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Fee: \$87.00

When Recorded, Return to:
PacifiCorp, Real Estate Management
825 NE Multnomah St. Suite 1700
Portland, OR 97232

NON-EXCLUSIVE EASEMENT

For value received, **PacifiCorp, an Oregon corporation** ("Grantor"), hereby grants to the **Klamath Irrigation District** ("Grantee") a non-exclusive easement (the "Easement") on, over, under and across a portion of Grantor's real property known as Klamath County, Oregon Tax Lots R-3909-02000-01000-000, R-3909-02000-01100-000, and R-3909-02000-01200-000 as described on **Exhibit "A"** attached hereto and by this reference incorporated herein (the "Property") on and subject to the following terms and conditions here within. Grantor and the Grantee may be referred to together as the "Parties" and singly as a "Party".

NOW, THEREFORE, Grantor and Grantee agree as follows:

1. LOCATION OF EASEMENT AREA. The easement area shall be limited to a portion of Property for a total width of 30-feet (20-feet on the North and East side of the existing ditch centerline, and 10-feet on the South and West side of the existing ditch centerline) and length of approximately 2,358.81-feet as depicted on **Exhibit "B"** attached hereto and by this reference incorporated herein ("Easement Area").

2. PERMITTED USE. Grantee shall use the Easement Area for the sole purpose of reconstructing operating, maintaining, repairing and inspecting an existing irrigation ditch and any spoils dredged from the existing ditch shall be placed on the North and East side of the existing ditch centerline (collectively, the "Permitted Improvements" or "Permitted Use"). Grantee's use shall not unreasonably interfere with Grantor's use of the Property.

A. Prior to reconstruction by Grantee, Grantee shall provide a written set of adequately detailed construction design plans (the "Plans") to Grantor. Grantee shall not commence construction upon the Property until Grantee receives written approval of the Plans from Grantor.

3. RIGHT OF ACCESS. Grantee shall have the right of reasonable ingress and egress to and from said Easement Area over and across the existing road surfaces on the Property, provided that such access does not materially interfere with Grantor's utility operations on the Property.

4. GRANTOR'S USE. Grantor expressly reserves to itself, its successors, assigns and invitees the right to use the Easement Area for any purpose that is not inconsistent with the purposes for which this Easement is granted, including the right to cross and re-cross the Easement Area with equipment, personnel, overhead or underground power lines, and access roads at any location or locations, and to grant or convey additional uses of the Easement Area to others for any purpose not inconsistent with the rights granted hereunder. Grantee acknowledges and agrees that portions of the Easement Area may be crossed by Grantor's heavy equipment, including, without limitation, vehicles in excess of fifty (50) tons and that said use is not inconsistent with the rights granted hereunder. Grantor shall have no liability to Grantee in connection with any damage resulting from said use.

5. USE OF GRANTOR'S REMAINING PROPERTY. This Easement shall impose no restrictions upon Grantor's use of Grantor's Property outside the Easement Area ("Grantor's Remaining Property"). Any uses of Grantor's Remaining Property, including but not limited to uses for electricity generation, transmission or other utility purposes, shall not be deemed to interfere with Grantee's uses under this Easement. Any use by Grantee of Grantor's Remaining Property shall be strictly limited to access as expressly provided in this Easement. Except with regard to such access rights, this Easement confers no secondary rights upon Grantee with respect to Grantor's Remaining Property.

6. COMPLIANCE WITH LAWS. Grantee shall comply with all federal, state and county laws, ordinances or regulations relating to Grantee's Permitted Use, including but not limited to sanitary and environmental laws, ordinances, rules and orders of appropriate governmental authorities. Grantee will not store materials for extended periods or refuel vehicles or equipment on Grantor's Property or the Easement Area. The use of hazardous materials is strictly prohibited on Grantor's Property and the Easement Area.

7. SAFETY AND HEALTH/ACCIDENT AND DAMAGE PREVENTION. Grantee shall be solely responsible for being aware of and initiating, maintaining and supervising compliance with all safety laws, regulations, precautions and programs in connection with the performance of Grantee's Permitted Use hereunder. Prior to the start of any Permitted Use under this Easement, Grantee shall ensure that each of its own employees, together with all employees of its subcontractors of any tier, are fully informed concerning all safety, health, and security regulations pertaining to their Permitted Use. Grantee shall conduct all operations under this Easement in such a manner as to avoid the risk of bodily harm to persons or risk of damage to any property. In the event Grantee fails to promptly correct any violation of safety or health regulations, Grantor may choose to suspend all or any part of Grantee's rights with regard to the Permitted Use hereunder.

Grantee shall adhere to the requirements of the National Electrical Code ("NEC"), the National Electrical Safety Code ("NESC"), the Occupational Safety and Health Act ("OSHA"), all of which are incorporated by reference, any governing authority having jurisdiction over the subject matter, and any other safety requirements Grantor may require. Where difference in specifications may exist, the more stringent shall apply. All requirements of the NESC referred to in this Easement shall mean the current edition of such code and shall include any additional requirements of any applicable federal, state, county or municipal code or regulatory agency.

8. MAINTENANCE. Grantee shall be responsible for the repair, maintenance and upkeep of Grantee's Permitted Improvements and the Easement Area in a manner consistent with applicable laws and regulations and best industry practice applicable to improvements that are in the nature of the Permitted Improvements in the Klamath County area at Grantee's sole cost and expense. Grantor shall have no obligation to repair or restore any damage caused by Grantor's use of the Grantor's Property except that Grantor shall use reasonable care to avoid substantial damage to the access road and in the event Grantor causes substantial damage, it shall repair the same at Grantor's cost. In the event Grantee causes damages to the access road on Grantor's Property, Grantee shall repair the same to its prior condition at Grantee's sole cost. In the event of Grantee's failure to perform such repairs, Grantor may conduct the repair and Grantee shall reimburse Grantor for its actual costs.

9. WATER RIGHTS. Grantee acknowledges that this Easement grants no right to the use of water from any source and that it is Grantee's responsibility to insure that there is adequate water for Grantee's needs.

10. RELEASE AND INDEMNIFICATION.

A. Grantee agrees to indemnify, defend and hold harmless Grantor and Grantor's affiliated companies, officers, directors, shareholders, agents, employees, successors, and assigns (collectively, the "Indemnified Parties"), from and against all liabilities, claims, damages, liens, fines and penalties (including court costs, attorneys' fees, and litigation expenses including costs/fees arising from appeals of lower court judgments) directly or indirectly arising from or caused by (i) a breach by Grantee of any provision of this Easement, (ii) Grantee's use and occupation of the Property, (iii) any act or omission of Grantee on the Property, or (iv) any act or omission of any contractor retained by Grantee, or anyone directly or indirectly employed by them, or anyone authorized by Grantee to control or exercise control over Permitted Use on the Property, except to the extent caused by the negligence or willful misconduct of the Indemnified Parties. This indemnification provision shall apply to all theories of recovery, including breach of contract or warranty, negligence, and strict or statutory liability. In the event any indemnified claim is caused by the joint or concurrent negligence of the Grantor and Grantee, Grantee shall lead the defense but shall indemnify Grantor only in proportion to Grantee's own negligence or liability. Accordingly, Grantee may be entitled to reimbursement in amounts that are proportionate to Grantor's liability as is determined in any final judgment. The indemnity provisions herein shall survive termination of this Agreement.

B. All personal property and fixtures located by Grantee within the Easement Area shall be maintained and used at the risk of Grantee.

11. INSURANCE. Without limiting any liabilities or any other obligations of Grantee, Grantee shall, prior to commencing Permitted Use, secure and continuously carry with insurers having an A.M. Best Insurance Reports rating of A-VII or better such insurance as will protect Grantee from liability and claims for injuries and damages which may arise out of or result from Grantee's operations under the Contract and for which Grantee may be legally liable, whether such operations are by Grantee or a Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Grantee shall insure the risks

associated with the Permitted Use and this Easement with minimum coverages and limits as set forth below:

Workers' Compensation. Grantee shall comply with all applicable workers' compensation laws and shall furnish proof thereof satisfactory to Grantor prior to commencing Permitted Use. If Permitted Use is to be performed in Washington or Wyoming, Contractor will participate in the appropriate state fund(s) to cover all eligible employees and provide a stop gap (employer's liability) endorsement. Coverage should also provide applicable federal regulations (including, without limitation, FELA, USL&H and the Jones Act).

Employers' Liability. Grantee shall maintain employers' liability insurance with limits not less than \$1,000,000 each accident, \$1,000,000 disease each employee, and \$1,000,000 disease policy limit.

Commercial General Liability. Grantee shall maintain commercial general liability insurance on the most recently approved ISO policy form, or its equivalent, written on an occurrence basis, with limits not less than \$1,000,000 per occurrence/\$2,000,000 general aggregate (on a per location and/or per job basis) and shall include the following coverages:

- a. Premises and operations coverage
- b. Independent contractor's coverage
- c. Contractual liability
- d. Products and completed operations coverage
- e. Coverage for explosion, collapse, and underground property damage
- f. Broad form property damage liability
- g. Personal and advertising injury liability, with the contractual exclusion removed
- h. Sudden and accidental pollution liability, as applicable

Business Automobile Liability. Grantee shall maintain business automobile liability insurance on the most recently approved ISO policy form, or its equivalent, with a minimum single limit of \$1,000,000 each accident for bodily injury and property damage including sudden and accidental pollution liability, with respect to Grantee's vehicles whether owned, hired or non-owned, assigned to or used in the performance of the Permitted Use. If applicable, the automobile liability policy will include pollution liability coverage equivalent to that provided under the ISO Pollution Liability Broadened Coverage for Covered Autos endorsement (CA9948) and Motor Carrier Act endorsement (MCS90) shall be attached.

Umbrella or Excess Liability. Grantee shall maintain umbrella or excess liability insurance with a minimum limit of \$5,000,000 each occurrence/aggregate where applicable on a following form basis to be excess of the insurance coverage and limits required in employers' liability insurance, commercial general liability insurance and business automobile liability insurance above. Grantee shall provide Notice to Grantor, if at any time the full umbrella limit required under this Easement is not available, and will purchase additional limits, if requested by Grantor.

Grantor does not represent that the insurance coverages specified herein (whether in scope of coverage or amounts of coverage) are adequate to protect the obligations of Grantee, and Grantee shall be solely responsible for any deficiencies thereof.

Except for workers' compensation, the policies required herein shall include provisions or endorsements naming Grantor, its parent, divisions, affiliates, subsidiary companies, co-lessees, co-venturers, officers, directors, agents, employees, servants and insurers as additional insureds or loss payees, as applicable to specific insurance coverage. The commercial general liability additional insured endorsement shall be ISO Form CG 20 10 and ISO Form CG 20 37, or their equivalents.

To the extent of Grantee's negligent acts or omissions, all policies required by this Easement shall include: (i) provisions that such insurance is primary insurance with respect to the interests of Grantor and that any other insurance maintained by Grantor (including self-insurance) is excess and not contributory insurance with the insurance required hereunder; and (ii) provisions that the policy contain a cross liability or severability of interest clause or endorsement in the commercial general liability and automobile liability coverage. Unless prohibited by applicable law, all required insurance policies shall contain provisions that the insurer will have no right of recovery or subrogation against Grantor, its parent, divisions, affiliates, subsidiary companies, co-lessees or co-venturers, agents, directors, officers, employees, servants, and insurers, it being the intention of the Parties that the insurance as effected shall protect all of the above-referenced entities evidenced by waiver of subrogation wording.

A certificate of insurance shall be furnished to Grantor confirming the issuance of such insurance prior to commencement of Permitted Use by Grantee. Should a loss arise during the Term of the Easement that may give rise to a claim against Grantee and/or Grantor as an additional insured, Grantee shall deliver to Grantor (or cause to be delivered to Grantor) certified copies of such insurance policies. Grantee shall not cancel or reduce limits of liability without (i) ten (10) calendar days prior written Notice to Grantor if canceled for nonpayment of premium; or (ii) thirty (30) calendar days prior written Notice to Grantor if canceled for any other reason. Lack of notification shall be considered a material breach of this Easement.

Grantee shall require Subcontractors who perform Permitted Use at the Property to carry liability insurance (auto, commercial general liability and excess) and workers' compensation/employer's liability insurance commensurate with their respective scopes of Permitted Use. Grantee shall remain responsible for any claims, lawsuits, losses and expenses including defense costs that exceed any of its Subcontractors' insurance limits or for uninsured claims or losses.

12. ASSUMPTION OF RISK. Grantee acknowledges and agrees that its use hereunder is at its sole risk and that Grantor shall not be liable for damage to Grantee's improvements, property or equipment resulting from Grantor's maintenance, construction or repair activities on the Property or within the Easement Area. Grantee further acknowledges and agrees that there are electrical facilities upon the Property which are dangerous to property and persons and therefore all necessary care and precautions shall be utilized upon the Property by Grantee, its contractors, employees, agents and representatives.

13. NOTICE. Any notice or other communication required by this Easement must be in writing and transmitted by United States mail, national express carrier (such as UPS or Federal Express) or by personal delivery to the following addresses, or such other address as any Party may, from time to time, designate for that purpose by providing written notice to all other Parties:

Grantor:

PacifiCorp
Attention: Real Estate Management
825 NE Multnomah Street, Suite 1700
Portland, Oregon 97232
Phone No. 503-813-5700

Grantee:

Klamath Irrigation District
6640 KID Ln
Klamath Falls, OR 97603
(541) 882-6661

14. EASEMENT PERPETUAL. The term of this Easement shall be perpetual; provided that, in the event Grantee defaults with respect to its obligations hereunder and fails to cure such default within thirty (30) days following written notice from Grantor, or Grantee abandons its Permitted Use of the Easement Area for a continue period of three (3) years, Grantor may elect to terminate this Easement in its sole discretion and Grantee shall promptly thereafter restore the Easement Area to its prior condition.

15. NO LIENS. Grantee shall pay when due, all expenses for all claims for Permitted Use done, services rendered, materials and other items furnished to the Permitted Improvements by or for Grantee. Grantee shall not permit any lien for moneys owing by Grantee to remain against the Easement Area or the Grantor's Property for a period of more than ten (10) days following the discovery of such lien by Grantee. Failure to remove any such lien within ten (10) days following the discovery shall be deemed an event of default hereunder. Further, Grantee shall defend, indemnify and hold Grantor harmless in connection with any claims arising from such liens.

16. COUNTERPARTS. This Easement may be signed in counterparts, each one of which is considered an original, but all of which constitute one and the same instrument. Said counterparts may be transmitted by one Party to the other by electronic mail.

17. WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES WAIVE ANY RIGHT TO A TRIAL BY JURY RESPECTING LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS EASEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED.

{Signatures on following pages}

IN WITNESS WHEREOF, this Easement shall be dated and effective upon the date of the last signature below:

GRANTOR

PACIFICORP, an Oregon corporation:

By: Curtis Brent Mansfield
Printed Name: Curtis Brent Mansfield
Its: Vice President, Transmission and Distribution Operations
Date: 6/22/16

REPRESENTATIVE ACKNOWLEDGEMENT

STATE OF OREGON

COUNTY OF MULTNOMAH

This instrument was acknowledged before me on this 22nd day of June, 2016,
by Curtis Brent Mansfield for **PacificCorp**, an Oregon Corporation.



Maggie Jean Hodny
Notary Public

My commission expires: 02/09/2019

GRANTEE

Klamath Irrigation District

By: *Brent A. Cheyne*
Printed Name: Brent A. Cheyne
Its: President
Date: June 9, 2016

REPRESENTATIVE ACKNOWLEDGEMENT

STATE OF OREGON

COUNTY OF Klamath

This instrument was acknowledged before me on this 9th day of June, 2016, by ---
---Brent A. Cheyne---, as President,
Representative Title of Representative Name of
of Klamath Irrigation District.

(Seal)

Linda Ann Seater
Notary Public
My commission expires: May 21, 2019

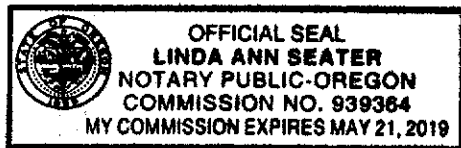


EXHIBIT A

Easement Area is located over a portion of the following described Property and more particularly depicted on Exhibit B.

Parcel 1:

The following described property in Section 20, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon:

All that portion of the following described tract, which lies South and East of the California Northeastern Railway right of way, to wit:

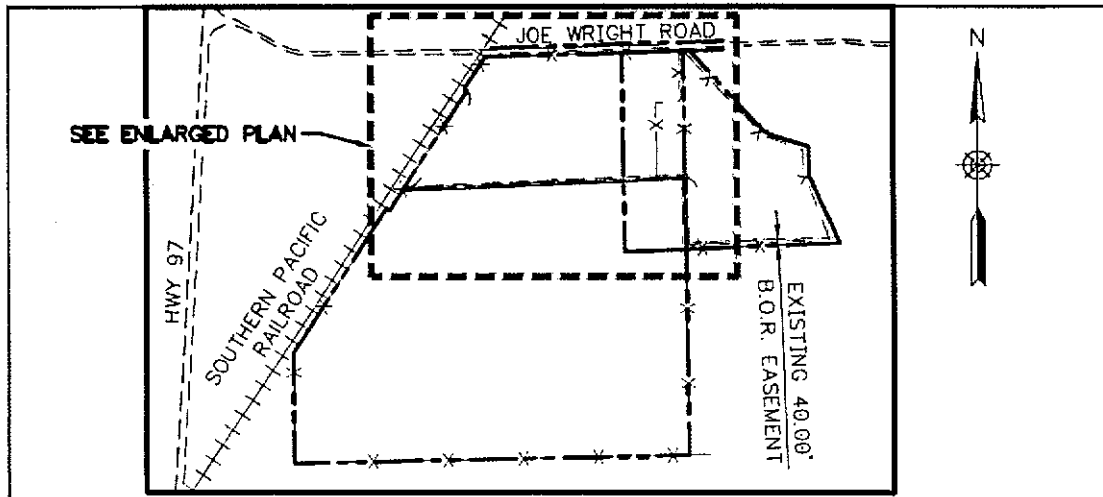
The SW1/4 NW1/4 and Lots 3, 4, 16 and 17 being the S1/2 NW1/4 and the N 1/2 SW1/4 Section 20, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

Parcel2:

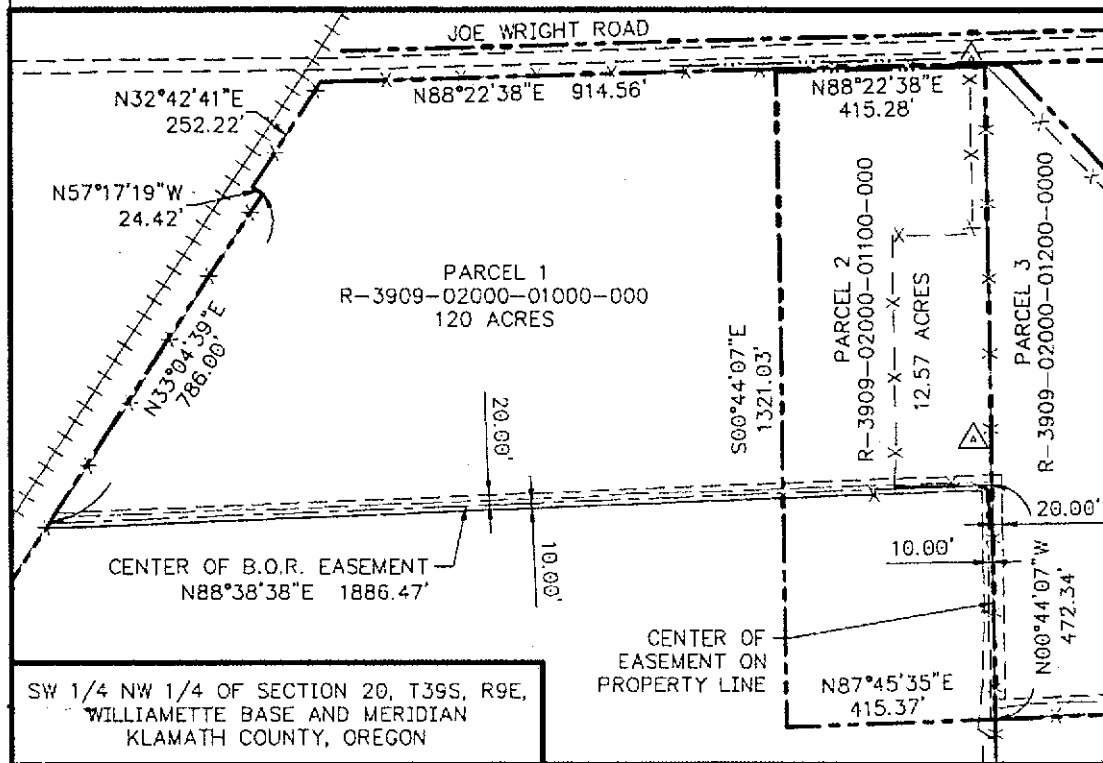
That portion of the SW1/4 NE1/4 of Section 20, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northwest corner of said SW1/4 NE1/4; thence along the centerline of the C-4-E Lateral South 41°48' East, 767.7 feet; thence on a curve to the left, with a radius of 193.2 feet, for an arc distance of 103.7 feet, with a long chord bearing and distance of South 57°21' 30" East 103.6 feet; thence South 72°55' East 217.1 feet; thence on a curve to the right with a radius of 146 feet for an arc distance of 20.6 feet with a long chord bearing and a distance of South 68°52'23" East 20.5 feet; thence along the centerline of the No. 1 Drain South 0°20' East 181.7 feet; thence South 22°40' East, 524.5 feet to a point on the South line of the NE 1/4 of said Section 20; thence along the South line of said NE 1/4, West 1028.9 feet; thence along the West line of said NE1/4 North 1365.1 feet to the point of beginning.

EXHIBIT B
Depiction of Easement Area



SITE PLAN



ENLARGED PLAN

NO.	DATE	REVISIONS	ENGINEER	DES./DR.	CHECKED	APPROVED
<div style="display: flex; justify-content: space-between;"> <div> <p>CIVIL</p> <p>DISCIPLINE ENG. PROJ/ENR 15047482</p> <p>PROJECT ENG. PL# 058137</p> <p>APPROVAL ENG. DATE: 06/29/2315</p> <p>ENG: G. HUNTING DES: G. HUNTING</p> <p>DR: G. HUNTING CH: G. HUNTING</p> <p>SCALE: NONE</p> </div> <div> <p>SNOW GOOSE SUBSTATION</p> <p>KLAMATH COUNTY, OREGON</p> <p>SITE PLAN</p> <p>B.O.R. EASEMENT EXHIBIT</p> </div> <div> <p>PACIFICORP</p> </div> </div>						
SHEET 1 OF 1			SK-062915.001		REVISION 8	