates applicable at the time of renewal.

<u>Compensation.</u> In consideration of the rights in Grantor's Easement provided to Grantee hereunder and of future supervision and maintenance to be performed by Grantor within Grantor's Easement, Grantee agrees to pay to Grantor annually, in advance of the anniversary date of the signing of this agreement the following sums ("Rent"):

- 1. One-time payment of "Rent" in the amount of Four Thousand Dollars (\$4,000.00) for the period of October 13, 2017 through October 12, 2021.
- 2. Commencing October 13, 2021 through October 12, 2047, One Thousand and thirty Dollars (\$1,030.00) per year increased annually by 3%.

Provided Grantee notifies Grantor by Certified Mail or Commercial Courier of its desire to renew this agreement no later than 12 months prior to expiration date of this agreement, Grantor agrees to provide to Grantee a new agreement for the rights granted hereunder prior to the expiration of this agreement as stated above. If this Agreement's term expires and the parties are negotiating a renewal of this Agreement, the terms and conditions of this Agreement shall remain in effect until a new agreement is in place ("Holdover Period"). Compensation due under such Holdover Period shall be payable under the terms reference above at a rate of one hundred ten percent (110%) of the Rent as it stood on the last month of the Agreement's terms. Such rate shall continue until a new Agreement is executed between Grantor and Grantee. Payment during the Holdover Period shall not waive Grantor's right to immediately terminate this Agreement.

It is understood that each of said annual payments shall be paid by Grantee at the time said payment is due so long as said Facility is owned by Grantee and remains in Grantor's Easement. Failure of Grantee to make any payment on or before the date same becomes due shall result in the termination of Grantee's rights hereunder unless such payment, together with interest, shall be made within thirty (30) days after receipt of notice from Grantor that said payment was not received when due. All money past

due under the terms of this agreement shall bear interest from the date due until actually paid, at a rate equal to the lesser of (i) fifteen percent (15%) per annum or (ii) the maximum rate permitted by applicable law. All sums payable under the terms of this agreement shall be paid by mail to Grantor at the address hereinafter provided for Grantor.

In the event Grantee should fail to pay any money due under the terms of this agreement within thirty (30) days after being notified of its past due status,

Grantor shall have the option to terminate this agreement and Grantee shall immediately take action to remove its facilities From Grantor's Easement.

If agreement is terminated, Grantor will return any unused rents to Grantee within 45 days of termination.

Access and Construction. Grantee shall have the right of ingress and egress over and across Grantor's Easement from a public roadway or from lands owned or rightfully occupied by Grantor to and from Grantee's Facility within Grantor's Easement, provided that Grantee exercises said right of ingress and egress in a prudent fashion that does not create a risk of damage or injury to persons or property and does not interfere with other uses of Grantor's Easement.

Attached hereto as Exhibit "B" and made a part of this agreement are certain terms and provisions entitled Torrance Pipeline Excavation/Construction Restrictions" (herein sometimes called "General Conditions"). Grantee's rights shall be subject in all respects to the General Conditions, and Grantee agrees to comply with the General Conditions and all covenants and obligations of Facility owners as provided therein. Grantor shall have the right from time to time to revise, amend, change or make additions to the General Conditions in order to utilize newly developed technology with respect to prudent operation and maintenance of the Facility and/or Grantor's Easement, to comply with new or revised industry codes, to comply with valid rules and regulations promulgated by any governmental agency having jurisdiction, or as Grantor may reasonably deem necessary to enhance the safety and/or operating efficiency of Grantor's Easement. Grantor shall notify Grantee, in writing, should the General Conditions be revised, amended, or modified in any way. Grantee shall comply with such revised, amended, changed or added conditions within the period specified by Grantor, which shall be a reasonable period, based upon the nature and magnitude of such required revisions.

After said Facility is constructed and after every other period of work on Grantor's Easement by Grantee or any of its employees, agents, or contractors, Grantee shall fill all excavations and level the land affected by said construction so that said land will be, as nearly as practicable, in the same condition as existed immediately prior to the beginning of said construction or other work.

<u>Records and Reports.</u> With regard to LADWP's engineering-related records, Grantee shall upon the reasonable request of Grantor make Grantee's records regarding test results, reports and other documents concerning safety requirements imposed by the terms of this agreement and orders issued by any government entity having jurisdiction available for inspection by Grantor. Grantor shall have access, upon reasonable request, to such documentation for the purpose of verifying compliance with the terms of this agreement and for all other reasonable purposes.

Grantor reserves paramount rights in Grantor's Easement in all considerations affecting safety and optimum utilization of available space, and in these respects shall have the absolute right to disapprove any material or equipment or any construction, operation, or maintenance procedure deemed by it to be unsafe, in which event such material, equipment, or procedure which does not satisfy Grantor's reasonable minimum standards in this regard shall be revised to satisfy Grantor's standards.

Grantee shall be responsible for obtaining any necessary or appropriate permits to construct and operate its Facility all subject to the provisions of Exhibit "B."

<u>Use of Easement.</u> Grantor reserves the right to cross or to grant to others the right to cross Grantee's Facility with Facilities and other facilities. Grantee agrees to lower, raise, or otherwise adjust Grantee's Facility as may be necessary or appropriate to accommodate such crossing, provided that the owner of such crossing facility shall pay the necessary costs of same.

If Grantee's Facility at the aforesaid location should ever interfere with Grantor's use of Grantor's Easement, Grantor may, at Grantee's cost and expense, require Grantee to relocate its Facility from such location to another location within Grantor's Easement designated by Grantor, whereupon all rights herein granted shall attach to said Facility as relocated.

Indemnity. Grantee hereby releases Grantor from any liability for, and Grantee, its successors and assigns shall release, defend, indemnify and hold Grantor harmless from any liability, claims, loss, cost, expense, damage, injury or death arising out of the construction, maintenance, inspection, replacement, removal and/or use of said Facility or related facilities in Grantor's Easement, and Grantee hereby releases Grantor from any liability to Grantee for any loss, cost, expense or damage arising out of the operation or maintenance of Grantor's Easement by Grantor, its contractors, agents, employees or assigns ("Grantor Parties"); provided however, that this release and indemnification shall not apply to any such liability, claims, loss, cost, expense, damage, injury or death which results from the negligence or willful misconduct of Grantor Parties or to the prorata share of any such liability, claims, loss, cost, expense, damage, injury or death which results from the negligence.

Grantee understands that the Property may have been previously used for the transportation of petroleum products and may contain hazardous deposits and residues. Grantee further acknowledges that there may have been spills of wastes, crude oil, petroleum products, chemicals, produced water, or other materials in the past at or on the Property or in connection with Grantor's operation, and other wastes may have been placed at, on, or under the Property. In addition, the Property may contain asbestos in piping coating, undisplaced crude oil, coats of lead-based paints, chemicals, metals, Naturally Occurring Radioactive Material, and other materials, substances and contaminants. Grantee hereby releases Grantor from all liability for or in connection with the assessment, remediation, removal, transportation, and disposal of any such materials and associated activities in accordance with all relevant laws, rules, regulations, and requirements of governmental agencies to the extent the same are required, as a direct result of the activities granted to Grantee under this Agreement on or about the Property, including but not limited to the excavation and stockpiling of soil.

Insurance. Grantee shall carry and maintain inforce at least the following insurances and amounts:

a) Workers' Compensation and Employers' Liability

For all its employees engaged in performing Work, workers' compensation and employers' liability insurance or similar social insurance in accordance with applicable law which may be applicable to those employees.

b) Comprehensive General Liability

Its normal and customary comprehensive general liability insurance coverage and policy limits or at least \$2,000,000.00, whichever is greater, providing coverage for injury, death or property damage resulting from each occurrence.

c) Automobile Liability

Automobile liability insurance covering owned, non-owned and rented automotive equipment with policy limits of at least \$1,000,000.00 coverage for injury, death, or property damage resulting from each accident.

d) Excess Umbrella insurance over coverages afforded by the primary policies described above with a minimum limit of \$5,000,000

e) Additional Insured and Waiver of Subrogation

Grantee's insurance policy(ies) described above (except (a) Workers Compensation) shall: (1) cover Grantor and its affiliates as additional insureds in connection with the performance of work; and (2) be primary as to all other policies (including any deductibles or self-insured retentions) and self-insurance which may provide coverage. It is further agreed that Grantee and its insurer(s) providing coverage in this Section shall waive all rights of subrogation and/or contribution against Grantor and its affiliates. As an alternative to commercial insurance from Grantee, Grantor may approve, in its sole discretion, a program of self-insurance or self-insurance retention, meeting the following requirements:

- 1. The Grantor shall be provided the same defense of suits and payments of claims as would be provided by the first dollar of commercial insurance
- 2. A formal declaration to be self-insured for the type and amount of coverage indicated in this agreement. This can be in the form of a corporate resolution or a certified statement from an authorized representative of the Grantee.

The exact wording of the program of self-insurance shall be approved by the Grantor. The Grantor may, in its sole discretion and upon 60 days written notice to Grantee, rescind its approval of the program of Self-Insurance. In such case, the Grantee shall provide the insurance otherwise required by this Section before the expiration of the 60-day notice.

<u>Upon Removal of Facility.</u> Grantee shall be obligated to remove said Facility within ninety (90) days after termination of this agreement, in accordance with plans and procedures prepared by Grantee and approved by Grantor. In the event Grantee fails to properly remove said Facility from Grantor's Easement in accordance with the terms of this agreement, Grantor shall be entitled to either enforce specific performance of Grantee's obligation to remove said Facility or to treat the Facility as having been abandoned by Grantee and take possession of said Facility. It is agreed that Grantee's failure to remove the Facility in accordance with the terms of this agreement shall constitute an abandonment of Grantee's right, title and interest in the Facility, but shall not relieve Grantee of the obligation to remove the Facility. If Grantor elects to take possession of the Facility upon Grantee's abandonment thereof, Grantee shall execute such reasonable documentation as may be requested by Grantor to reflect Grantor's ownership of the Facility.

Grantee shall be relieved of liability for all payments accruing under this agreement at any time after Grantee has removed said Facility from Grantor's Easement or conveyed said Facility to Grantor or another party under the provisions hereof; but in no event shall Grantee be relieved of liability for any money or sums then due to Grantor, and no monies or sums theretofore paid shall be returned to Grantee.

Assignment or Transfer. The rights granted hereunder are and shall be personal to Grantee and shall not be in any way subrogated, assigned, or encumbered by virtue of, but not limited to, any sale, security, note, deed of trust, mortgage, or hypothecation, without the express written consent and agreement of Grantor. For purposes of this agreement, any attempt to in any way subrogate, assign, or otherwise encumber, the Facility itself while said Facility remains in Grantor's Easement without the express written consent of Grantor will be deemed an attempt to assign, subrogate, or otherwise encumber the rights herein granted, in violation of this agreement and such attempted assignment or subrogation shall be deemed null and void.

<u>Compliance.</u> In the event that Grantee fails to comply with any of the terms, covenants or conditions of this agreement or of the General Conditions, Grantor shall be entitled, at Grantor's option, to issue Grantee a written Notice of Noncompliance. If Grantee fails to eliminate any noncompliance with the terms, covenants or conditions of this agreement or of the General Conditions or to commence diligent efforts to eliminate such noncompliance within ninety (90) days following the delivery to Grantee of written notice of such noncompliance or fails to diligently pursue such efforts to completion, Grantor shall be entitled to issue Grantee a Notice of Termination of Agreement requiring Grantee to, in no less than six months from date of receipt by Grantee of said Notice, to remove Grantee's Facility from Grantor's Easement.

In the event that Grantee should fail to comply with any of the terms, covenants or conditions contained in this agreement or in the General Conditions, Grantor shall be entitled, but shall not under any circumstances be obligated, to take such action as may be necessary or appropriate to bring Grantee's Facility into compliance, and Grantee shall be obligated to compensate Grantor for all costs and expenses incurred by Grantor in taking such action, including normal and reasonable markups for payroll burden and overhead, attorneys' fees, plus interest at the rate provided hereinabove for money past due under the terms of this agreement. Except in the case of an emergency, Grantor shall not take

such action relative to Grantee's Facility without first giving Grantee notice and a reasonable period not to exceed ten days, to commence and diligently pursue to completion such cure.

<u>Subject rights.</u> The rights herein granted to Grantee are personal and do not constitute any interest in the surface of Grantor's Easement, except as herein otherwise provided, or in the minerals therein and thereunder, but only the right to construct, maintain, operate, repair, and remove the Facility together with the right of ingress and egress as above provided, subject to all of the provisions hereof.

The rights herein granted are expressly subject to all applicable valid and subsisting laws, ordinances, regulations, easements, restrictions, rights of way, conditions, exceptions, reservations, and covenants of whatsoever nature, either of record or evidenced by improvements on, or use of, the ground within Grantor's Easement.

<u>Notifications.</u> All notices and payments between the parties hereto shall be mailed through Certified Mail or Commercial Currier, to the following addresses or such other addresses as either party may designate in writing:

Grantor Notices: And payments:	Torrance Pipeline Company LLC Attn: Right of Way and Claims 12851 E. 166 th Street Cerritos, CA 90703
Grantee Notices:	Los Angeles Department of Water and Power Attention: Director of Real Estate 221 North Figueroa Street, Suite 1600 Los Angeles, CA 90012
With a copy to:	Office of the City Attorney Los Angeles Department of Water and Power 221 North Figueroa Street, 10 th Floor Los Angeles, CA 90012

Entered into this	day of	, 20
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IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below their respective signatures, but effective as the date first above written. 1

GRANTO

TOR: By:	TORRANCE PIPELINE COMPANY LLC
Print Name:	Miles Kajioka
Title:	Director, Western Region Logistics
Date:	8/10/2021

GRANTEE:

DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES BY BOARD OF WATER AND POWER COMMISSIONERS

APPROVED:

Andrew C. Kendall Senior Assistant General Manager – Power System Construction, Maintenance, and Operations

By: ____

MARTIN L. ADAMS General Manager and Chief Engineer

Date: _____

And: _____

CHANTE L. MITCHELL Board Secretary

APPROVED AS TO FORM AND LEGALITY MICHAEL N. FEUER, CITY ATTORNEY 122 BY JOHN A. CARVALHO DEPUTY CITY ATTORNEY

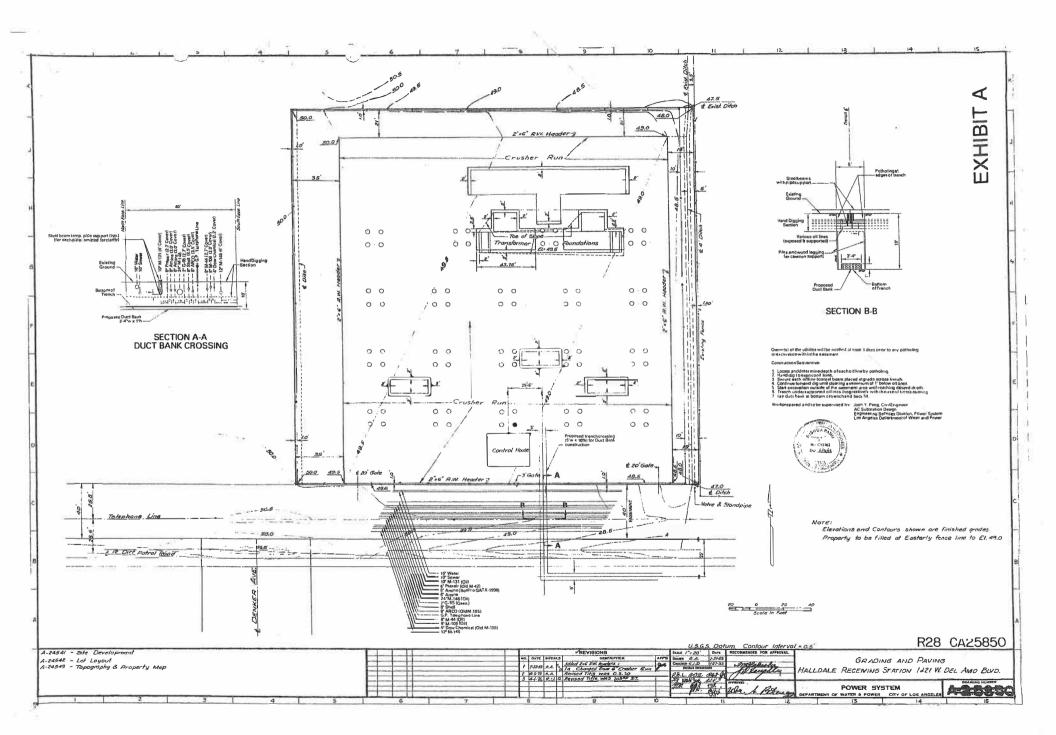


EXHIBIT "B" TORRANCE PIPELINE EXCAVATION/CONSTRUCTION RESTRICTIONS

In a continuing effort to provide a safe environment for persons working on or near our pipelines, Torrance Pipeline Company ("TPC") will require the following restrictions be applied to all work being performed near TPC's pipelines, unless exceptions are specifically agreed to inwriting by a TPC Field Supervisor.

The excavator is responsible for all damages resulting from the crossing and shall indemnify and hold TPC safe and harmless including personal injury and/or deaths of third parties and indirect and consequential damage such as loss of profits.

- 1. Contact the appropriate ONE CALL system(s) and TPC at least 48 hours before commencing work, or as required by regulations.
- No work may commence on TPC's ROW until a TPC representative has authorized it to begin. Notice of desired work start date should be given 48 hours in advance. A TPC representative will normally be onsite during excavation.
- 3. Construction of any roads, highways, or streets, or blasting within 500 feet of the pipelines will require an approved excavation/blasting plan.
- 4. Boring contractor's plans and specifications require TPC's approval prior to commencing work.
- 5. Guided bore crossings with a clearance of 10' or less will require the installation of peepholes on the incoming side of TPC's pipelines at the point of intersection as to view the drill stem clearance prior to crossing. Unguided bore crossings All require peepholes regardless of clearance.
- 6. No perpendicular digging will occur to initially expose the pipeline unless there are no other options.
- 7. Mechanical excavation will cease once the earth has been removed to within twenty-four inches of TPCs pipeline. Shovels will be used to manually clean the area above and below the line. After the line has been initially located, the line shall be kept visible to the equipment operator during the excavation process. Mechanical digging will not be allowed closer than 12 inches from the side and bottom of the pipeline after the line has been exposed per the above procedure.
- 8. No excavations shall be made on land adjacent to the pipeline that will in anyway impair or withdraw the lateral support and cause any subsidence or damage to the pipeline. Sheet piling may be required.
- 9. All construction must be done in accordance with applicable laws and regulations including, but not limited to, OSHA requirements for excavation and trenching and SCAQMD Rule 1166.
- 10. Excavator shall mark the area of proposed excavation in white (paint, stakes, etc).
- 11. New pipelines or utilities should cross TPC's pipelines with at least 24 inches of clearance. Crossings shall allow TPC's pipeline to be lowered in the future to obtain recommended depth for new construction. Any change in the surface grade or elevation over or along the pipeline(s) and right-of-way must be approved in advance.
- 12. Pipeline/Utility Crossings should be as close to 90 degrees to TPC's pipeline as possible, but not less than 45 degrees.
- 13. All non-steel crossings shall be encased across the width of TPC's easement.
- 14. Fiber optic cable and long distance carrier crossing should be cased across the width of TPC's easement or a minimum of 60 feet.
- 15. All backfill on TPC's easement shall be mechanically compacted to the top of the pipeline(s) after removal of water and trash. Only zero sack slurry, soil or sand shall be placed around pipeline or contact coating.
- 16. Temporary construction roads may be required to protect TPC's pipelines. TPC must approve equipment and vehicle crossing(s) on the easement.
- 17. Permanent above-ground markers identifying the crossing pipeline or utility shall be installed and maintained at the limits of TPC's easement and/or at the crossing.
- 18. If it is impractical to install and maintain above-ground markers due to the crossing location, plastic marker tape shall be installed below cultivation level and over TPC's pipeline, extending the width of the easement ora minimum of 60feet.
- 19. Fence posts, where permitted by TPC, shall not be placed within 2 feet of the pipeline(s). Utility poles and guys shall not be placed within 2 feet of the pipeline(s).
- 20. No trucks or heavy equipment are to cross the pipeline right-of-way without TPC's approval.
- 21. If TPC deems it necessary, the excavator shall install a bar across the teeth of the bucket during excavation.
- 22. If TPC's line is exposed during the excavation, the hole will be made safe for entry and left open until TPC installs test leads.
- 23. Excavator shall abide by all State and Federal safety rules and regulations. Excavator shall operate equipment that is in good working condition, conducive to a safe working environment, while working on or near TPC's facilities.