

**ORDINANCE NO. 3644**

**AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF TULARE, STATE OF CALIFORNIA, GRANTING TO 22SV 8ME LLC, A FRANCHISE TO CONSTRUCT INSTALL, MAINTAIN, OPERATE, REPAIR, RENEW AND REMOVE A POLE LINE AND UNDERGROUND TRANSMISSION SYSTEM AND FIBER OPTIC CABLE FOR THE PURPOSE OF TRANSMITTING ELECTRICAL POWER**

The following ordinance, consisting of sections and Exhibits A, B, and C, was duly and regularly passed and adopted by the Board of Supervisors of the County of Tulare, State of California, at a regular meeting of the Board of Supervisors held on the 21st day of May 2024, by the following roll call vote:

AYES: SUPERVISORS MICARI, VANDER POEL, SHUKLIAN, VALERO AND TOWNSEND  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: NONE

  
\_\_\_\_\_  
Chair, Board of Supervisors of the County of Tulare

Approved as to Form:

  
Deputy County Counsel  
Matter No. 20231359

ATTEST: Jason T. Britt  
County Administrative Officer/Clerk  
Board of Supervisors



By:   
\_\_\_\_\_  
Deputy Clerk

THE BOARD OF SUPERVISORS OF THE COUNTY OF TULARE ORDAINS AS FOLLOWS:

**Section 1.** This ordinance shall be effective thirty (30) days after it is enacted (the “Operative Date”). The franchise granted by this ordinance shall become effective (the Effective Date”) when 22SV 8ME LLC (“Grantee”), files its written acceptance (the “Acceptance Certification”) of the terms and conditions of the franchise with the Clerk of the Board of Supervisors of the County of Tulare (“County”). Grantee shall have until January 1, 2029, to file the Acceptance Certification or it shall terminate. This franchise is granted in accordance with Article 11, Section 7 of the California Constitution and Government Code section 26001. This ordinance shall be published once in the The Sun-Gazette, a newspaper of general circulation, published in the County of Tulare, State of California, together with the names of the members of the Board of Supervisors voting for and against the same.

**Section 2.** The County grants to Grantee a nonexclusive franchise to construct, install, maintain, operate, repair, and remove electrical power transmission lines and/or fiber optic communication lines (the “gen-tie and fiber optics line”), for the Grantee's solar farm together with the appurtenances and equipment necessary or convenient for operation thereof. The Franchise has an estimated maximum distance of eight (8) miles (42,240 linear feet) and may run along, but is not limited to, the routes shown and described in the attached **Exhibit “B”** (incorporated herein by this reference). The Franchise shall be limited to the areas of public highways, public roads or rights-of-way within the overall map boundaries shown in **Exhibit “B.”** If any part of the Grantee's transmission system is to be placed in, along or under a public road or right-of-way that has been accepted by the County, but has not been expressly accepted into the County's road system, Grantee shall conduct or cause to be conducted a survey which the County shall utilize to determine where Grantee may place its pole lines, appurtenances and underground transmission systems.

**Section 3.** The term of the Franchise shall be thirty-five (35) years (the “Term”) from the Effective Date of the Franchise.

**Section 4.** Grantee shall construct, install and maintain all elements of the transmission system and appurtenances in accordance and conformity with all of the ordinances and rules adopted by the Board of Supervisors of the County and to the reasonable satisfaction of the Assistant Director, County of Tulare Resource Management Agency, Department of Public Works, or his/her designee (DPW)

**Section 5.**

**A.** Commencing on the Effective Date Grantee shall pay to County a Franchise fee in the amount more fully described in **Exhibit “C”** incorporated herein by this reference for the rights under the Franchise (the “Franchise Fee”). An initial Franchise Fee Payment, in the amount specified in Exhibit C(2)(a) shall be paid concurrent with delivery of the Acceptance Certification. Any Franchise Fee payments due under **Exhibit “C,”** if applicable, shall be paid concurrent with the application for the encroachment permit to conduct the construction that triggers the further Franchise Fee payment. Grantee waives and releases all objections it may have to the payment of

the Franchise fee on the grounds that the fee is not calculated as a percentage of gross receipts in the manner contemplated by Public Utilities Code section 6231.

**B.** Any neglect, omission or refusal by Grantee to file the Acceptance Certification, or to pay the Franchise Fee at the time or in the manner provided, shall subject Grantee to penalties as detailed herein and/or constitute grounds for declaration of forfeiture of the Franchise and of all rights thereafter. Any late payment of the Franchise Fee shall be subject to a late charge penalty of fifteen percent (15%) of the amount that is in arrears plus interest at the rate of one and one half (1.5%) percent per month from the date the Franchise fee was due. Grantee agrees that this penalty is a fair estimate of the County's cost to recover the Franchise Fee and waives and releases any defense to payment of the fifteen (15%) percent late charge and interest thereon on the grounds that it is punitive or excessive.

**Section 6.** For all construction work done in, along or under a public road or right of way which has not been expressly accepted into the County's road system, Grantee shall procure a building permit prior to the commencement of work and conduct the work as expeditiously as possible and with the least possible hindrance to the use of the highways for purposes of travel. All installations under the Franchise shall be performed in accordance with the provisions and conditions prescribed by law and of all applicable ordinances and regulations of the County and to the reasonable satisfaction of DPW. Grantee shall also follow the additional construction requirements detailed in **Exhibit "A."** Upon completion of any trench, ditch, pit or other excavation, Grantee shall fill the hole and close it in such a manner that the surface of the road/right of way area will be supported in substantially the same manner as though no digging had occurred and to the reasonable satisfaction of the County. County may, but is not required to, perform repairs of any highway or any portion of any highway that Grantee excavated for the purpose of making installations under the Franchise. Workmanship and costs thereof shall be consistent with industry standards and rates applicable to a government agency. All costs and expenses incurred by County as a result thereof shall be invoiced to Grantee and Grantee shall pay County upon demand. No action taken by County pursuant to this Section shall constitute a waiver of any of Grantee's obligations hereunder.

If, at any time during the construction of the work or thereafter, the surface of the road or traveled way offers any indication of breaking up, sinking or being otherwise disturbed by reason of the construction of such trench, ditch, pit or other excavation, Grantee, upon being notified by County, shall immediately repair the damage. All construction work done in, along or under a County highway or the right of way of a highway shall require an encroachment permit and traffic control permit shall be done pursuant to all applicable requirements contained in the Tulare County Code or as may reasonably be imposed by DPW.

During any construction work, Grantee shall place and maintain warning lights at or along any trench, ditch, pit or other dangerous excavation or any piling of material at distances of not more than 100 feet apart along such excavation. Such lights shall be illuminated from sunset of each day to sunrise of the next day until the excavation is entirely refilled or the pile(s) of material is/are removed.

The Grantee is liable to the County for all damage proximately resulting from the failure of Grantee to well and faithfully observe and perform any provision of the Franchise. Grantee and its successors or assigns shall pay the County of Tulare all costs of suit and reasonable attorney fees incurred in any legal action arising from, related to, or pertaining to the terms and provisions of the Franchise and this agreement and the enforcement thereof by County.

**Section 7.** The Grantee shall pay the County, on demand, the cost of all repairs to public property made necessary by any of the construction by or operations of Grantee under the Franchise.

**Section 8.** The acceptance of this Franchise by Grantee constitutes an express waiver by the Grantee of any liability of the County and its officers, employees, agents and permittees for damages to Grantee's facilities and shall constitute an agreement to indemnify and defend, with counsel acceptable to County, and hold harmless the County and its officers, employees, agents and permittees from all liability for damages proximately resulting from any construction or operation under the Franchise, and any action and any action to challenge or resulting from the award of this Franchise, including without limitation any proceeding brought pursuant to the California Environmental Quality Act, Public Resources Code section 21000 *et seq.*

Without limiting the generality of the foregoing, the defense and indemnity provided for damages proximately resulting from any construction or operation under the Franchise shall include bodily and personal injury or death to any person or persons; damage to any property, regardless of where located, including the property of County; any regulatory or enforcement actions brought by a government agency or third party, where authorized by law, to enforce any environmental laws, regulations and permits; and any workers' compensation claim or suit arising from or connected with any work performed pursuant to this Franchise.

**Section 9.**

**A.** If the Grantee fails, neglects or refuses to comply with any of the provisions or conditions prescribed by this ordinance and does not, within ten (10) days after written demand for compliance begin the work of compliance, or after such beginning does not prosecute the work with due diligence, but in no event more than twelve (12) months from receipt of a written demand, the Board of Supervisors of the County may declare the Franchise forfeited.

**B.** The County may levy a monetary penalty on Grantee as an alternative to, or in addition to, forfeiting the Franchise for Grantee's failure to abide by the terms and conditions of this ordinance. The amount of penalty shall be assessed and determined by the Board of Supervisors of the County per the schedule as follows:

- a. Up to \$5,000 for the first offense;
- b. Up to \$10,000 for the second offense;
- c. Up to a maximum of \$25,000 for third and all subsequent offenses.

Grantee agrees that the monetary penalties are a fair estimate of the County's costs to enforce the Franchise and waives and releases any defense to payment on the grounds that they are punitive or excessive. Each month (i.e., 30 calendar days) that a violation occurs shall be considered a new violation for purposes of levying a monetary penalty, unless Grantee diligently initiates and diligently pursues any required cure of a previously noticed breach of the Franchise.

#### **Section 10.**

**A.** If a Hazardous Condition arises, Grantee shall immediately undertake to investigate and remediate or remove such Hazardous Condition at its sole cost. Grantee shall also immediately determine the source of the Hazardous Condition and cause its repair and restoration at its sole cost. For purposes of this Franchise, "Hazardous Condition" shall mean any damage to trench, conduit, wires, or electric transmission equipment and appurtenances that has or could lead to a deterioration of line safety, create a safety hazard, or adversely impact the function of the right-of-way.

**B.** All actions to investigate, remove and remediate Hazardous Conditions and repair or restore Grantee's transmission line system, the right of way and appurtenances as provided in the preceding paragraph shall be the sole responsibility of Grantee and shall be conducted by Grantee or its employees, agents, contractors, subcontractors, or suppliers in conformance with any and all laws, ordinances, rules, regulations, requirements, and orders whatever, present or future, of the national, state, county, or other local government at Grantee's sole cost. If Grantee fails to take any action required by this Section, County may, but shall not be obligated to, take all actions it deems appropriate with respect to the Hazardous Condition, at Grantee's cost. Upon written demand by County, Grantee shall reimburse County for all of County's expenses incurred in connection with County's actions including, but not limited to, all direct and indirect costs relating to investigation, remediation and removal of the Hazardous Condition.

**C.** Grantee shall deliver to County immediate notice of any of the following occurrences:

(i) any release of Hazardous Materials from the Grantee's lines and/or other facilities or the presence of Hazardous Materials in or adjacent to the Franchise area to the extent Grantee has notice thereof. "Hazardous Materials" shall include, without limitation, (a) substances or materials that are toxic, corrosive, flammable, infectious, explosive, or ignitable, (b) lead based paint, mold, asbestos, oil, petroleum and petroleum products, radioactive materials, hazardous wastes, toxic substances, or related injurious materials, and (c) substances defined by the terms, or terms similar to, "hazardous substances," "hazardous materials," "toxic substances," "hazardous waste," "toxic waste" or "oil and petroleum products" or similar terms in 15 U.S.C. section 2601, et seq. (the Toxic Substances Control Act), 33 U.S.C. section 1251, et seq. (the Clean Water Act), 33 U.S.C. section 2701, et seq. (the Oil Pollution Act), 42 U.S.C. section 6901, et seq. (the Resource Conservation and Recovery Act), 42 U.S.C. section 7401, et seq. (the Clean Air Act), 42 U.S.C. section 9601, et seq. (the Comprehensive Environmental Response, Compensation, and Liability Act), 49 U.S.C. section 1801, et seq. (the Hazardous Materials Transportation Act), or any other federal, state or local statute, ordinance or regulation related to environmental protection

or human health; and,

(ii) any notice, claim or allegation of any violation relating to Grantee's transmission line or other facilities within the Franchise area received from any federal, state or local governmental agency or authority or any non-governmental person or entity or the filing or commencement of any judicial or administrative proceeding by any such agency or authority or non-governmental person or entity that relates to or is a result of Grantee's activities in the Franchise area.

**Section 11.** Grantee shall reimburse the County for all publication expenses incurred by the County in connection with the granting of the Franchise, and for the costs of the legal services expended by the County in the preparation of this Franchise Ordinance. The reimbursement payment shall be made within thirty (30) days after the County furnishes the Grantee a written statement of expenses.

**Section 12.** The Franchise shall not become operative until Grantee has provided the Acceptance Certification and the payment of the Franchise Fee.

**Section 13.**

**A.** At the expiration, revocation or termination of the Franchise, if it is not extended or replaced with a new Franchise, or of the permanent discontinuance of the use of all or a portion of its facilities, Grantee shall, within thirty (30) days thereafter, make written application to the County Department of Public Works for authority either:

1. To abandon all or a portion of such facilities in place; or
2. To remove all or a portion of such facilities.

Such application shall describe the facilities desired to be abandoned, their location with reference to County highways, and shall describe with reasonable accuracy the physical condition of such facilities. The County Department of Public Works shall determine whether any abandonment or removal that is thereby proposed may be effected without detriment to the public interest and under what conditions such proposed abandonment or removal may be effected. The County Department of Public Works shall then notify the Grantee of the determinations.

**B.** Within thirty (30) days after receipt of such notice, Grantee shall apply for a permit from the County Department of Public Works to abandon or remove the facility.

**C.** The Grantee shall, within sixty (60) days after obtaining such permit, commence and diligently prosecute to completion the work authorized by the permit.

**D.** If Grantee fails to timely take action as required by this Section, the County may remove or cause to be removed the Franchise facilities at Grantee's expense and Grantee shall promptly pay the County upon the County's demand the amount of such expense. The County may take possession of, and appropriate to itself without payment, any property of Grantee, or

anyone claiming under Grantee, which remains on or under the public roads, highways or rights-of-way in the County of Tulare not then included within the limits of an incorporated city, after the expiration or termination of this Franchise.

**E.** If, at the expiration, revocation or termination of this Franchise, or of the permanent discontinuance of the use of all or a portion of its facilities, the Grantee, within thirty (30) days thereafter, fails or refuses to make written application for the above mentioned authority, the County Department of Public Works shall make the determination as to whether the facilities shall be abandoned in place or removed. The County Department of Public Works shall then notify the Grantee of this determination. The Grantee shall thereafter comply with the provisions of Section 13.D of this ordinance.

**Section 14.** No provision of this Franchise shall be so construed as to impose upon the County any duty or obligation to construct, repair or maintain any highway, including those areas in which Franchise property is located, to any particular standard.

**Section 15.**

**A.** The State and any municipal corporation, political subdivision or governmental agency or instrumentality of the State acting in a governmental capacity may improve or alter any public road or portion thereof in which Franchise properties have been installed and may install, and maintain in any such public road or remove any public improvement.

**B.** If notice in writing is given to the Grantee ninety (90) days in advance that work is to be done pursuant to any right reserved in Section 15.A of this ordinance, specifically the general nature of the work and the area in which the same is to be performed, then the Grantee shall do all things necessary to protect its Franchise privilege property during the progress of such work. If ordered by the County or by the governmental agency performing such work, the Grantee shall disconnect, remove or relocate its facility within the public road to such extent, in such manner, for such period as shall be necessary to permit the performance of such work in an economical manner, and in accordance with the generally recognized engineering and construction methods, to permit the maintenance, operation and use of such public improvement or of the highway as so improved. All of such things shall be done and such work be performed by the Grantee at the sole cost and expense of the Grantee.

**C.** The right is reserved in the County, through the County Department of Public Works to: (1) Vacate subject to reservation of franchise rights pursuant to Streets & Highways Code Section 8340(a) and change the grade, alignment, or width of any public road over which this Franchise is granted; (2) extend, place, lay or construct an installation of any kind or nature including the construction of any subway or viaduct, whether or not it is within the facilities granted by this Franchise, over, in upon or under any public road. In the event County Department of Public Works desires to exercise any of the foregoing powers, ninety (90) days written notice shall be given by the County to Grantee of County's intention to do so and the Grantee at its own cost and expense, within said time shall begin, and within a reasonable time but in no event more than twelve (12) months shall complete, a change of location of all installations made by it in its

operations under the Franchise so as to permit and conform to such change or installation desired to be made by the County.

**Section 16.** Grantee shall not construct or install any electrical pole line having a capacity greater than 230 kV without first obtaining special permission to do so from the Board of Supervisors.

**Section 17.** Grantee shall commence in good faith the installation of the transmission system within forty-eight (48) months of the Effective Date, and if not so commenced within said time, this Franchise may be declared forfeited. The work of installation shall be prosecuted diligently and in good faith so as to satisfy the reasonable purpose for which this Franchise is granted. An encroachment and traffic control permit will be required before installation work may be performed in the County's right of way.

**Section 18.** Grantee shall obtain and file with the County a Faithful Performance Bond or make a deposit in lieu of bond pursuant to Code of Civil Procedure section 995.710, within five (5) days after the granting of the Franchise. The bond or deposit shall be in a form acceptable to County, run to the County as obligee, be subject to the approval of the Board of Supervisors, be in a penal sum of \$25,000 and be conditioned upon the Grantee well and truly observing, fulfilling and performing each term and condition of the Franchise, and provide that, in case of any breach or condition or term of the bond, the amount of the penal sum therein shall be paid to County as liquidated damages. If said bond is not so filed, the award of this Franchise will be set aside and any money paid therefore will be forfeited. The Bond shall remain in place through the life of this Franchise and be kept on file with the Board throughout the term of the Franchise. Any substitution of one bond with another bond shall be preceded by sixty (60) days prior written notice to the County.

**Section 19.** The Grantee shall maintain, at its cost and expense, at all times during the term of the Franchise, a commercial general liability policy of insurance, including broad form property damage coverage, owner's and contractor's protective insurance (during construction), fire legal liability coverage and contractual liability coverage for obligations under the Franchise, naming County, its officers, agents, employees and volunteers as additional insureds, acknowledging that the Franchise shall be used for an electric transmission system. Such insurance policy or policies shall be maintained in the amount equal to the policy limits, but shall be no less than \$1,000,000 per occurrence, and \$2,000,000 aggregate. However, the amounts of insurance required hereunder shall be subject to adjustment specified by the County on or about each fifth anniversary of the Effective Date of the Franchise. Such insurance shall not contain a deductible or be subject to a self-insured retention greater than \$100,000. The requirement of such policy coverages shall in no way serve as a limitation on Grantee's liability under the other provisions of the Franchise. Such insurance shall be written on an "occurrence" form, if available. If the insurance in part or in whole is written on a "claims made" form, Grantee will ensure the continuance of such coverage for a period of five (5) years beyond the expiration of the Franchise either by maintaining ongoing "claims made" coverage having a retroactive date equal to the inception date of the first "claims made" policy provided or by purchasing "tail" coverage for a five year period beyond the expiration date of the Franchise.



The insurance which Grantee is required to provide shall be primary insurance and the insurer shall be liable for the full amount of the loss up to and including the total limit of liability required hereunder without the right of contribution from any other insurance coverage that may be held by the County or by any self-insured retention of the County.

All insurance required by the Franchise to be provided by Grantee shall be procured from responsible insurance companies having a minimum Best's rating of A-VII and which are admitted to do business in California or which is a California licensed excess/surplus lines insurer. A certificate and a copy of the completed endorsement evidencing such insurance policies shall be delivered to the County simultaneously with the execution and delivery of the acceptance of the Franchise, and evidence of renewals thereof shall be delivered by Grantee to County at least thirty (30) days prior to the respective expiration dates of such policies. County shall be provided at least thirty (30) days written notice of any termination, cancellation, amendments or changes to the terms of such insurance policies.

If Grantee fails or refuses to procure or to maintain insurance coverages as required by this Franchise, or fails or refuses to furnish County required proof that such insurance has been procured, is in force and paid for, County, at its election, may procure and maintain such insurance, in which event all premiums paid by County shall be charged to and immediately due and payable by Grantee, with a 20% service charge plus interest at the rate of 1½% per month from the date the premium was paid. Grantee agrees that the service charge and interest are a fair estimate of the County's cost to procure insurance and waives and releases any objection to payment on the grounds that the amounts are punitive or excessive.

**Section 20.** The Franchise shall not be assigned in whole or in part without prior written notice to the County being first obtained, said assignment not be unreasonably withheld. Grantee shall request the assignment in writing to the Director of the County Department of Public Works describing both the proposed assignee and the reason for the assignment. The assignment will be deemed approved unless the County denies the request for assignment in writing within ten (10) days.

Notwithstanding the foregoing, Grantee may hypothecate the Franchise without such consent and, in the event of foreclosure, the creditor may be assigned the Franchise provided that: (a) the facilities are properly maintained; (b) all terms and conditions of the Franchise and other County requirements are being adhered to; (c) the creditor agrees in writing to be bound by the terms of the Franchise and not to assign or transfer the Franchise without approval of the County, such approval shall not be understandably withheld and (d) the creditor pays to the County the required administrative fee to process the assignment.

In the event of transfer or assignment for any cause, the County shall have the right to substitute for the security a new security conditioned upon the assignee or transferee well and truly observing, fulfilling and performing and terms and conditions of the Franchise, and upon the filing of said security with and the approval thereof by County, to exonerate and excuse further liability upon the original security.

**Section 21.** Any provision, clause or section of this ordinance, or the application thereof, which is, or becomes inconsistent or in conflict with any of the laws of the United States of American or State of California shall be deemed to be preempted and superseded.

**Section 22.** Any provision, clause or section of this ordinance, or the application thereof, which is preempted or superseded shall not preempt, supersede or in any other way invalidate the other provisions, clauses or sections of this ordinance which can be given a reasonable effect without the preempted or superseded provision, clause, or section, and to this end, the provisions, clauses, and sections of this ordinance are hereby declared to be severable.

## **Exhibit “A”**

1. Surety Bond: A construction Surety Bond in the amount of \$50,000 and in a form satisfactory to County shall be required to ensure performance in accordance with all terms, conditions and restrictions of this Franchise throughout the construction period.

2. Storage of Material: No material shall be stored within eight feet of the edge of pavement or traveled way, or within the shoulder line where the shoulders are wider than eight feet. Such material shall not be so stored for more than three consecutive calendar days.

3. Clean Up Right-of-Way: Upon completion of work, all brush, timber, scraps and other material shall be entirely removed and the right-of-way left in a condition satisfactory to County.

4. Standards of Construction: All work shall conform to recognized County standards of construction and the State of California, Department of Transportation, Standard Specifications, current edition. The provisions of the Franchise shall supersede the Standard Specifications, if in conflict.

5. Supervision of County: All work to be done shall be subject to the supervision and satisfaction of County.

6. Care of Drainage: If the work contemplated shall interfere with established drainage, suitable provision shall be made by the Grantee for the situation so as not to present a hazard or cause damage.

7. Submit As-Builts: After completion of underground or surface work of consequence or if work differs from the plans submitted for the franchise application, the Grantee shall, when requested, furnish to County, an As-Built plan showing the exact location of encroachment and other details, including the location of the installation with its beginning and terminus in the highway, both with reference to the surface and with reference to the property lines along said highway.

8. Construction and Repair: The Grantee shall properly construct, maintain and repair any encroachment authorized herein and shall exercise reasonable care in inspection and immediately repair any damage to the traveled way that occurs as a result of the existence of said encroachment or as the result of any work done under this Franchise.

9. Crossing Roadway: If it is necessary to lay pipe across or under any portion of the pavement, it shall be done by a tunnel or bore unless the County Department of Public Works directs otherwise. Service and other small diameter conduits shall be jacked or otherwise forced underneath pavement without disturbing the surface thereof. The pavement or roadway shall not be cut or otherwise disturbed unless specifically permitted on the reverse side hereof. Service conduits are not permitted inside culvert structures used as drainage facilities. The County Department of Public Works retains the power to refuse permission for the laying of pipe across or under any paved highway if it believes that the work cannot be done without permanent damage

to the highway.

10. Bridge: In the event that the County or any governmental agency or instrumentality mentioned herein constructs, installs, reconstructs or repairs *any* bridge or artificial support in or underlying any highway in which the Franchise property is located or which is prescribed as the location for any Franchise property, and the cost thereof is increased in order to provide for the installation, maintenance or operation of the Franchise property in or on the highway area covered or underlain by said bridge or other artificial support, then the Grantee shall pay to the County or such governmental agency or instrumentality doing such work the full amount of such increase of cost, upon completion of such construction, installation or repair.

11. Casing: A casing is required for all pipes crossing roads, containing water, gas, oil or other liquids.

12. Limit of Excavation: No excavation shall be made closer than eight feet from the edge of pavement.

13. Tunneling: No tunneling is permitted except as specifically authorized by County Department of Public Works.

14. Depth of Pipes: There shall be a minimum of 36" of cover over sewer lines and a minimum of 30" over all other pipelines or conduits.

15. Backfilling: All backfill is to be moistened as necessary and thoroughly tamped. Backfill material shall be of a uniform grading as directed by County.

16. Maintain Surface: The Grantee shall maintain the surface over all structures placed hereunder as long as same shall exist.

17. Final Transmission System Location Approval: Final approval of the location of all Grantee's transmission systems shall be evidenced with the issuance of a County Building Permit and or Encroachment Permit.

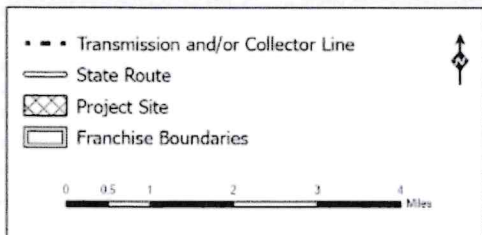
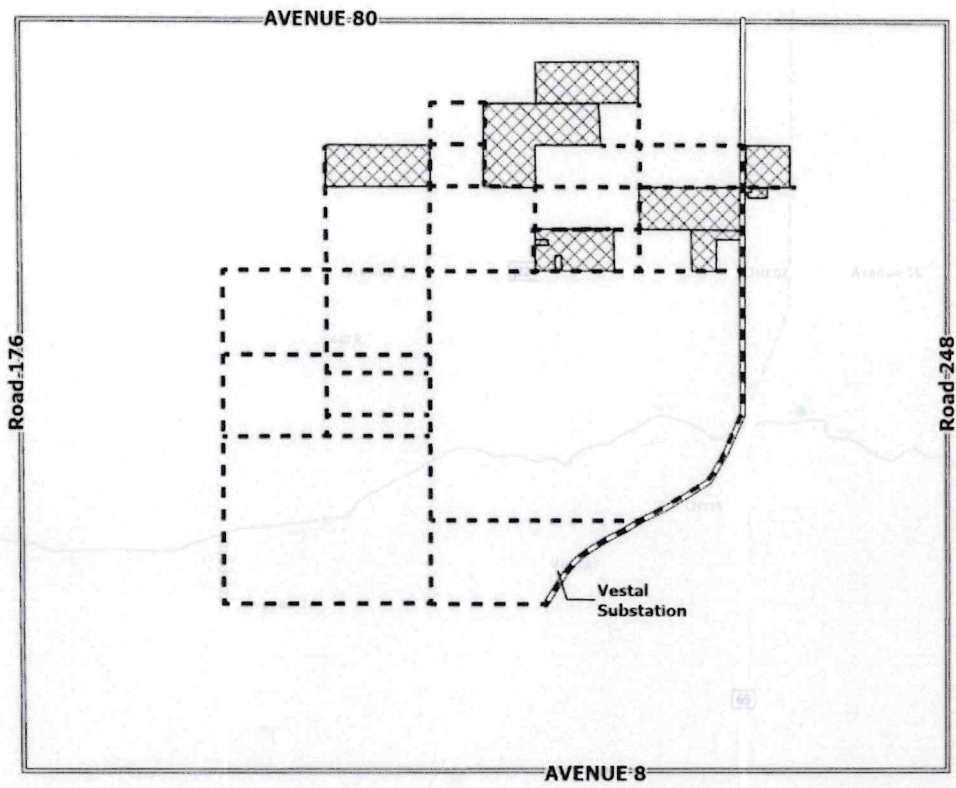
18. Keep this Exhibit : This Exhibit shall be kept at the site of the work and upon request must be shown to any representative of County or any Law Enforcement Office.

19. Permits from Other Agencies: The Grantee shall, whenever required by law, secure a written order or consent to the doing of the work from the California Public Utilities Commission, or any other agency having jurisdiction, this authorization to construct shall not be valid or effective until such order or consent is obtained.

20. Public Utilities Commission Orders: All clearance and type of construction shall be in accordance with all applicable orders of the California Public Utilities Commission unless more restrictive provisions are required by County Ordinance.

# Exhibit "B"

## Map Showing Possible Franchise Route(s)



**Exhibit “C”**  
**FRANCHISE FEE PAYMENT**

1. Application for up to approximately eight (8) miles of gen-tie and fiber optics.
2. At delivery of the Acceptance Certification, Franchisee shall pay a one-time Franchise Fee in the following amounts, based on the linear miles of gen-tie and fiber optics that Franchise intends to install:
  - a. Up to four (4) miles (21,120 feet): \$1,000,000.00
  - b. Four (4) plus to eight (8) miles: \$250,000.00 for each additional mile. (In the abundance of clarity this means that for 6 miles of gen-tie and fiber optic the Grantee shall pay \$1,500,000.00.).
3. If any of the roads are expanded after Franchisee has started construction, Franchisee has the right to relocate the gen-tie/fiber optics to the new edge of the expanded road, if needed. If such relocation is required, no additional payment shall be made unless both of the following occur: (a) relocating the line results in the addition of more than 500' of gen-tie/fiber optics; and, (b) the additional line results in a step up to a new increment (per above). If both criteria are met, then Franchisee pays the additional incremental payment at the time of attainment of the encroachment permit to relocate the installed gen-tie and fiber optics line.