

**LICENSE AGREEMENT**  
**FOR INVASIVE INVESTIGATION ACTIVITIES**

This License Agreement for Invasive Investigation Activities (this “**License Agreement**”) is made and entered into this first day of November, 2016 (the “**Effective Date**”) by PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called “**PG&E**”, and the COUNTY OF SHASTA, a public body of the State of California, hereinafter called “**Licensee**.”

R E C I T A L S:

A. PG&E owns a portion of the real property surrounding the Pit River Bridge in Fall River Mills, Assessor’s Parcel Numbers 018-540-013, 018-540-021, 018-540-022, 018-540-023 and 018-550-004, State Board of Equalization Numbers 135-45-31A-2, 135-45-31B-1, 135-45-31B-2, 135-45-31B-3 and 135-45-31-6, hereinafter called the “**Property**”, located in the County of Shasta, State of California.

B. Licensee wishes to perform environmental, geotechnical and archaeological investigations on a portion of the Property as shown on **EXHIBIT “A”** attached hereto and by this reference made a part hereof (the “**License Area**”).

C. Licensee has requested permission for Licensee to enter the License Area and conduct certain tests and/or studies on the License Area as more fully described in this License Agreement and PG&E is willing to grant such permission subject to the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, PG&E and Licensee hereby agree as follows:

1. Testing. Subject to the terms and conditions set forth in this License Agreement, PG&E grants to Licensee a personal, non-exclusive and non-possessionary right and license to enter, and for Licensee to allow Licensee’s directors, officers, partners, members, managers, employees, contractors, subcontractors, consultants, representatives, agents, permittees and invitees (“**Licensee’s Representatives**”) to enter, at reasonable times, the License Area for the sole purpose of performing environmental, geotechnical and archaeological investigations, hereinafter referred to as “**Licensee’s Activities**”. All of Licensee’s Activities shall be performed at Licensee’s sole cost and expense. This License Agreement gives Licensee a license only and does not constitute a grant by PG&E of any ownership, leasehold, easement or other similar property interest or estate.

2. Fees. Licensee shall pay to PG&E a standard administrative fee of \$1,000 on or before the execution of this License Agreement by Licensee. This License Agreement shall not become effective until the license fee has been received.

3. Work Plan. Licensee shall discuss with PG&E any specific requirements for Licensee’s Activities on the Property, and shall prepare a work plan that incorporates such

requirements and that describes in detail and with specificity the nature, scope, location and purpose of all of Licensee's Activities to be performed on the Property, including, without limitation, methods and procedures for restoration of any alteration to the License Area, and a health and safety plan (the "**Work Plan**"). The Work Plan shall be accompanied by the following information: copies of any environmental reports and correspondence with environmental agencies that may be overseeing Licensee's investigations which pertain to the work being proposed by Licensee, a detailed description of the method of containing and disposing of any excavated or removed soil, water or other material, a list of the names of Licensee's Representatives who are to be authorized to enter the Property, a schedule of work, and the specific areas in which Licensee and Licensee's Representatives request access to conduct Licensee's Activities. The Work Plan will be submitted to Neal Rotlisberger, PG&E's Land Agent, at 3600 Meadow View Drive, Redding, CA 96002 (530) 246-6443. PG&E reserves the right to request Licensee to provide additional information, reports, studies or other documents not included in the Work Plan. Licensee acknowledges and agrees that PG&E's review of the Work Plan is solely for the purpose of protecting PG&E's interests, and shall not be deemed to create any liability of any kind on the part of PG&E, or to constitute a representation on the part of PG&E or any person consulted by PG&E in connection with such review that the Work Plan is adequate or appropriate for any purpose, or complies with applicable Legal Requirements, as defined herein. Licensee and Licensee's Representatives shall not enter the Property nor commence any activity whatsoever on the Property without the prior written consent of PG&E to the Work Plan as set forth above, which consent shall be in PG&E's sole and absolute discretion. Licensee agrees and covenants that all of Licensee's Activities shall be performed solely within the License Area and in strict accordance with the approved Work Plan.

4. Term; Termination; Surrender. This License Agreement shall be for a term of (6) six years commencing on the Effective Date of this License Agreement and expiring October 31, 2022, unless sooner terminated (the "Term"). Provided however, that PG&E may terminate this License Agreement, at any time, for any reason or no reason, including, without limitation, pursuant to the provisions of General Order No. 69-C of the California Public Utilities Commission (the "CPUC"), upon twenty-four (24) hours written notice to Licensee. Upon the expiration or termination of this License Agreement, Licensee shall remove all personal property of Licensee and Licensee's Representative's, remove all debris and waste material resulting from Licensee's Activities, and repair and restore the Property as nearly as possible to the condition that existed prior to Licensee's entry hereunder to PG&E's satisfaction,. Licensee shall bear the entire cost of such removal, repair and restoration, and PG&E shall have no liability for any losses or damages caused by or related to any termination of this License Agreement. In the event Licensee fails to comply with the requirements of this Section, PG&E may elect, at Licensee's sole cost and expense, to remove such personal property, debris and waste material and to perform such repair or restoration as necessary. Licensee shall pay such costs and expenses within ten (10) days after receipt of an invoice therefor. Licensee's obligations under this Section shall survive the expiration or termination of this License Agreement.

5. Conservation Documents.

(a) PG&E and Licensee hereby enter into this License Agreement with reference to the following:

(1) PG&E is a party to that certain Settlement Agreement (the "**Settlement Agreement**") as modified and approved by CPUC in its Opinion and Order of December 18, 2003 (Decision 03-12-035).

(2) In furtherance of the Settlement Agreement, and to provide additional detail regarding the implementation of the "**Land Conservation Commitment**" (defined below), the parties to the Settlement Agreement and other interested parties entered into that certain Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the "**Stipulation**").

(3) The Settlement Agreement and the Stipulation (collectively, the "**Governing Documents**") require PG&E to ensure that approximately 140,000 acres of watershed lands and approximately 655 acres of land located in the Carizzo Plains, all owned by PG&E (collectively, the "**Watershed Lands**"), including the License Area, are conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants; the preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses; and historic values. The obligations of PG&E with respect to the Watershed Lands are set forth in detail in Appendix E of the Settlement Agreement and in Section 12 of the Stipulation, and are defined therein as the "**Land Conservation Commitment**."

(4) Pursuant to the Governing Documents, the Pacific Forest and Watershed Lands Stewardship Council, a California non-profit public benefit corporation (the "**Stewardship Council**") was created to oversee and carry out the Land Conservation Commitment. In accordance with the Governing Documents, the Stewardship Council developed and adopted a land conservation plan (the "**LCP**") for protection of the Watershed Lands for the benefit of the citizens of California. The LCP includes, among other things, objectives to preserve and/or enhance the beneficial public values identified on each parcel of Watershed Lands.

(5) In addition to the LCP, the Stewardship Council is developing a disposition package for the License Area (the "**Disposition Package**") in order to carry out the objectives of the LCP with respect to the License Area.

(6) PG&E has agreed that, subject to (A) CPUC approval under California Public Utilities Code Section 851, (B) approval by the Federal Energy Regulatory Commission (the "**FERC**") for lands subject to its jurisdiction, and (C) certain other requirements provided in the Governing Documents, every parcel of the Watershed Lands, including the License Area, will be subject to a fee simple donation or donations and/or conservation easement or easements donated by PG&E to one or more public agencies or qualified non-profit conservation organizations.

(7) In furtherance of the foregoing, PG&E intends to grant a conservation easement or easements (the "**Conservation Easement**") over the License Area to one or more public agencies or qualified non-profit conservation organizations (the "**Easement Grantee**").

(8) Concurrently with the conveyance of the Conservation Easement, it is anticipated that the Easement Grantee and PG&E will enter into a land management plan (as initially adopted, and as the same may be modified and replaced from time to time, the "**Land Management Plan**") to preserve and enhance the beneficial public values present at the License Area.

(b) Licensee acknowledges and agrees that, except as expressly set forth

above, neither PG&E nor its officers, directors, employees or agents makes or has made any representations or warranties of any kind, express or implied, written or oral, as to the Governing Documents, the Land Conservation Commitment, the LCP, the Disposition Package, the Conservation Easement, the Land Management Plan, and the conveyances and agreements that PG&E may enter into pursuant to the foregoing (collectively, the "**Conservation Documents**"), the activities to be carried out pursuant thereto, or the potential physical, economic or other impact thereof on Licensee, the License Area, the rights and obligations of Licensee under this License Agreement or otherwise.

(c) Without in any way limiting PG&E's rights under Section 4 above, PG&E may terminate this License Agreement under Section 4 above, at any time, where PG&E determines such termination is or may be necessary or desirable to further the purposes of the LCP or the Land Management Plan. In addition, PG&E shall have the right to require modifications to Licensee's Activities to the extent necessary or desirable to preserve and enhance the beneficial public values present at the License Area in accordance with the Conservation Documents. Licensee acknowledges that, such modifications may result in Licensee being required to conduct, or refrain from conducting, certain activities currently permitted on some or all of the License Area and such modifications may materially impact Licensee economically and otherwise. In addition to the rights reserved under this License Agreement, PG&E and others permitted by the Conservation Documents shall have the right to temporarily or permanently construct on the License Area such new structures or other improvements as PG&E deems appropriate in PG&E's sole discretion to comply with the provisions of the Conservation Documents ("**LCP Facilities**"), and to reconstruct, maintain, operate and use the LCP Facilities. PG&E shall give Licensee at least thirty (30) days' prior written notice of PG&E's election to modify Licensee's use hereunder.

(d) If PG&E shall sell, convey or otherwise transfer fee title to the License Area, and assign the interest in this License Agreement concerning the License Area or any portion thereof, to one or more transferees, including, without limitation, any transfer or transfers described in this Section 5, PG&E shall thereupon be released from any and all covenants, liabilities and obligations (express or implied) on the part of PG&E under this License Agreement, accruing from or after the date of such sale, conveyance or transfer, and Licensee shall look solely to the transferee or transferees for performance of the obligations of PG&E under this License Agreement. This License Agreement shall not be affected by such sales, conveyances or transfers, except for such modifications set forth herein, and Licensee agrees to attorn to the transferee or transferees, such attornment to be effective and self-operative without the execution of any further instrument by the parties to this License Agreement. Under no circumstances shall PG&E be liable for any act or omission whatsoever of any Easement Grantee with regard to the Conservation Easement, the Conservation Documents or otherwise, as more specifically set forth in this Section 5. PG&E shall also have the right to reserve in any deed or by separate instrument, easements and other retained rights for PG&E's benefit upon any sale, conveyance or transfer of the License Area, or any portion thereof (the "**Reserved Easements**"), including, without limitation, easements and other rights of entry and use for the installation, replacement, use, operation, repair and maintenance of hydroelectric, water delivery and other existing or future facilities on the License Area or in connection with property in the vicinity of the License Area, for the investigation, remediation and mitigation of any Hazardous Materials and/or in connection with FERC requirements. Licensee hereby agrees that this License Agreement shall be subject to, and subordinate to, the Reserved Easements. Licensee agrees to take such reasonable actions, including but not limited to acknowledging, delivering or executing instruments and documents, as may be required to effectuate the purposes of this Section 5, and to further document the provisions of this License Agreement that will continue in effect between Licensee and PG&E, as a third party beneficiary.

(e) This Section 5 shall be self-operative and no further instrument of

subordination shall be required.

(LICENSEE TO INITIAL HERE \_\_\_\_\_)

6. Condition of the Property. Licensee accepts the Property "as is", in its existing physical condition, without warranty by PG&E or any duty or obligation on the part of PG&E to maintain the Property. Licensee acknowledges that one or more of the following (collectively, "**Potential Environmental Hazards**") may be located in, on or underlying the Property:

(a) electric and magnetic fields, electromagnetic fields, power frequency fields and extremely low frequency fields, however designated, whether emitted by electric transmission lines, other electrical distribution equipment or by any other means ("**EMFs**");

(b) Hazardous Substances (as hereinafter defined). For purposes hereof, the term "**Hazardous Substances**" means any hazardous or toxic material or waste which is or becomes regulated by Legal Requirements, as defined herein, relating to the protection of human health or the environment, including, but not limited to, laws, requirements and regulations pertaining to reporting, licensing, permitting, investigating and remediating emissions, discharges, releases or threatened releases of such substances into the air, surface water, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of such substances. Without limiting the generality of the foregoing, the term Hazardous Substances includes any material or substance:

(1) now or hereafter defined as a "hazardous substance," "hazardous waste," "hazardous material," "extremely hazardous waste," "restricted hazardous waste" or "toxic substance" or words of similar import under any applicable local, state or federal law or under the regulations adopted or promulgated pursuant thereto, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§9601 et seq. ("CERCLA"); the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §§6901 et seq.; the Clean Air Act, 42 U.S.C. §§7401 et seq.; the Clean Water Act, 33 U.S.C. §§1251 et seq.; the Toxic Substance Control Act, 15 U.S.C. §§2601 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §§136 et seq.; the Atomic Energy Act of 1954, 42 U.S.C. §§2014 et seq.; the Nuclear Waste Policy Act of 1982, 42 U.S.C. §§10101 et seq.; the California Hazardous Waste Control Law, Cal. Health and Safety Code §§25100 et seq.; the Porter-Cologne Water Quality Control Act, Cal. Water Code §§13000 et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act (Health and Safety Code §§25300 et seq.); and the Medical Waste Management Act (Health and Safety Code §§25015 et seq.); or

(2) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, and is now or hereafter regulated as a Hazardous Substance by the United States, the State of California, any local governmental authority or any political subdivision thereof; or

(3) the presence of which on the Property poses or threatens to pose a hazard to the health or safety of persons on or about the Property or to the environment; or

- (4) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or
- (5) which contains lead-based paint or other lead contamination, polychlorinated biphenyls ("PCBs") or asbestos or asbestos-containing materials or urea formaldehyde foam insulation; or
- (6) which contains radon gas;
- (c) fuel or chemical storage tanks, energized electrical conductors or equipment, or natural gas transmission or distribution pipelines; and
- (d) other potentially hazardous substances, materials, products or conditions.

Licensee shall take all necessary precautions to protect Licensee's Representatives from risks of harm from Potential Environmental Hazards, and Licensee shall be responsible for the health and safety of Licensee's Representatives. Licensee acknowledges that it has previously evaluated the condition of the Property and all matters affecting the suitability of the Property for the uses permitted by this License Agreement, including, but not limited to, the Potential Environmental Hazards listed herein.

7. Licensee's Covenants.

(a) Legal Compliance. Licensee agrees, at Licensee's sole cost and expense, promptly to comply, and cause all of Licensee's Representatives to comply, with (i) all laws, statutes, ordinances, rules, regulations, requirements or orders of municipal, state, and federal authorities now in force or that may later be in force, including, but not limited to, those laws which relate to the generation, use, storage, handling, treatment, transportation or disposal of Hazardous Substances or to health, safety, noise, environmental protection, air quality or water quality, (ii) the conditions of any permit, occupancy certificate, license or other approval issued by public officers relating to Licensee's Activities or Licensee's use or occupancy of the Property; and (iii) any liens, encumbrances, easements, covenants, conditions, restrictions and servitudes (if any) of record, or of which Licensee has notice, which may be applicable to the Property (collectively, "**Legal Requirements**") regardless of when they become effective, insofar as they relate to Licensee's Activities or the use or occupancy of the Property by Licensee. The judgment of any court of competent jurisdiction, or the admission of Licensee in any action or proceeding against Licensee, whether or not PG&E is a party in such action or proceeding, that Licensee has violated any Legal Requirement relating to the use or occupancy of the Property, shall be conclusive of that fact as between PG&E and Licensee. Licensee shall furnish satisfactory evidence of such compliance upon request by PG&E.

(b) Notification of Investigations, Orders or Enforcement Proceedings. Licensee agrees to notify PG&E in writing within three (3) business days after obtaining knowledge of any investigation, order or enforcement proceeding that in any way relates to the Property, or the occurrence of any contamination or suspected contamination on, within or underlying the Property. Such notice shall include a complete copy of any order, complaint, agreement, or other document that may have been issued, executed or proposed, whether draft or final.

(c) Use of Property. Licensee agrees that Licensee shall not in any way interfere or permit any interference with the use of the Property by PG&E. Interference shall include, but not be limited to, any activity by Licensee that places any of PG&E's gas or electric facilities in violation of any of the applicable provisions of General Order Nos. 95 (Overhead Electric), 112 (Gas), and 128 (Underground Electric) of the CPUC or of any other applicable provisions of the laws and regulations of the State of California or other governmental agencies under which the operations of utility facilities are controlled or regulated, including, but not limited to, the CPUC and the Federal Energy Regulatory Commission ("FERC"). Licensee shall not erect, handle, or operate any tools, machinery, apparatus, equipment, or materials closer to any of PG&E's high-voltage electric conductors than the minimum clearances set forth in the High-Voltage Electrical Safety Orders of the California Division of Industrial Safety, which minimum clearances are incorporated herein by reference, but under no circumstances closer than ten (10) feet from any energized electric conductors or appliances. Licensee shall not drill, bore, or excavate within thirty (30) feet of any underground facilities, including, but not limited to, gas pipelines, valves, regulators or electric conduits. Licensee shall provide notice to Underground Service Alert at 1-800-227-2600 at least two (2) business days prior to commencing any drilling, boring or excavating permitted hereunder to assist Licensee with locating any and all underground facilities, including, but not limited to, gas pipelines, valves, regulators or electric conduits.

(d) Procedure for Entry. Licensee agrees that at least ten (10) business days prior to any entry by Licensee or any Licensee Representative upon the Property, Licensee shall notify Neal Rotlisberger ("PG&E's Representative") at (530) 246-6443 so that a representative of PG&E may be present to observe Licensee's Activities to ensure safety and protection of PG&E's Property and compliance with the terms and conditions of this License Agreement. At the time of each such notification, Licensee shall inform PG&E's Representative whether a representative of the any governmental entity or agency will be present during the planned activities.

(e) Licensee's Activities. Licensee agrees that Licensee and Licensee's Representatives shall notify PG&E, as part of the Work Plan, of any potential safety, environmental or other hazards to PG&E employees or property arising out of, or associated with, Licensee's Activities or stemming from conditions caused by Licensee, so that PG&E may take appropriate precautions. Licensee agrees that Licensee shall conduct Licensee's Activities in compliance with the Work Plan approved by PG&E and in such a manner so as to protect the Property, PG&E's utility facilities, the environment, and human health and safety. Licensee shall not make use of the Property in any way which will endanger human health or the environment, create a nuisance or otherwise be incompatible with the use of the Property by PG&E or others entitled to use the Property. In the event PG&E determines that Licensee's Activities in any way endanger the Property, PG&E's utility facilities, the environment, or human health or safety, PG&E may, in PG&E's sole and absolute discretion, require that Licensee halt Licensee's Activities until appropriate protective measures may be taken to eliminate such endangerment to PG&E's satisfaction. Licensee waves any claims against PG&E resulting from any delay under this Section. PG&E's right to halt activities under this Section shall not in any way affect or alter Licensee's insurance or indemnity obligations under this License Agreement, nor shall it relieve Licensee from any of Licensee's obligations hereunder that pertain to health, safety, or the protection of the environment.

(f) Non-Interference. Licensee agrees to coordinate Licensee's Activities to strictly avoid any interference with PG&E's use of the Property and any adjoining lands owned by PG&E.

(g) Site Security. Licensee agrees that Licensee and Licensee's Representatives shall comply with any and all of PG&E's on-site safety and security requirements and any other rules and regulations that may be applicable to Licensee's Activities at the Property. Licensee agrees to cooperate with PG&E and to abide by any and all orders or instructions issued by PG&E, its employees, agents or representatives. PG&E reserves the right to restrict access to the Property in the event of fire, earthquake, storm, riot, civil disturbance, or other casualty or emergency, or in connection with PG&E's response thereto, or if emergency repairs or maintenance are required to PG&E's facilities, wherever located, or otherwise when PG&E deems it advisable to do so, including in connection with events and emergencies occurring or affecting PG&E's business operations located elsewhere than in the immediate vicinity of the Property.

(h) FERC Project. Licensee acknowledges that the Property was acquired for, and is devoted to, hydroelectric purposes by PG&E and is a part of the FERC Project No. 2687, and this License Agreement is made subject to the right of PG&E to use the Property for such purposes; and to use the Property whenever in the interest of PG&E's service to the public it shall be deemed necessary to do so. Licensee agrees that Licensee's use of the Property shall not endanger health, create a nuisance, or otherwise be incompatible with overall project recreational use.

8. Environmental Requirements.

(a) At Licensee's sole expense, Licensee shall provide PG&E with copies of the results of all analytical tests, photos, geological logs, and drafts of any and all reports ("Reports") generated as the result of Licensee's Activities as soon as they are available. PG&E shall have ten (10) business days to comment thereon. Thereafter, Licensee shall incorporate any and all of PG&E's reasonable comments into such Reports before such Reports are prepared in final form and before such Reports are provided to any other party or agency. Licensee shall provide PG&E with copies of any and all final Reports as soon as they are available. Unless disclosure is otherwise required under applicable law, Licensee shall keep confidential, and shall cause Licensee's Representatives to keep confidential, all Reports and all other written documents concerning the Property provided or developed pursuant to this License Agreement, including, but not limited to, any information provided by PG&E or received or prepared by Licensee in Licensee's independent factual, physical and legal examinations and inquiries respecting the Property (collectively, the "Confidential Information"), except that Licensee may disclose the same to Licensee's legal counsel and consultants, provided that Licensee obtains the agreement of such legal counsel and consultants to keep the Confidential Information confidential. Neither the contents nor the results of any Confidential Information shall be disclosed by Licensee or Licensee's Representatives without PG&E's prior written approval unless and until Licensee is legally compelled to make such disclosure. Licensee's obligations of this Section shall survive the expiration or termination of this License Agreement.

(b) Licensee shall be responsible for the clean up and remediation of any releases of Hazardous Substances resulting from Licensee's Activities, or any activity by Licensee



or Licensee's Representatives, and shall immediately report the details of any such releases to PG&E and to the appropriate regulatory agencies as required by any and all applicable law.

(c) PG&E shall have access to the Property and to the specific site locations of Licensee's Activities at all times. PG&E may take split samples of any air, soil or groundwater at its sole discretion but at its own expense. In the alternative, upon the request of PG&E, Licensee shall provide to PG&E split samples of any air, soil or groundwater sample collected from the Property by Licensee, and PG&E shall reimburse Licensee for the reasonable additional costs incurred by Licensee in providing such split samples.

9. Indemnification; Release.

(a) Licensee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless PG&E, its parent corporation, subsidiaries, affiliates, and their officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (each, an "Indemnitee" and collectively, "Indemnitees") from and against all claims, losses (including, but not limited to, diminution in value), actions, demands, damages, costs, expenses (including, but not limited to, experts fees and reasonable attorneys' fees and costs) and liabilities of whatever kind or nature (collectively, "Claims"), including Claims arising from the passive or active negligence of the Indemnitees, which arise from or are in any way connected with Licensee's Activities, or the entry on, occupancy or use of, the Property by Licensee or Licensee's Representatives, or the exercise by Licensee of Licensee's rights hereunder, or the performance of, or failure to perform, Licensee's duties under this License Agreement, including, but not limited to, Claims arising out of: (i) injury to or death of persons, including, but not limited to, employees of PG&E or Licensee (and including, but not limited to, injury due to exposure to EMFs and other Potential Environmental Hazards in, on or about the Property); (ii) injury to property or other interest of PG&E, Licensee or any third party; (iii) violation of any applicable federal, state, or local laws, statutes, regulations, or ordinances, including all Legal Requirements relating to the environment and including any liability imposed by law or regulation without regard to fault. Without limiting the generality of the foregoing, Licensee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold Indemnitees harmless from and against Claims arising out of or in connection with any labor performed on the Property by, or at the request or for the benefit of, Licensee. In the event any action or proceeding is brought against any Indemnitee for any Claim against which Licensee is obligated to indemnify or provide a defense hereunder, upon written notice from PG&E, Licensee shall defend such action or proceeding at Licensee's sole expense by counsel approved by PG&E, which approval shall be in PG&E's sole and absolute discretion.

(b) Licensee acknowledges that all Claims arising out of or in any way connected with releases or discharges of a Hazardous Substance, or the exacerbation of a Potential Environmental Hazard, occurring as a result of or in connection with Licensee's use or occupancy of the Property, Licensee's Activities or the activities of any of Licensee's Representatives, and all costs, expenses and liabilities for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remediation and other response costs, including attorneys' fees and disbursements and any fines and penalties imposed for the violation of any Legal Requirements relating to the environment or human health, are expressly within the scope of the indemnity set forth above. The purpose of the foregoing indemnity is to protect PG&E and the

Indemnites from expenses and obligations related to Hazardous Substances on the Property to the fullest extent permitted by law. The Licensee's obligation to defend includes, but is not limited to, the obligation to defend claims and participate in administrative proceedings, even if they are false or fraudulent.

(c) Licensee's use of the Property shall be at Licensee's sole risk and expense, and Licensee accepts all risk relating to Licensee's occupancy and use of the Property. PG&E shall not be liable to Licensee for, and Licensee hereby waives and releases PG&E and the other Indemnites from, any and all liability, whether in contract, tort or on any other basis, for any injury, damage, or loss resulting from or attributable to an occurrence on or about the Property.

(d) Licensee shall, to the maximum extent permitted by law, indemnify, protect, defend and hold Indemnites harmless against claims, losses, costs (including attorneys' fees and costs), liabilities and damages resulting from the failure of Licensee, or any of Licensee's consultants, contractors or subcontractors, to comply with the insurance requirements set forth in **EXHIBIT "B"**.

(e) The provisions of this Section 8 shall survive the expiration or termination of this License Agreement.

10. Additional Activities. Licensee shall not perform any activities or tests beyond Licensee's Activities specifically authorized by this License Agreement without the prior written consent of PG&E, which consent shall be in PG&E's sole and absolute discretion, and the prior consent, to the extent required by applicable Legal Requirements, of any governmental authority having jurisdiction, including, but not limited to, the CPUC or the FERC.

11. Reserved Rights. PG&E reserves the right to use the Property for any and all purposes, whatsoever, including, without limitation, the right to use the Property for such purposes as it may deem necessary or appropriate if, and whenever, in the interest of its service to its patrons or consumers or the public, it shall appear necessary or desirable to do so. Licensee shall not make use of the Property in any way which will endanger human health or the environment, create a nuisance or otherwise be incompatible with the use of the Property by PG&E or others entitled to use the Property.

12. Compliance; Safety; Insurance. Licensee shall obtain, at Licensee's sole cost and expense, any and all necessary permits, authorizations and approvals applicable to Licensee's Activities and to evidence compliance with all Legal Requirements. PG&E shall have a right to observe Licensee's Activities at any time to confirm Licensee's compliance with the requirements of this License Agreement and applicable Legal Requirements. Licensee shall procure, carry and maintain in effect throughout the Term of this License Agreement, with respect to the License Area and the use, occupancy and activities of Licensee and Licensee's Representatives on or about the License Area, in a form and with deductibles acceptable to PG&E and with such insurance companies as are acceptable to PG&E, the insurance specified in **EXHIBIT "B"** and by this reference made a part hereof. All policies shall contain endorsements that the insurer shall give PG&E and its designees at least thirty (30) days' advance written notice of any change, cancellation, termination, failure to renew or lapse of insurance. Upon Licensee's execution of this License Agreement, and thereafter at least thirty (30) days prior to the expiration date of any policy, Licensee shall provide PG&E with evidence of the insurance coverage, or continuing

coverage, as applicable, required by this License Agreement as more specifically set forth in **EXHIBIT "B"**. This License Agreement shall not become effective, and Licensee and Licensee's Representatives shall not enter the Property nor commence or conduct any activity whatsoever on the Property unless and until the insurance coverage required by this License Agreement is in effect and current proof of insurance has been provided to PG&E. Licensee is also responsible for the compliance of Licensee's consultants, contractors and subcontractors with the insurance requirements, provided that Licensee may, with PG&E's written consent in PG&E's sole and absolute discretion, permit Licensee's consultants, contractors and subcontractors to maintain coverages and limits lower than those specified, so long as the coverages and limits required by Licensee are commercially reasonable in light of applicable circumstances. Licensee's consultants, contractors and subcontractors shall not enter the Property nor commence any activity whatsoever on the Property without the insurance coverage required by this License Agreement being in effect and current proof of insurance having been provided to PG&E from each such consultant, contractor and subcontractor, respectively. The requirements of this Section and **EXHIBIT "B"** shall in no event limit the liability of Licensee under this License Agreement. PG&E reserves the right to review and modify from time to time the coverages and limits of coverage required hereunder, as well as the deductibles and/or self-insurance retentions in effect from time to time. In the event that Licensee or any of Licensee's Representatives fail at any time during the Term to procure, carry or maintain, the insurance required under this Section and **EXHIBIT "B"**, or fail to deliver such policies or certificates as required, PG&E may, at its option, (i) procure such policies for the account of Licensee and Licensee's Representatives, and the cost thereof shall be paid by Licensee to PG&E within five (5) days after delivery to Licensee of an invoice therefor, and/or (ii) terminate this License Agreement, upon written notice to Licensee, in which event Licensee shall immediately vacate the Property and comply with the provisions concerning the condition of the Property on expiration or termination set forth in Section 4 above. For so long as the Licensee hereunder is the County of Shasta, Licensee may elect to self-insure for any or all of the required coverage.

13. **Mechanics' Liens.** Licensee shall keep the Property free and clear of all mechanics' liens arising, or alleged to arise, in connection with any work performed, labor or materials supplied or delivered, or similar activities performed by Licensee or at Licensee's request or for Licensee's benefit. If any mechanics' liens are placed on the Property in connection with Licensee's use or activities, Licensee shall diligently pursue all necessary actions to remove such liens from title, either by payment or by recording a lien release bond in the manner specified in California Civil Code Section 8424 or any successor statute. Notwithstanding anything to the contrary set forth in this License Agreement, if any such lien is not released and removed within thirty (30) days, PG&E at its sole option, may immediately take all actions necessary to release and remove such lien, without any duty to investigate the validity thereof, and all sums, costs and expenses, including attorneys' fees and costs, incurred by PG&E in connection with such lien shall be due and payable by Licensee within thirty (30) days after receipt of a written demand therefor, accompanied by reasonable supporting documentation.

14. **Notices.** Any notices or communications hereunder shall be in writing and shall be personally delivered, or sent by first class mail, certified or registered, postage prepaid, or by national overnight courier, with charges prepaid for next business day delivery, addressed to the addressee party at the address or addresses listed below, or to such other address or addresses as

such party may from time to time designate in writing. Notices shall be deemed received upon actual receipt or refusal of the notice by the party being sent the notice.

If to PG&E by standard U.S. mail or by registered or certified mail, return receipt requested:

Manager, Hydro Support  
PG&E Hydro Support  
2730 Gateway Oaks  
Sacramento, CA 95833-3500

With a copy to:

Law Department  
Pacific Gas and Electric Company  
P.O. Box 7442  
San Francisco, CA 94120  
Attn: Lead Counsel, Environmental and Real Estate  
Telephone: (415) 973-7503

Land Agent  
PG&E Hydro Support  
3600 Meadow View Drive  
Redding, CA 96002  
Telephone: 530-246-6443

If to PG&E by personal delivery or overnight courier:

Manager, Hydro Support  
PG&E Hydro Support  
2730 Gateway Oaks  
Sacramento, CA 95833-3500

With a copy to:

Law Department  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B30A  
San Francisco, CA 94105  
Attn: Lead Counsel, Environmental and Real Estate  
Telephone: (415) 973-7503

Land Agent  
PG&E Hydro Support

3600 Meadow View Drive  
Redding, CA 96002  
Telephone: 530-246-6443

If to Licensee:

County of Shasta- Department of Public Works  
Attention: Brandon Magby  
1855 Placer Street  
Redding, CA 96002  
Telephone: (530) 225-5472

15. Governing Law. This License Agreement shall in all respects be interpreted, enforced, and governed by and under the laws of the State of California.
16. Entire Agreement. This License Agreement supersedes all previous oral and written agreements between and representations by or on behalf of the parties and constitutes the entire agreement of the parties with respect to the subject matter hereof. This License Agreement may not be amended except by a written agreement executed by both parties.
17. Binding Effect. This License Agreement and the covenants and agreements herein contained shall be binding on, and inure to the benefit of, the parties hereto and their respective heirs, successors and assigns, subject to the limitations on assignment set forth in this License Agreement.
18. Assignment. This License Agreement is personal to Licensee, and Licensee shall not assign, transfer, convey or encumber the license and other rights herein granted or any portion thereof or interest herein.
19. Attorneys' Fees. Should either party bring an action against the other party, by reason of or alleging the failure of the other party with respect to any or all of its obligations hereunder, whether for declaratory or other relief, and including any appeal thereof, then the party which prevails in such action shall be entitled to its reasonable attorneys' fees (of both in-house and outside counsel) and expenses related to such action, in addition to all other recovery or relief. A party shall be deemed to have prevailed in any such action (without limiting the generality of the foregoing) if such action is dismissed upon the payment by the other party of the sums allegedly due or the performance of obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment. Attorneys' fees shall include, without limitation, fees incurred in discovery, contempt proceedings, and bankruptcy litigation. The non-prevailing party shall also pay the attorney's fees and costs incurred by the prevailing party in any post-judgment proceedings to collect and enforce the judgment. The covenant in the preceding sentence is separate and several and shall survive the merger of this provision into any judgment on this License Agreement. For purposes hereof, the reasonable fees of PG&E's in-house attorneys who perform services in connection with any such action shall be recoverable, and shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the relevant subject matter area of the law, in

law firms in the City of San Francisco with approximately the same number of attorneys as are employed by PG&E's Law Department.

20. No Waiver. Any waiver with respect to any provision of this License Agreement shall not be effective unless in writing and signed by the party against whom it is asserted. The waiver of any provision of this License Agreement by a party shall not be construed as a waiver of a subsequent breach or failure of the same term or condition or as a waiver of any other provision of this License Agreement.

21. No Offsets. Licensee acknowledges that PG&E is executing this License Agreement in its capacity as the owner of real property, and not in its capacity as a public utility company or provider of electricity and natural gas. Notwithstanding anything to the contrary contained herein, no act or omission of PG&E or its employees, agents or contractors as a provider of electricity and natural gas shall abrogate, diminish, or otherwise affect the respective rights, obligations and liabilities of PG&E and Licensee under this License Agreement. Further, Licensee covenants not to raise as a defense to Licensee's obligations under this License Agreement, or assert as a counterclaim or cross-claim in any litigation or arbitration between PG&E and Licensee relating to this License Agreement, any claim, loss, damage, cause of action, liability, cost or expense (including, without limitation, attorneys' fees) arising from or in connection with PG&E's provision of (or failure to provide) electricity and natural gas.

22. No Dedication; No Third Party Beneficiary. Nothing herein contained shall be deemed to be a gift or dedication of the Property or portion thereof to the general public, or for any public use or purpose whatsoever. The right of the public or any person, including Licensee and Licensee's Representatives, to make any use whatsoever of the License Area or any portion thereof, other than as expressly permitted herein or as expressly allowed by a recorded map, agreement, deed or dedication, is by permission and is subject to the control of PG&E in its sole and absolute discretion. The provisions of this License Agreement are for the exclusive benefit of the parties and their successors and assigns, and shall not be deemed to confer any rights upon any person, except such parties and their successors and assigns, subject to the limitations on assignment set forth in this License Agreement. No obligation of a party under this License Agreement is enforceable by, or is for the benefit of, any other third parties.

23. Captions. The captions in this License Agreement are for reference only and shall in no way define or interpret any provision hereof.

24. Time. Except as otherwise expressly provided herein, the parties agree that as to any obligation or action to be performed hereunder, time is of the essence.

25. Severability. If any provision of this License Agreement shall be invalid or unenforceable, the remainder of this License Agreement shall not be affected thereby, and each provision of this License Agreement shall be valid and enforced to the full extent permitted by law, provided the material provisions of this License Agreement can be determined and effectuated.

26. Counterparts. This License Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument. Each Party shall be entitled to rely upon executed

copies of this License Agreement transmitted either by facsimile or a pdf version by email to the same and full extent as the originals.

27. Joint and Several Liability. If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) shall sign this License Agreement as Licensee, the liability of each such individual, corporation, partnership or other business association to perform Licensee's obligations hereunder shall be deemed to be joint and several, and all notices, payments and agreements given or made by, with or to any one of such individuals, corporations, partnerships or other business associations shall be deemed to have been given or made by, with or to all of them. In like manner, if Licensee shall be a partnership or other business association, the members of which are, by virtue of statute or federal law, subject to personal liability, then the liability of each such member shall be joint and several.

28. Survival. The waivers of claims or rights, the releases and the obligations of Licensee under this License Agreement to indemnify, protect, defend and hold harmless PG&E and other Indemnitees shall survive the expiration or earlier termination of this License Agreement, and so shall all other obligations or agreements of PG&E and Licensee hereunder which by their terms survive the expiration or earlier termination of this License Agreement.

29. Other Documents. Each party agrees to sign any additional documents or permit applications which may be reasonably required to effectuate the purpose of this License Agreement. Provided, however, that PG&E will not be required to take any action or execute any document that would result in any liability, cost or expense to PG&E.

30. Authority; Execution; Conditions to Effectiveness. The parties and the individuals executing this License Agreement on behalf of the parties, each represent, by executing this License Agreement, that he or she is duly authorized to do so and to bind the respective party to its terms. The submission of this License Agreement for examination or execution does not constitute an approval of the terms herein, or an offer to license the License Area in accordance with the terms and conditions contained herein, and this License Agreement shall not become effective unless and until it has been executed and delivered by both PG&E and Licensee, and Licensee delivers to PG&E the license fee as set forth in Section 2 above, and current proof of insurance for Licensee and its consultants, contractors and subcontractors as set forth in Section 12 above.

IN WITNESS WHEREOF, the parties have executed this License Agreement as of the date set forth below each signature, effective upon the Effective Date first written above.

"PG&E"

"Licensee"

PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

COUNTY OF SHASTA, a Public body of the  
State of California

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Pam Giacomini; Chairman

Its: \_\_\_\_\_

Date: \_\_\_\_\_

County of Shasta  
Board of Supervisors, State of California

Its: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBITS "A" and "B" attached

**ATTEST:**

**LAWRENCE G. LEES**  
**Clerk of the Board of Supervisors**

By \_\_\_\_\_  
Deputy

**APPROVED AS TO FORM:**

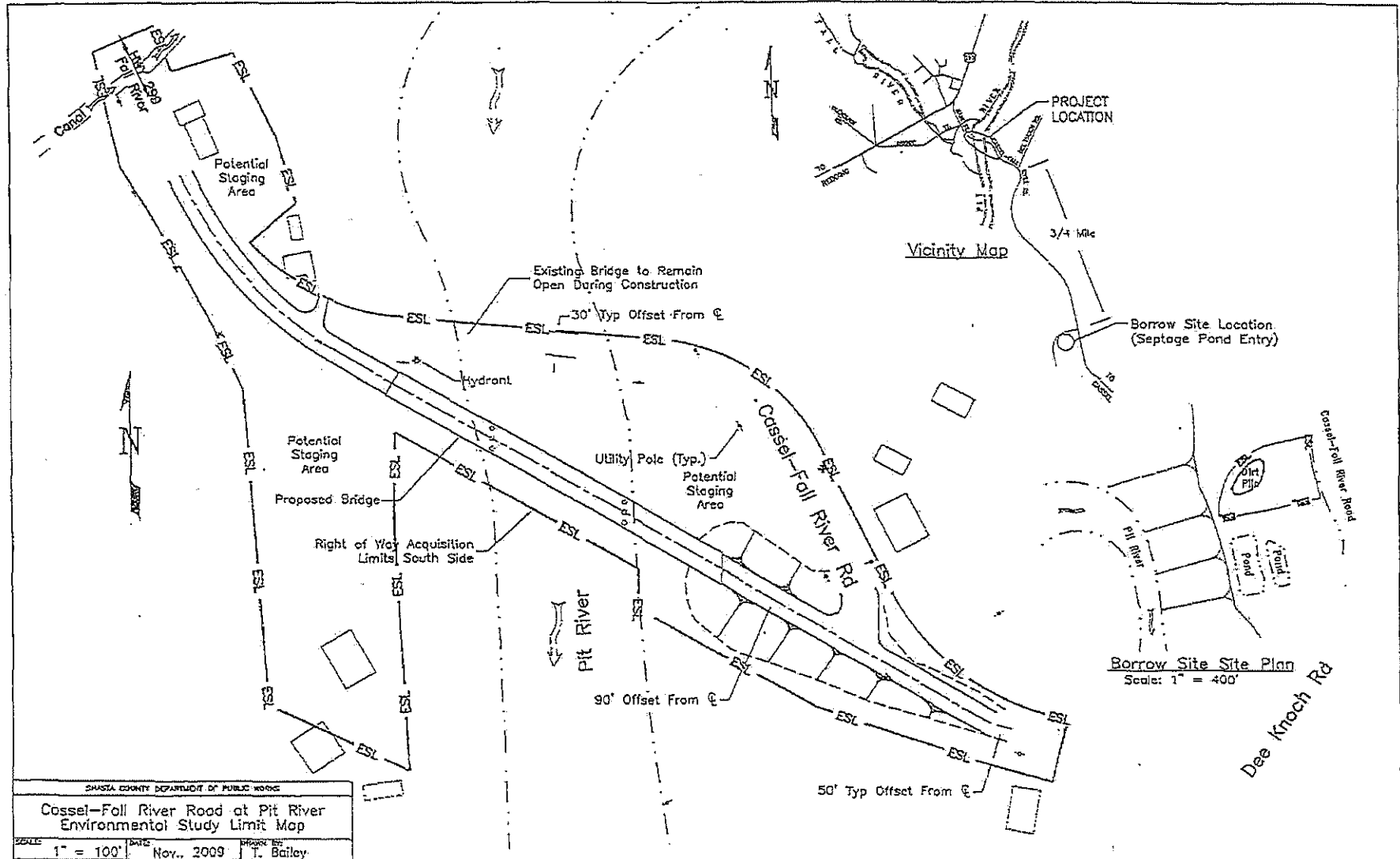
David M. Yorton, Jr. 10/6/16  
**DAVID M. YORTON, JR.**  
Senior Deputy County Counsel

**RISK MANAGEMENT APPROVAL**

BY: James Johnson 10/10/16  
James Johnson  
Risk Management Analyst



# EXHIBIT A



## EXHIBIT B

### INSURANCE REQUIREMENTS

Licensee shall procure, carry and maintain the following insurance coverage, and Licensee is also responsible for the compliance of Licensee's consultants, contractors and subcontractors with the insurance requirements:

#### A. Workers' Compensation and Employers' Liability

1. Workers' Compensation insurance or self-insurance indicating compliance with any applicable labor codes, acts, laws or statutes, state or federal.
2. Employers' Liability insurance shall not be less than One Million Dollars (\$1,000,000) each accident for injury or death.

#### B. Commercial General Liability

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability Coverage "occurrence" form, with no coverage deletions.
2. The limit shall not be less than Two Million Dollars (\$2,000,000) each occurrence/ Four Million Dollars (\$4,000,000) aggregate for bodily injury, property damage and personal injury. In addition, such insurance shall insure the performance by Licensee of its indemnity and other contractual obligations under the License Agreement.
3. Coverage shall (a) by "Additional Insured" endorsement add as insureds PG&E, its directors, officers, agents and employees with respect to liability arising out of work performed by or for the Licensee or any other obligation or liability under the License Agreement, and (b) be endorsed to specify that the Licensee's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute to it.

#### C. Business Auto

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, code 1 "any auto."
2. The limit shall not be less than Two Million Dollars (\$2,000,000) each accident for bodily injury and property damage.

#### D. Additional Insurance Provisions

1. Upon execution of the License Agreement, Licensee shall furnish PG&E with certificates of insurance and endorsements of all required insurance for Licensee.

**Invasive Investigation License (Rev. 11/2015)**

2. The documentation shall state that coverage shall not be changed, cancelled, terminated, failed to be renewed or lapsed, except after thirty (30) days prior written notice has been given to PG&E.
3. The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to PG&E's Land Agent as specified under Notices in the body of the License Agreement.
4. PG&E may inspect the original policies or require complete certified copies, at any time.
5. Licensee shall furnish PG&E the same evidence of insurance for Licensee's agents, consultants, contractors or subcontractors as PG&E requires of Licensee, prior to entry onto the Property by such parties.
6. Should Licensee have the right under this License Agreement to self-insure for any required insurance, Licensee shall be liable to PG&E for the full equivalent of insurance coverage which would have been available to PG&E if the applicable insurance policies had been obtained by Licensee from a third party insurer, in full compliance with the provisions of this EXHIBIT "B", and shall pay on behalf of or indemnify PG&E for all amounts which would have been payable by the third party insurer. In addition, Licensee shall act with the same promptness and subject to the same standards of good faith as would apply to a third party insurance company.

Area 6  
Land Service Office  
Hydro  
T. 37 N. R. 5E. M.D.B. & M.  
FERC License Number 2687  
PG&E Drawing Number(s) N/A  
PLAT NO. N/A  
2137-05-0523  
11L  
SBE Parcel Number 135-45-31A-2, 31B-1, 31B-2, 31B-3 and 31-6  
(For Quitclaims, % being quitclaimed)  
Order # : 2011124  
JCN: /N/A  
County: Shasta  
Utility Notice Numbers (if applicable)  
Prepared By: NOR1  
Checked By:  
Approved By: JEN8