

**U.S. DEPARTMENT OF ENERGY
BONNEVILLE POWER ADMINISTRATION
AGREEMENT**

1. AGREEMENT NUMBER 19TP-11709	2. AGREEMENT EFFECTIVE FROM DATE IN BLOCK 4 UNTIL See Section 11 of the Division of Responsibilities Statement	3. AMENDMENT NO. -0-	4. EFFECTIVE DATE Same as Block #17
ISSUED TO		ISSUED BY	
5. ORGANIZATION AND ADDRESS City of Oregon City ATTN: Anthony J. Konkol III, City Manager 625 Center Street Oregon City, OR 97045-2253		6. ORGANIZATION AND ADDRESS U.S. Department of Energy Bonneville Power Administration ATTN: James B. Smith III – TPCC/TPP-4 P.O. Box 61409 Vancouver, WA 98666	
7. TECHNICAL CONTACT Dayna Webb	PHONE NUMBER (503) 974-5508	8. TECHNICAL CONTACT Meadow Nelson	PHONE NUMBER (360) 619-6230
9. ADMINISTRATIVE CONTACT Dayna Webb	PHONE NUMBER (503) 974-5508	10. ADMINISTRATIVE CONTACT Jay Largo	PHONE NUMBER (360) 619-6443

11. TITLE/BRIEF DESCRIPTION OF WORK TO BE PERFORMED UNDER THIS AGREEMENT

**CONSTRUCTION ACTIVITIES ASSOCIATED WITH THE CITY OF OREGON CITY'S
MEYERS ROAD EXTENSION PROJECT**

Background: The City of Oregon City (Oregon City) plans to build a Meyers Road extension across the Bonneville Power Administration's (BPA) right of way (ROW) passing underneath BPA's Ostrander-Pearl No 1 500 kV line between structures 10/6 and 11/1, and BPA's Big Eddy-Chemawa No 1 230 kV line between structures 81/6 and 82/1. During engineering review of Oregon City's Land Use Review Request (LURR) it was determined that the Ostrander-Pearl No 1 500 kV line would need to be raised in order to meet National Electrical Safety Code standards and mitigate violation of the < 5 kV/m e-field requirement that would occur with construction of the proposed Meyers Road extension. Preliminary engineering and design work has been performed under Agreement No. 18TP-11449, which identified the plan of service as relocating and raising structure 10/6 on the Ostrander-Pearl No 1 500 kV line and removing insulator bells on the Big Eddy-Chemawa No 1 230 kV line, as required.

This Reimbursable Agreement (Agreement) between BPA and Oregon City provides for BPA, at Oregon City's expense, to complete design work, environmental review, and construction activities necessary to accommodate Oregon City's Meyers Road extension project across BPA's ROW underneath the Ostrander-Pearl No 1 500 kV line and the Big Eddy-Chemawa No 1 230 kV line. Specific duties are defined in the attached Division of Responsibilities Statement.

The following documents are attached to and become a part of this Agreement:

- Division of Responsibilities Statement
- Financial Terms and Conditions Statement

12. AMOUNT TO BE PAID BY BPA \$-0-	13. AMOUNT TO BE PAID TO BPA \$379,873 (estimated)
14. SUBMIT SIGNED AGREEMENT TO U.S. Department of Energy Bonneville Power Administration ATTN: James B. Smith III – TPCC/TPP-4 P.O. Box 61409 Vancouver, WA 98666	15. ACCOUNTING INFORMATION (<i>For BPA Use Only</i>)
	16. SUBMIT INVOICE TO (<i>Name and Address</i>) Same as Block #5 above.
PARTICIPANT	BPA
17. APPROVED BY (<i>Signature</i>) DATE (<i>mm/dd/yyyy</i>)	18. APPROVED BY (<i>Signature</i>) DATE (<i>mm/dd/yyyy</i>)
NAME AND TITLE City Manager	NAME AND TITLE Manager, Customer Service Engineering

DIVISION OF RESPONSIBILITIES STATEMENT

BPA and Oregon City hereby agree as follows:

1. DIVISION OF RESPONSIBILITIES

(a) BPA shall, at Oregon City's expense:

- (1) Perform environmental review as described under Section 4 below.
- (2) Design, relocate and raise one 500 kV steel transmission line structure, number 10/6 on the Ostrander-Pearl No 1 500 kV line.
- (3) Coordinate and establish the necessary provision with the area's Utility Locate Services at least a minimum of 72 hours prior to construction commencing.
- (4) Provide and construct new concrete footings for structure 10/6, 100' back on line towards North East.
- (5) Remove and retire existing 7.5' structure legs from structure 10/6.
- (6) Provide and construct a 20' structure body extension, and new 32.5' legs to raise the height of structure 10/6 from from existing 67.5' height to new 112.5' height.
- (7) Modify conductor hardware and properly sag the existing conductor according to BPA's sag standards.
- (8) Install Latchways fall protection on structure 10/6.
- (9) Remove the Big Eddy-Chemawa No 1 230 kV line insulator bells on suspension assemblies if deemed necessary during design between structures 81/6 and 82/1.
- (10) Retire any remaining materials upon completion of construction.

(b) Oregon City shall, at Oregon City's expense:

- (1) Provide the Meyers Road extension project plan and profile drawings of the proposed road crossing to BPA's transmission line designers. These drawings will be the basis of BPA's design.
- (2) Construct a new Meyers Road extension, with all roadwork associated activities only in accordance with plans approved by the LURR.

2. OWNERSHIP, OPERATION AND MAINTENANCE

- (a) BPA shall, at BPA's expense, continue to own, operate and maintain BPA's Ostrander-Pearl No 1 500 kV and Big Eddy-Chemawa No 1 230 kV transmission lines.
- (b) Oregon City shall, at Oregon City's expense, continue to own, operate and maintain its Meyers Road as described under this Agreement.

3. RELATED AGREEMENTS

The parties intend to enter into a separate Land Use Agreement relating to the facilities and equipment installed herein to document the respective ownership, operation and maintenance and access obligations which will continue beyond the life of this Agreement.

4. ENVIRONMENTAL COMPLIANCE

Upon execution of this Agreement the parties may proceed with all preliminary engineering and project management work. The performance of all construction work under this Agreement is contingent on BPA's completion of its environmental review process under the National Environmental Policy Act (NEPA), if applicable, as BPA shall determine. After completion of this process BPA will decide whether to proceed with the construction work and, if so, whether modifications to such work should be made based on the NEPA review. BPA reserves the right to choose any alternatives considered in the NEPA process, including the no-action alternative, and nothing in this agreement shall be construed as obligating BPA to proceed with construction work under this Agreement or to allow Oregon City to proceed with construction work under this Agreement before BPA has completed the NEPA review process and made a decision regarding how to proceed. If BPA decides that modifications to the construction work under this Agreement should be made, the parties shall modify their respective obligations under this Agreement to be consistent with such modifications.

5. PROJECT SCHEDULE

The estimated completion date for this project is September 1, 2020.

6. GOVERNING LAW

This Agreement shall be interpreted, construed and enforce in accordance with Federal Law.

7. AMENDMENTS

Except where this Agreement explicitly allows one Party to unilaterally amend a provision or revise an exhibit, no amendment or exhibit revision to this Agreement shall be of any force or effect unless set forth in a written instrument signed by authorized representatives of each Party.

8. ASSIGNMENT

This Agreement is binding on any successors and assigns of the Parties. Neither Party may otherwise transfer or assign this Agreement, in whole or in part, without the other Party's written consent. Such consent shall not be unreasonably withheld.

9. NO THIRD PARTY BENEFICIARIES

This Agreement is made and entered into for the sole benefit of the Parties, and the Parties intend that no other person or entity shall be a direct or indirect beneficiary of this Agreement.

10. UNCONTROLLABLE FORCES

The Parties shall not be in breach of their respective obligations to the extent the failure to fulfill any obligation is due to an Uncontrollable Force. “Uncontrollable Force” means an event beyond the reasonable control of, and without the fault or negligence of, the Party claiming the Uncontrollable Force that prevents that Party from performing its contractual obligations under this Agreement and which, by exercise of that Party’s reasonable care, diligence and foresight, such Party was unable to avoid. Uncontrollable Forces include, but are not limited to:

- (1) strikes or work stoppage;
- (2) floods, earthquakes, or other natural disasters; terrorist acts; and
- (3) final orders or injunctions issued by a court or regulatory body having competent subject matter jurisdiction which the Party claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court of competent subject matter jurisdiction.

Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic hardship of either Party shall not constitute an Uncontrollable Force. Nothing contained in this provision shall be construed to require either Party to settle any strike or labor dispute in which it may be involved.

If an Uncontrollable Force prevents a Party from performing any of its obligations under this Agreement, such Party shall: (1) immediately notify the other Party of such Uncontrollable Force by any means practicable and confirm such notice in writing as soon as reasonably practicable; (2) use its best efforts to mitigate the effects of such Uncontrollable Force, remedy its inability to perform, and resume full performance of its obligation hereunder as soon as reasonably practicable; (3) keep the other Party apprised of such efforts on an ongoing basis; and (4) provide written notice of the resumption of performance.

11. TERMINATION

This Agreement shall become effective upon execution by both parties and shall terminate upon full performance by both parties of their respective obligations set forth herein, but in no event shall the term of this Agreement exceed five years from its effective date.

FINANCIAL TERMS AND CONDITIONS STATEMENT

BPA's cost of performing the project at Oregon City's expense shall be the actual cost of doing the work specified in this Agreement, plus the following overhead rates, representing the indirect costs of the project office plus the contractual support costs of contract negotiation, billing and accounting functions, and contract management.

BPA Labor	57%
Materials/Supplies/Equipment	26%
Supplemental Labor and Service Contracts	57%
Construction, Survey and Turnkey Contracts	26%

Oregon City hereby agrees to advance \$379,873, the estimated project cost, to BPA upon execution of this Agreement. Payments made to BPA shall be held in an account established for this Agreement.

If BPA needs additional funds to complete the work at any time during performance of the project, BPA may request, in writing, for Oregon City to advance such additional funds to BPA for deposit in the account. Oregon City shall advance such additional funds within 30 days of BPA's written request, and BPA may temporarily stop work until Oregon City supplies the requested funds. If Oregon City does not advance such additional funds by the due date or, if at any time before completion of the project Oregon City elects to stop work under this Agreement, BPA has the right to cease all work and restore, as a cost to the project at Oregon City expense, government facilities and/or records to their condition prior to the beginning of work under this Agreement.

Within a reasonable time after completion of the project, or if this Agreement terminates because BPA has decided not to proceed after completing its NEPA review, BPA shall make a full accounting to Oregon City showing the actual costs charged against the account. BPA shall either remit any unexpended balance in the account to Oregon City or bill for any costs in excess of the deposits in the account. Oregon City shall pay any excess costs within 30 days of the invoice date (due date).

Payments not received by the due date will accrue interest on the amount due beginning the first calendar day after the due date to the date paid, at an annual interest rate equal to the higher of i) the prime rate (as reported in the Wall Street Journal in the first issue published during the month in which payment by Oregon City is due) plus 4 percent; or ii) such prime rate multiplied by 1.5.