

April 4, 2018

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
Salem, OR 97301-3398

Attn: Filing Center

**RE: UPN \_\_\_ PacifiCorp Notice of Property Disposition—Lease Agreement**

Under ORS 757.480(2), PacifiCorp d/b/a/ Pacific Power hereby provides notice of the company's lease of 2.98 acres in Weber County, Utah. The leased land is located in the Ben Lomond terminal transmission corridor in northern Utah. PacifiCorp entered into a five-year lease agreement (Agreement) with Roy City Corporation (Roy City) on February 5, 2018. In accordance with the terms of the Agreement, Roy City will pay PacifiCorp \$17,175 upon execution of the lease and \$5,725 for two additional years, for a total amount of \$28,625. Roy City is leasing the property for a detention pond and a public park. A copy of the Agreement is provided as Attachment A.

In accordance with the terms of the Agreement, Roy City's use of the property, including any improvements to the property made, will not interfere with PacifiCorp's current or future use of the property and/or maintenance of its existing or future facilities. All improvements made to the property must comply with the terms of the Agreement and must be approved by PacifiCorp.

The total compensation agreed to for the Agreement was \$28,625 on a total company basis, of which approximately \$7,457 is allocated to Oregon. The Agreement provides lease revenue and decreases the company's expense to maintain the property, which eases the burden on PacifiCorp's customers. Use of the property by Roy City will not interfere with PacifiCorp's ability to operate its facilities. Roy City has leased this property without incident since 1997. The public is not harmed because PacifiCorp will continue to be able to fulfill its obligation to provide safe, reliable electric service.

PacifiCorp respectfully requests that all correspondence and data requests regarding this matter be addressed to:

By E-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com).

By regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 2000  
Portland, OR 97232

Public Utility Commission of Oregon  
April 4, 2018  
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Please direct informal questions with respect to this filing to me at 503-813-6583.

Sincerely,

A handwritten signature in black ink, appearing to read "Natasha Siores". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Natasha Siores  
Manager, Regulatory Affairs

**ATTACHMENT A**  
**LEASE AGREEMENT**

## LEASE AGREEMENT

This AGRICULTURAL LEASE AGREEMENT (the "Lease"), including all Exhibits attached hereto, is by and between PACIFICORP, an Oregon corporation ("Lessor") and ROY CITY CORPORATION, of 5051 South 1900 West, Roy, Utah 84067 ("Lessee").

### RECITALS

- A. Lessor owns that certain parcel of real property located in Section 22, Township 5 North, Range 2 West, S.L.M., Weber County, State of Utah (the "Property").
- B. Lessee desires to lease a portion of the Property for **detention pond and public park**.
- C. Lessor has used and will continue to use the Property for the construction, operation, maintenance, repair, and replacement of transmission and distribution lines and other facilities and equipment normally associated with the generation and distribution of power. Lessor also uses and will continue to use the Property to access adjoining properties and facilities, including properties and facilities that may be used in the future.

### TERMS AND CONDITIONS OF AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants and other consideration, the receipt and sufficiency of which is hereby acknowledged and received, Lessor and Lessee agree to the following terms and conditions:

1. Premises. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor that portion of the Property (the "Premises") more particularly described in **Exhibit A** attached hereto and by this reference made a part hereof.

2. Purpose and Use. Lessee shall use the Premises for the limited purpose of a **detention pond and public park**, and for no other purposes without written consent of Lessor.

3. Term.

3.1 Lease Term. The term of this Lease shall be five (5) years, commencing retroactively on the **1<sup>st</sup> day of July 2015 and ending on the 30<sup>th</sup> day of June 2020**, unless earlier terminated as provided under this Lease.

4. Rent.

4.1 Rent Payments and Annual Increase. Lessee shall pay to Lessor a rent payment in the amount as follows:

<b>Rent Due Date:</b>	<b>Rent Payment:</b>	<b>Lease Period:</b>
<i>Upon Execution of Lease</i>	<b>\$17,175.00</b>	July 1, 2015 – June 30, 2018
July 1, 2018	<b>\$5,725.00</b>	July 1, 2018 – June 30, 2019
July 1, 2019	<b>\$5,725.00</b>	July 1, 2019 – June 30, 2020

*PacifiCorp*  
*Attn: Central Cashiers*  
*Re: Customer #10000483*  
*P.O. Box 5504*  
*Portland, OR 97228*

4.2 Late Payments. In the event Lessee shall fail to pay, when the same is due and payable, any Rent, or any other amounts or charges payable hereunder, Lessee shall pay a late charge equal to fifteen percent (15%) of the delinquent payment, payable forthwith with the late payment. In addition, any Rent payment which is not made within fifteen (15) days after the same is due shall bear interest at the maximum rate an individual is permitted by law to charge.

4.3 Holdover. If Lessee retains possession of the Premises or any part thereof after the termination of this Lease, Lessee shall be deemed to have a month-to-month tenancy and Lessee shall pay to Lessor a monthly installment of rent, at double the rate due and payable for the month immediately preceding such holdover, computed on a per-month basis, for each month or part of a month (without reduction for any such partial month) that Lessee remains in possession of the Premises. In addition, Lessee shall pay to Lessor all direct and consequential damages sustained by reason of Lessee's retention of possession of the Premises. The provisions of this Section shall not be deemed to limit or exclude any of Lessor's rights of reentry or any other right granted to Lessor under this Lease or at law.

5. Acceptance of Premises. Lessee accepts the Premises in its present condition, AS-IS, WHERE-IS and with all faults. Lessor makes no representation or warranty as to the condition of the Premises and shall not be required to perform, pay for, or be responsible for any work to ready the Premises for Lessee's occupancy or any other work whatsoever throughout the term of this Lease.

6. Water Rights. Lessee acknowledges that this Lease gives no right to the use of water from any source and that it is Lessee's responsibility to insure that there is adequate irrigation water for Lessee's needs. Should Lessee irrigate the Premises, Lessee shall not allow irrigation water to run uncontrolled onto the Premises or from the Premises onto land not owned or leased by Lessee.

7. Improvements.

7.1 Written Consent. Lessee may not make any improvements or changes to the Premises, including changing existing ground elevation, excavating, constructing any structure or lighting structure, or landscaping to the Premises without Lessor's prior written consent. If Lessee desires to make any changes or improvements to the Premises, Lessee shall provide Lessor with detailed plans and specifications for the proposed change or improvement. Lessor shall have the right to conditionally approve, modify, or deny the requested change or improvement at its sole discretion

7.2 Workmanlike Manner. All approved improvements shall be made in a good and workmanlike manner. Any improvement that violates building codes or the laws or ordinances of any governing jurisdiction, or that harm the Premises in any manner, shall be timely cured by Lessee at Lessee's expense and in a manner satisfactory to Lessor.

7.3 Maintenance of Improvements. Lessee shall keep and maintain all fences, water ditches, irrigation systems, and other improvements existing upon the Premises at the commencement of this Lease, if any, in good condition and shall perform all routine maintenance and repairs on them at Lessee's expense. Lessee shall not remove or allow any other person to remove any improvements existing at the commencement of this Lease without Lessor's prior written approval. Any fence on the Premises,

installed or existing, shall have adequate gates of not less than 20 feet in width for the passage of PacifiCorp's maintenance vehicles. Gates may be locked provided Lessor may install its own lock thereon.

7.4 Removal of Improvements. All improvements made by Lessee shall immediately become and remain the property of Lessor. Lessee shall not be entitled to any compensation for any improvements made to the Premises. If Lessor is required to dispose of improvements made by Lessee, Lessee agrees to reimburse Lessor for all costs incurred by Lessor.

8. Restrictions on the Use of the Premises.

8.1 Flammable Materials. Lessee shall not place or store any flammable material, including but not limited to chemical solvents, fuels, rubbish piles, haystacks, or lumber products on the Premises, excluding from this prohibition, however, motor vehicles fuels and lubricants properly contained in vehicles coming onto the Premises.

8.2 Storage. Lessee shall not cause or permit any structure, building, automobile, or equipment to be placed, erected, or stored on the Premises without Lessor's prior written consent, nor shall Lessee, under any circumstances place any object or allow any person to come within twenty (20) feet of any power lines on the Premises. Lessee understands and acknowledges that electricity can arc between lines and persons or objects within twenty (20) feet of the lines.

8.3 Noxious Weeds. Lessee shall control the growth of any noxious weeds or other growth on the Premises in accordance with the requirements of any governmental agency having jurisdiction.

8.4 Notice of Damages or Theft. Lessee shall notify and give notice to Lessor of any mortality, theft, vandalism, loss, or damage to the Premises, within twenty four (24) hours of the discovery of any such event.

8.5 Condition of Premises. Lessee shall keep and maintain the Premises in a clean, prudent, and husbandlike manner at all times and in conformity with good conservation and business practices.

8.6 Chemicals and Fertilizers. Chemicals, Pesticides and Fertilizers. Lessor and Lessee acknowledge that the use of pesticides, chemicals and fertilizers may be necessary to optimize crop production upon the Premises. It is also understood that the use of pesticides, chemicals and fertilizers could cause damage to persons, property and natural resources if improperly applied or used. Lessee shall use and/or apply insecticides, herbicides, pesticides, chemicals or fertilizers on the Premises only as necessary and in a prudent and responsible manner to minimize any potential harm or damage to the environment. Lessee shall comply in all material respects with existing federal, state and local laws, regulations and ordinances and all manufacturer's instructions and guidelines in the use or application of any insecticide, herbicide, pesticide, chemical or fertilizer on the Premises. **Lessee shall NOT apply any registered pesticides without written approval by Lessor prior to application; said written approval may or may not be granted, in Lessor's sole discretion.**

8.6.1 Annual Accounting of Chemical, Pesticide, Fertilizer application(s)  
Lessee shall provide an annual report of any and all chemicals, pesticides or fertilizers applied on the Premises. Report shall include, but not limited to the following: 1) Type of product applied, brand, chemical name, purpose of use, amount, date of application, and location (map). Lessee's annual report under this provision is due prior to **September 30<sup>th</sup> of each year.**

8.7 Off Road Travel. Use of trucks, tractors, or other large vehicles off of established

roads is prohibited except for customary and routine agricultural usage and maintenance of the Premises.

8.8 Animals on Premises. In the event Lessee keeps animals or livestock on the Premises, Lessee agrees to use all diligence so as to prevent the escape of any livestock or animals, and hereby releases Lessor from any liability or claims of any kind whatsoever arising in connection with keeping animals or livestock on the Premises. Additionally, Lessee hereby agrees to indemnify and hold harmless Lessor from any third party claims arising in connection with keeping animals or livestock on the Premises. Lessee agrees to maintain any existing or approved fences on or around the Premises in good condition during the term of this Lease. **Lessee shall install and maintain a fence and/or gate that keeps animals at least ten (10) feet from substation fence at all times.**

8.9 Soil Erosion. Lessee will control soil erosion as completely as practicable by stripcropping and contouring, and by filling in or otherwise controlling small washes or ditches that may form. Lessee will keep in good repair all terraces, open ditches, and inlets and outlets of tile drains, preserve all established watercourses or ditches including grass waterways and refrain from any operation or practice that will injure them.

8.10 ALCOHOL, DRUGS, FIREARMS and TOBACCO PROHIBITED Lessee, its employees, agents, principals, invitees and/or contractors shall not utilize, consume, or bring on to the Premises alcohol, illegal drugs, firearms or tobacco products (for the purposes of this Section, marijuana shall be considered a tobacco product if marijuana is not an illegal drug in the state in which the Premises is located).

9. Hazardous Materials. Lessee shall not use or store on the Premises any hazardous or toxic materials without Lessor's prior written consent. In the event of any spill or release of any hazardous or toxic materials, Lessee shall immediately report, remedy, and notify Lessor thereof. Upon termination of this Lease, Lessee shall deliver the Premises to Lessor free of any material contamination by hazardous or toxic materials. Lessee covenants and agrees to protect, indemnify, and hold Lessor harmless from any and all liability, loss, costs, damage, or expense, including attorneys' fees, resulting from Lessee's failure to comply with the provisions of this paragraph. The covenants contained within this paragraph shall survive the expiration or termination this Lease.

#### 10. Lessor's Use of Premises.

10.1 Power Lines. It is understood and agreed that Lessor reserves the right to access the Premises at any time for all reasonable purposes, including maintaining or repairing its existing power lines and associated equipment and facilities and to place additional lines and equipment upon the Premises. It is further understood and agreed that Lessor hereby reserves the right to add to, change, or enlarge its power lines and associated facilities and structures on the Premises, including such equipment and facilities of others, including fiber optic and cable lines. If such changes require Lessee to make changes to any of Lessee's structures or other improvements located on the Premises, Lessor shall give Lessee no less than thirty (30) days' advance notice, and Lessee shall make any such changes within a reasonable period of time as designated by Lessor.

11. No Sublet or Assignment or Lien. Lessee may not sublet the Premises or any part thereof or assign any of its rights under this Lease without Lessor's prior written consent. Lessee shall not permit any mechanic's or materialman's lien to be filed against the Premises and in the event any such lien or claim is filed against the Premises as a result of any action or inaction by Lessee, Lessee shall immediately remove the lien through satisfaction of the claim or posting a bond in accordance with state law.

14.6 Lessee's Insurance Primary. To the extent of Lessee's negligent acts or omissions, all policies required by this Contract shall include: (i) provisions that such insurance is primary insurance with respect to the interests of Lessor and that any other insurance maintained by Lessor (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 Lessor, 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.

14.7 Adequate Coverage. Lessor 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 Lessee, and Lessee shall be solely responsible for any deficiencies thereof.

14.8 Notification of Insurance Cancellation. Lessee shall notify Lessor as soon as possible in the event that any policies become subject to cancelation and will provide to Lessor proof of replacement coverage prior to the cancelation effective date.

15. Taxes. Lessor shall pay taxes levied on the Premises and Lessee shall pay all taxes on Lessee's personal property used on the Premises.

16. Termination. This Lease may be terminated upon the happening of any of the following events:

16.1 Breach. If Lessee breaches any of the covenants or provisions herein provided, including the failure to pay rent or any other monetary sums required under this Lease, Lessor, at its option, may terminate this Lease and immediately re-enter and repossess the Premises either with or without legal process and without giving notice to quit to Lessee, which notice is expressly waived by Lessee in case of such breach.

16.2 Abandonment. In the event Lessee abandons the Premises, Lessor may, in addition to all other remedies, immediately reenter the Premises and take full possession thereof and exclude Lessee from any attempted renewed use of the Premises.

16.4 Termination by Notice. Notwithstanding any other provision in this Lease, Lessor shall have the right to terminate this Lease for any reason by giving Lessee thirty (30) days' advance written notice.

17. Events Upon Expiration or Termination. Upon the expiration or termination of this Lease, Lessee shall promptly remove all personal property and shall surrender the Premises in good condition satisfactory to Lessor, reasonable wear and tear excepted.

18. Miscellaneous.

18.1 Notice. Except when actual receipt is expressly required by the terms hereof, notice is considered given either: (i) when delivered in person to the recipient named below, (ii) upon receipt after (a) deposit in the United States mail in a sealed envelope or container, either registered or certified mail,



return receipt requested, postage prepaid, addressed by name and address to the party or person intended, or (b) deposit with a reputable overnight delivery service addressed to the intended recipient. Upon written notification, either party may designate a different individual or address for notices. All notices shall be given to the following:

Lessor: PacifiCorp  
Property Management Department  
1407 W. North Temple, Suite 110  
Salt Lake City, UT 84116

Lessee: Jason Poulsen: City Manager  
Roy City Corporation  
5091 S. 1900 W.  
Roy, UT 84067

18.2 Titles and Captions. Section titles and captions to this Lease are for convenience only and shall not be deemed part of this Lease and in no way define, limit, augment, extend, or describe the scope, content, or intent of any part or subparts of this Lease.

18.3 Applicable Law. This Lease shall be construed in accordance with and governed by the laws of Utah.

18.4 Binding Effect Upon Successors. This Lease shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, successors, legal representatives, and assigns; provided that this provision shall not be construed as permitting assignment, substitution, delegation, or other transfer of rights or obligations except strictly in accordance with the provisions of this Lease.

18.5 Integration. This Lease constitutes the entire agreement between the parties pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto. No covenant, representation, or condition not expressed in this Lease shall affect or be deemed to interpret, change, or restrict the express provisions hereof.

18.6 Waiver. No failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Lease or to exercise any right or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such right or remedy or of any other covenant, agreement term, or condition. Any party may, by notice delivered in the manner provided in this Lease, but shall be under no obligation to, waive any of its rights or any conditions to its obligations hereunder, or any duty, obligation, or covenant of any other party. No waiver shall affect or alter the remainder of this Lease but each and every other covenant, agreement, term, and condition hereof shall continue in full force and effect with respect to any other breach.

18.7 JURY TRIAL WAIVER. TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. 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 BE OR HAS NOT BEEN WAIVED.

18.8 Rights and Remedies. The rights and remedies of any of the parties shall not be mutually exclusive, and the exercise of one or more of the provisions of this Lease shall not preclude the exercise of any other provisions. Each of the parties confirms that damages at law may be an inadequate remedy for a breach or threatened breach of any provision hereof. The respective rights and obligations hereunder shall be enforceable by specific performance, injunction, or other equitable remedy, but nothing herein contained is intended to or shall limit or affect any rights at law or by statute or otherwise of any party aggrieved as against the other parties for a breach or threatened breach of any provision hereof, it being the intent of this paragraph to make clear the agreement of the parties that the respective rights and obligations of the parties hereunder shall be enforceable in equity as well as at law or otherwise.

18.9 Severability. In the event any condition, covenant, or other provision herein contained is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Lease and shall in no way effect any other covenant or condition contained herein. If such condition, covenant, or other provisions shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

18.10 Enforceability and Litigation Expenses. If any action, suit, or proceeding is brought by a party hereto with respect to a matter or matters covered by this Lease or if a party finds it necessary to retain an attorney to enforce its rights under this Lease, all costs and expenses of the prevailing party incident to such proceeding or retention, including reasonable attorney's fees, shall be paid by the non-prevailing party.

18.11 Authorization. Each individual executing this Lease represents that he or she has been duly authorized by appropriate action of the governing body of the party for which he signs to execute and deliver this Lease in the capacity and for the entity set forth where he signs and that as a result of his signature, this Lease shall be binding upon the party for which he signs.

18.12 Recordation. This Lease may not be recorded on behalf of either party.

18.13 Liens. Lessee shall keep the Premises free from any liens arising from work performed, materials furnished or obligations incurred by or at the request of Lessee. Lessee shall discharge of record by payment, bond or otherwise, within twenty (20) days subsequent to the date of its receipt of notice thereof from Lessor of any mechanics', laborers', or similar liens filed against the Premises for work or materials claimed to have been furnished at Lessee's request. If Lessee fails to do so, then Lessor may, at its election, obtain a release or discharge of such lien by payment, bonding, or otherwise, and Lessee shall reimburse Lessor for all costs of doing so, including, if necessary, reasonable attorneys' fees and court costs.

**IN WITNESS WHEREOF,** the parties to this Lease have executed this Lease in duplicate on the last date indicated below.

LESSOR  
**PACIFICORP, an Oregon corporation**

BY: David Holt  
**CHRIS JORGENSEN** David Holt  
**Property Agent** Manager

DATE: 2/5/19

LESSEE  
**ROY CITY CORPORATION**

BY: W. Marshall Franzen

DATE: 1 Dec 2017

**EXHIBIT A**  
**(Property Description of the Premises)**

**BEN LOMOND TERMINAL CORRIDOR LANDS**

A certain parcel of real property situate in the NW<sup>1</sup>/<sub>4</sub> of Section 22, Township 5 North, Range 2 West, S.L.M., Weber County, State of Utah, taxlot #90880078, more particularly described as follows:

Beginning on the north boundary line of the Grantors' land and the east boundary line of the Grantee's corridor at a point 1684.44 feet south and 745.51 feet west from the north one quarter corner of Section 22, T. 5 N., R. 2 W., S.L.M., and running thence South 89°51' West 310.00 feet along said north boundary line, thence South 0°08' West 5.9 feet to the south boundary line, thence North 0°08' West 5.9 feet to the south boundary line of said Grantors' land, thence North 89°51' east 310.00 feet along said south boundary line, thence North 0°08' West 5.9 feet to the point of beginning, containing 0.04 of an acre.

Beginning on the south boundary line of Lot 8, Pinto Acres No. 1 Subdivision at a point 1359.83 feet south and 876.40 feet west, from the north one quarter corner of Section 22, T. 5 N., R. 2 W., S.L.M., thence N. 89°57' W. 160 feet to the southwest corner of said Lot 8, on the east right of way line of 3260 West Street, thence N. 0°03' E. 400 feet along the west boundary line of Lots 8, 7, 6 and 5, to the northwest corner of said Lot 5, thence S. 89°57' E. 95.0 feet along the north boundary line of said Lot 5, to a point of curvature of a 63.07 foot radius curve to the right, thence southeasterly 45.37 feet along the arc of said curve to a point of tangency, thence S. 48°44' E. 31.17 feet along the northerly boundary line of said Lot 5, thence S. 0°03' W. 363.84 feet to the point of beginning, and being in Lots 5, 6, 7 and 8, of said Pinto Acres No. 1 Subdivision in the E1/2 of the NW1/4 of said Section 22. Containing 1.45 acres, more or less.

Beginning at the northeast corner of Lot 3, Pinto Acres No. 1 Subdivision thence west 268.71 feet to the northwest of Lot 2, Pinto Acres No. 1 Subdivision, thence south 200 feet to the Southwest corner of Lot 1, Pinto Acres No. 1 Subdivision, thence easterly along the North right of way line of 5700 South Street to the southeast corner of Lot 4, thence North 311.60 feet to the point of beginning; containing 1.49 acres, more or less.

Total 2.98 acres, more or less.