

PURCHASE AND SALE AGREEMENT
(Convention Place Station, Seattle, Washington)

This Purchase and Sale Agreement ("**Agreement**") is made as of the ___ day of _____, 2017 (the "**Agreement Date**"), by and between Washington State Convention Center Public Facilities District, a King County public facilities district ("**Buyer**") and King County, a home-rule charter county and political subdivision of the State of Washington ("**Seller**"). Each of Buyer and Seller are a "Party" hereunder and collectively shall be referred to as the "Parties."

Buyer believes the Property (together with other real property owned by Buyer that is not the subject of this Agreement) may be an appropriate site for the Project (as defined below) but has not made and will not make a final decision until completion of its environmental review, including any impact statement and evaluation as provided by applicable law, all as expressly set forth in this Agreement. For purposes of this Agreement, the "**Project**" shall mean a convention center type facility containing at a minimum, exhibition space, ballroom space, meeting room space, lobby space, office space, retail space, loading docks and parking constructed on the Property (as defined below).

1. **Purchase and Sale.** Upon the terms and conditions set forth herein, Buyer agrees to buy from Seller and Seller agrees to sell to Buyer the improved real property located in Seattle, Washington, consisting of approximately 178,034 square feet of land (of which 123,747 is "**Parcel A**" and 54,287 is "**Parcel B**") identified with the King County parcel numbers set forth on Exhibit A-1, as legally described on Exhibit A-2 attached hereto, and as depicted on Exhibit A-3, subject to the right of the City of Seattle to regulate the use of the surface only of Pine Street as depicted in Exhibit A-3 attached hereto (the "**Land**"). For purposes of this Agreement, the "**Property**" includes the Land and Seller's interest, if any, in the following:

- (i) all assignable easements and rights appurtenant thereto relating to the Land, except for the Seller WSDOT Lease;
- (ii) all assignable permits in the name of Seller, if any, and all approvals, studies, surveys, warranties and other documents, associated with the Real Property, if any; and
- (iii) all buildings, structures, fixtures and related amenities located on the Land (the "**Improvements**," and collectively with the Land, the "**Real Property**"), except for those Improvements specifically excluded, or to be relocated on the Real Property, as set forth under this Agreement.

2. **Purchase Price.** The purchase price for the Property (the "**Purchase Price**") shall be One Hundred Sixty-one Million Ten Thousand Nine Hundred Forty Dollars (\$161,010,940), which is One Hundred Sixty-two Million Ten Thousand Nine Hundred Forty Dollars (\$162,010,940) (which is \$910 per square foot for the Land) less one million dollars (\$1,000,000) as an adjustment in favor of Buyer for costs related to remediation of existing Hazardous Substances, and for the indemnification and duty to defend provisions set forth in Section 11 below. The Purchase Price shall be paid as follows:

2.1 Buyer shall pay to Seller an amount equal to Twenty Million Dollars (\$20,000,000) in cash at Closing; and

2.2 The balance of the Purchase Price shall be paid by Buyer at Closing by execution and delivery of a promissory note in the form attached hereto as Exhibit C-1 (the "**Note**").

3. Earnest Money.

3.1 Earnest Money. Within three (3) days following Buyer's waiver of the Review Period (as defined below) or execution of this Agreement (whichever is later), Buyer shall deposit with Fidelity National Title Insurance Company ("**Escrow Holder**" in its capacity as escrow holder and "**Title Company**" in its capacity as title insurer) an amount equal to Three Million Dollars (\$3,000,000) (the "**Earnest Money**"). In addition to the foregoing, upon execution of this Agreement, Buyer shall deposit One Hundred Dollars (\$100.00) of the Earnest Money with Escrow Agent which shall be credited towards the Purchase Price at Closing, but otherwise shall be nonrefundable in any and all events and which Buyer and Seller agree constitutes adequate consideration for this Agreement.

3.2 Disposition of Earnest Money. The Earnest Money shall be held and disbursed as provided herein. The Earnest Money shall be deposited by Escrow Holder into an interest bearing account pursuant to the terms of this Agreement. Upon waiver of the Review Period, the Earnest Money shall be nonrefundable to Buyer unless the Closing fails to occur due to a default by Seller, or the failure of a condition precedent for Buyer's benefit or as provided in Section 4.3, Section 4.4, Section 6.4, Section 8 or Section 10.2 in which event the Earnest Money except for One Hundred Dollars (\$100.00) shall be returned to Buyer. The Earnest Money shall be returned to Buyer upon satisfaction of Buyer's obligations at Closing.

4. Title.

4.1 Review of Title. Buyer has obtained a preliminary commitment for title insurance for the Property issued by Title Company together with copies of all exceptions and encumbrances noted thereon (the "**Preliminary Commitment**"). The proposed policy number for the Preliminary Commitment is 20372745 and it is dated January 20, 2017.

4.2 Survey. Buyer shall have the right, at Buyer's cost, to obtain an updated survey of the Land during the Review Period.

4.3 Title Review. Buyer shall have until the date that is ten (10) days after the Agreement Date to advise Seller in writing of any exceptions or other matters (the "**Exceptions**") in the Preliminary Commitment to which Buyer objects. All Exceptions to which Buyer does not object in writing shall be deemed accepted by Buyer.

If Buyer objects to any Exceptions within such ten (10) day period, Seller shall advise Buyer in writing within ten (10) days after Seller's receipt of Buyer's objections (a) which Exceptions Seller will remove or cause to be removed at Closing, and (b) which Exceptions Seller will not remove or cause to be removed at Closing. On or before expiration of the Review Period, and assuming Seller has not agreed to remove all matters to which Buyer has objected, Buyer will notify Seller in writing of Buyer's election to either (a) terminate this Agreement, in which event the Earnest Money shall be returned to Buyer or (b) waive its objections to the Exceptions Seller will not remove or cause to be removed, in which event such Exceptions shall be deemed accepted by Buyer. Buyer's failure to respond shall constitute a waiver of such objections.

Notwithstanding the foregoing, Buyer and Seller acknowledge and agree that on or prior to Closing, Seller will satisfy and remove of record, at its expense, any mortgages, deeds of trust,

judgments, mechanics liens and other similar liens securing the payment of money encumbering the Property and caused by Seller without the necessity of an objection from Buyer.

The term "**Permitted Exceptions**" as used hereunder means (a) the Exceptions accepted or deemed accepted by Buyer as provided above; (b) the lien of real estate taxes and assessments for the tax year of closing, if any, which shall be prorated to the Closing Date as provided in Section 6.3 below; and (c) any rights to use the Property granted to Seller or any third party pursuant to this Agreement.

4.4 Amended Title Commitment. If Title Company issues a supplement or amendment to the Preliminary Commitment showing additional title exceptions (each, an "**Amended Report**"), Buyer will have ten (10) days from the date of receipt of each Amended Report and a copy of each document referred to in the Amended Report in which to give written notice of its acceptance or objection to any additional title exceptions. If Buyer objects to any matters shown in the Amended Report within the ten (10) day period, Seller shall advise Buyer in writing within five (5) days after Seller's receipt of Buyer's objections (a) which matters Seller will remove or cause to be removed at Closing, and (b) which matters Seller will not remove or cause to be removed at Closing. On or before five (5) days after notice is received by Buyer, and assuming Seller has not agreed to remove or cause to be removed all matters to which Buyer objected, Buyer will notify Seller in writing of Buyer's election to either (x) terminate this Agreement, in which event the Earnest Money shall be returned by Buyer, or (y) waive its objections to the matters Seller will not remove or cause to be removed, in which event such matters shall be deemed accepted by Buyer. Notwithstanding the foregoing, from and after the date of the Preliminary Commitment, Seller shall not cause or permit any new exceptions to arise which affect title to the Property, and in the event any such new exceptions have been caused by or permitted by any action or inaction of Seller, Seller shall cause any such new exceptions to be released at Closing at Seller's sole cost and expense without the necessity of an objection from Buyer. If Seller agrees or is obligated to remove specified title exceptions at Closing, and Seller fails to do so, Seller's failure shall constitute a default by Seller under this Agreement.

4.5 Title Insurance. Pursuant to Section 6.4(b) below, Closing shall be conditioned on Title Company delivering to Buyer at Closing an Owner's Extended Form Coverage policy of title insurance (2006 ALTA form) issued by Title Company in the face amount of the Purchase Price, dated the date of Closing, insuring Buyer's fee title to the Property, and subject to no exceptions other than the standard preprinted exceptions acceptable to Buyer and the Exceptions accepted or deemed accepted by Buyer pursuant to Section 4.3 and/or Section 4.4 above (the "**Title Policy**"). The Title Policy shall also include such endorsements as Buyer may reasonably request and Buyer agrees to first assert against and first pursue Title Company, its successors and assigns, for claims it may have against Seller related to title defects and matters, if any, that are covered by the insurance in such endorsements and exhaust its remedies and policy limits, if any, against Title Company before pursuing Seller. The cost of the standard coverage portion of the Title Policy will be paid by Seller. The cost of any endorsements requested by Buyer, the cost of the premium increase for extended coverage, and the cost of any Survey or update of the Survey, if any, required for extended coverage shall be paid by Buyer. At Closing, Seller agrees to provide the Title Company such customary indemnities and/or affidavits as Title Company may reasonably require to remove from the Title Policy the standard preprinted exceptions for mechanic's liens and parties in possession.

5. Review of Property.

5.1 Review Materials. Seller has delivered to Buyer all documents, matters, and materials in Seller's actual possession and of which Seller has actual knowledge (as defined in Section 10.1(h) below) that Buyer has requested related to the Property and the Project (the "**Review Materials**"). The Review Materials include without limitation the following documents previously delivered to Buyer: (a) Copies of existing environmental, asbestos, underground storage tank, or hazardous waste reports, toxic waste studies, tank closure or removal reports, or soils reports relating to the Property, including any Phase I environmental reports, any Phase II environmental reports, any drainage facility studies, any hydrology studies and any boring reports; (b) existing surveys, (c) easement or use rights that are not identified in the Preliminary Commitment and (d) copies of third party service, maintenance or repair agreements that would be binding on Buyer following Closing. From the Agreement Date to the Closing Date, Seller shall: (a) provide Buyer with copies of any additional Review Materials in Seller's actual possession that Buyer requests; and (b) update any Review Materials provided to Buyer to the extent material changes have occurred in such documents since the Review Materials were first provided to Buyer, and Seller actually knows of any such changes.

5.2 Review Period. Buyer shall have until 5:00 p.m. Pacific time on the date that is forty-five (45) days after the Agreement Date (the "**Review Period**") to conduct a due diligence and feasibility review with respect to the Property and the Review Materials and to satisfy itself with respect to all matters relating to the Property, including, without limitation, its physical and environmental condition and suitability for Buyer's intended use as a site for the Project.

If Buyer provides written notice to Seller prior to expiration of the Review Period that the Property is acceptable to Buyer, then this Agreement shall continue in full force and effect and the Review Period contingency shall be waived. If Buyer provides written notice to Seller prior to expiration of the Review Period that the Property is not acceptable to Buyer, then this Agreement shall automatically terminate and the Earnest Money shall be returned to Buyer. Failure of Buyer to provide any such notice prior to the expiration of the Review Period shall be deemed to be notice from Buyer effective on the last day of the Review Period that the Property is not acceptable to Buyer.

5.3 Access. Prior to Closing, Buyer shall have access to the Property to conduct such investigations, tests, surveys and other analyses as Buyer determines is necessary, including, without limitation, geotechnical studies, surveys and Phase I and Phase II environmental studies, provided (a) Buyer shall conduct such tests or investigations so as not to unreasonably interfere with the King County Metro (referred to herein as "**Metro**") current activities on the Property; and (b) Buyer shall promptly restore the Property to its original or a substantially similar condition following any such tests and investigations. Prior to conducting any such inspections or tests, Buyer shall coordinate with Seller so as to avoid unreasonably disturbing use of the Property. Buyer shall be entitled to continued access to the Property for such purposes after the Review Period and during the term of this Agreement but such continued access shall not extend the Review Period and Buyer shall have no right to terminate this Agreement due to the results of any investigations, tests, surveys or other analyses conducted or received after the expiration of the Review Period except as provided in Section 10.2. Buyer's access to the Property shall be pursuant to a special use permit in form attached hereto as Exhibit F.

5.4 Termination of Contracts and Leases. Seller agrees prior to Closing to terminate at its expense all service contracts in the name of Seller applicable to the Property which are not

necessary to continue the operations of Metro on the Property pursuant to the Temporary Joint Use Agreement (as defined below) or to satisfy Seller's obligations pursuant to the TPSS MOU Amendment referenced in Section 18.4. Seller shall amend as necessary all other service contracts to be terminable by Buyer upon not more than 30 days' notice, if any, which are not necessary to continue operations of Metro on the Property. Except for the Seller WSDOT Lease (as defined below), Seller will terminate as of Closing all written leases, if any, and cause all tenants under such terminated leases to vacate the Property. Seller shall also terminate (without the necessity of any objection from Buyer) all property management agreements with respect to the Property and all brokerage or listing agreements relating to sale of or leasing space in the Property, if any.

6. Closing.

6.1 Time and Place of Closing. Closing shall occur in the office of the Escrow Holder forty-five (45) days following the satisfaction of the conditions set forth in Section 6.4 and Section 6.5 below, but not later than December 31, 2018 (the "**Closing Deadline**"). Notwithstanding the Closing Deadline, each of Buyer and Seller shall use commercially reasonable efforts to cause the conditions to be satisfied as soon as practicable to facilitate commencement of construction of the Project. If the conditions set forth in Sections 6.4 and 6.5 are not satisfied or not waived by the applicable Party before the Closing Deadline, then this Agreement shall automatically terminate on the Closing Deadline, the Earnest Money shall be returned to Buyer, and the Parties shall have no further obligations to one another except as set forth expressly in this Agreement. Buyer and Seller shall deposit in escrow with Escrow Holder all instruments and documents necessary to complete the transaction in accordance with this Agreement. As used herein, "**Closing**" or "**Date of Closing**" or "**Closing Date**" means the date on which all appropriate documents are recorded or delivered and the proceeds of sale are available for disbursement to Seller.

6.2 Closing Costs.

(a) Seller's Costs at Closing. At Closing, Seller shall pay (i) the premium for the standard coverage portion of the Title Policy, (ii) one-half of Escrow Holder's escrow fees and charges, and (iii) any recording costs of clearing title other than the Deed.

(b) Buyer's Costs at Closing. At Closing, Buyer shall pay (i) the premium for the extended coverage portion of the Title Policy and any endorsements requested by Buyer, (ii) the costs of recording the Deed, and (iii) one-half of Escrow Holder's escrow fees and charges.

Each Party shall be responsible for its own legal, accounting and consultant fees. The parties agree that the transaction described herein is exempt from real estate excise tax pursuant to WAC 458-61A-205.

6.3 Prorations. All business improvement district or similar assessments due in the tax year of Closing, if any, and other expenses in connection with the operation of the Property subject to Metro's continued occupancy of the Property and obligation to pay expenses associated with such operations as more particularly set forth in the Temporary Joint Use Agreement shall be apportioned as of 12:01 a.m. on the date of Closing. Any expenses of the Property shall be prorated based upon the expenses actually accrued or paid for the month in which Closing occurs. Notwithstanding the foregoing, any local improvement district or similar assessments that are due and owing as of Closing shall be paid in full by Seller. Except as specifically provided

herein, Buyer is not assuming and shall not be required to pay, perform or discharge any accounts or liabilities of the Seller or the Property accrued or allocable to periods prior to Closing.

6.4 Buyer's Conditions to Closing. Buyer's obligations under this Agreement are expressly conditioned on, and subject to satisfaction of, the following conditions precedent:

- (a) Performance by Seller. Seller shall have performed all material obligations required by this Agreement to be performed by it.
- (b) Title Policy. Title Company shall be ready, willing and able to issue the Title Policy provided Buyer has fulfilled its obligations with respect thereto.
- (c) Representations and Warranties. The representations and warranties of Seller contained herein shall be true and correct in all material respects.
- (d) No Material Adverse Change. At no time prior to the Closing Date shall there be any material adverse change in the physical condition of the Property (Section 8 shall apply in the case of damage or destruction).
- (e) Board Approval. Buyer shall have obtained approval from Buyer's board of directors of this Agreement and of the transaction.
- (f) Temporary Joint Use Agreement. Buyer and Seller will have entered into the Temporary Joint Use Agreement, as defined below.
- (g) TPSS MOU Amendment. Buyer and Seller will have entered into the TPSS MOU Amendment, defined below.
- (h) SEPA/NEPA. (i) Buyer shall have consulted with Seller and published a final environmental impact statement pursuant to Ch. 43.21C RCW and the National Environmental Policy Act ("NEPA") to the extent applicable, with all appeal periods having expired, and if any appeals are filed, with such appeals finally resolved, and (ii) Seller shall have satisfied any requirements of Seller imposed by Ch. 43.21C RCW and NEPA to the extent applicable, with all appeal periods having expired, and if any appeals are filed, with such appeals finally resolved.
- (i) King County Site Work. The King County Site Work has been substantially completed in accordance with Section 18.2(b) and the Temporary Joint Use Agreement.

The conditions set forth in this Section 6.4 are intended for the benefit of Buyer. If any of the foregoing conditions are not satisfied as of the Closing Date, Buyer shall have the right at its sole election either to waive the condition in question and proceed with the purchase or, in the alternative, to terminate this Agreement, receive a refund of the Earnest Money and, if applicable, exercise any remedies available to Buyer in Section 17.2 below.

6.5 Seller's Conditions to Closing. Seller's obligations under this Agreement are expressly conditioned on, and subject to satisfaction of, the following conditions precedent:

- (a) Performance by Buyer. Buyer shall have performed all material obligations required by this Agreement to be performed by it.

(b) Representations and Warranties. The representations and warranties of Buyer contained herein shall be true and correct in all material respects.

(c) Council Approval. Seller shall have obtained approval from the Metropolitan King County Council ("**Council**") of this Agreement and of the transaction.

(d) Temporary Joint Use Agreement. Buyer and Seller will have entered into the Temporary Joint Use Agreement, defined below.

(e) TPSS MOU Amendment. Buyer and Seller will have entered into the TPSS MOU Amendment, defined below.

(f) SEPA/NEPA. (i) Buyer shall have consulted with Seller and published a final environmental impact statement pursuant to Ch. 43.21C RCW and NEPA to the extent applicable, with all appeal periods having expired, and if any appeals are filed, with such appeals finally resolved, and (ii) Seller shall have satisfied any requirements of Seller imposed by Ch. 43.21C RCW and NEPA to the extent applicable, with all appeal periods having expired, and if any appeals are filed, with such appeals finally resolved.

The conditions set forth in this Section 6.5 are intended for the benefit of Seller. If any of the foregoing conditions are not satisfied as of the Closing Date, Seller shall have the right at its sole election either to waive the condition in question and proceed with the sale or, in the alternative, to terminate this Agreement and, if applicable, exercise any remedies available to Seller in Section 17.1 below.

7. Deliveries at Closing.

7.1 Seller's Deliveries. At or before Closing, Seller shall deliver the following:

- (a) Bargain and Sale Deed, in form attached hereto as Exhibit B, conveying title to the Property to Buyer, subject only to the Permitted Exceptions (the "**Deed**").
- (b) Real estate excise tax affidavit (showing that the transaction is exempt as provided above).
- (c) The Temporary Joint Use Agreement.
- (d) Such other documents, instruments or assignments reasonably necessary to complete the transaction described in this Agreement.
- (e) Such other documents or certificates reasonably required by the Escrow Holder.

7.2 Buyer's Deliveries. At Closing, Buyer shall deliver the following:

- (a) The cash set forth in Section 2.1 and the Note in Section 2.2.
- (b) Instructions to bond trustee regarding the pledge of lodging taxes to secure the Note as permitted pursuant to RCW 36.100.040(4) and as more particularly provided in Section 18.1 below.
- (c) A counterpart of the real estate excise tax affidavit (showing that the transaction is exempt as provided above).
- (d) The Temporary Joint Use Agreement.
- (e) Such other documents, instruments or assignments reasonably necessary to complete the transaction described in this Agreement.
- (f) Such other documents or certificates reasonably required by the Escrow Holder.

7.3 Operations Pending Closing. From the date hereof until Closing, Seller agrees to manage and operate the Property free from waste and neglect and consistent with past management practices. Seller further agrees: (i) except for the King County Site Work described in the Temporary Joint Use Agreement, to maintain the Property in its current condition and repair (normal wear and tear and casualty loss excepted); (ii) to perform all of its material obligations under any permits and contracts applicable to the Property; (iii) not to lease, rent or otherwise permit any person or persons to occupy any portion of the Property; (iv) except for the King County Site Work described in the Temporary Joint Use Agreement, not to enter into any new contracts which would be binding on Buyer after Closing, without the written approval of Buyer, which approval may be withheld in Buyer's sole discretion; and (v) not to further encumber the Property or market the Property or enter into any contracts or agreements to sell or otherwise transfer all or any portion of the Property. To the extent any services have been provided or any improvements, repairs or maintenance have been made or will be made to the Property prior to Closing by or through Seller which might form the basis of claims, Seller agrees to keep the

Property free from claims which might result, and to indemnify, defend, protect and hold Buyer harmless from any and all such claims and all attorneys' fees and other costs incurred by reason thereof. The foregoing shall not apply to claims that may arise through Buyer and shall survive Closing.

8. Destruction of Property. The Parties acknowledge that Buyer intends to demolish the Improvements and redevelop the Property after Closing at or about the time Buyer commences construction of its Project. In the event that all or any material portion of the Improvements are subject to damage or destruction prior to the date of Closing, Buyer may extend the Closing by up to sixty (60) days to evaluate the impact of such damage or destruction or may terminate this Agreement by delivering written notice to Seller. In the event that Buyer does not elect to terminate this Agreement, then Seller shall have no obligation to repair or replace any damage or destruction nor shall the Purchase Price be reduced but the following shall apply at the Closing: Seller shall assign to Buyer its rights to any damage proceeds, if any, resulting from such damage or destruction and shall not make any settlements without Buyer's prior written approval, which shall not be unreasonably withheld.

9. Permitting. During the term of this Agreement, Buyer shall have the right (at Buyer's sole cost) to seek a master use permit and any other discretionary permits or approvals required for Buyer's intended Project and any other development plan approval, permits and other land use approvals or authorizations as may be required for such development pursuant to that certain Proof of Agency letter from Metro to Buyer dated November 12, 2014, (the "**Entitlements**"). Seller agrees to diligently cooperate in good faith with Buyer in Buyer's efforts to seek permits and approvals and authorizations for Buyer's intended development of the Property. Such cooperation shall include joining in any permit or entitlement applications if reasonably requested by Buyer. However, other than joining in applications and supporting Buyer's proposed development, Seller shall not be required to incur any material expense in connection with the efforts of Buyer to seek a master use permit and any other permits and other approvals and authorizations.

10. Representations and Warranties.

10.1 Seller's Representations and Warranties. Seller hereby represents, warrants and covenants to Buyer as follows:

(a) Execution, Delivery and Performance of Agreement. The execution, delivery and performance of this Agreement by Seller (i) is within the powers of Seller as a political subdivision of the State of Washington and (ii) subject to the condition in Section 6.5(c) of this Agreement, has been or will be on or before the Closing Date, duly authorized by all necessary action of the Seller's legislative authority. This Agreement constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms herein.

(b) Leases. Except for matters to be addressed pursuant to the TPSS MOU Amendment referenced in Section 18.4, there are no oral or written leases (including any sign or billboard leases), rental agreements or other occupancy agreements arising through Seller allowing any person or entity to occupy all or any portion of the Property. No person has an option or right of first refusal from Seller to lease any interest in the Property that has not been waived in writing.

(c) Contracts. Seller has entered into no contracts or agreements which will be binding on Buyer or the Property after Closing except as shown in the Preliminary Commitment, and except for the Temporary Joint Use Agreement and the TPSS MOU Amendment.

(d) Compliance. To the best of Seller's actual knowledge, Seller has not received any written notice that, and has no current actual knowledge that, the Property or the operation and use thereof does not comply in any material respect with any applicable laws.

(e) No Prior Options, Sales or Assignments. Seller has not granted any options nor obligated itself in any manner whatsoever to sell the Property or any portion thereof to any party other than Buyer.

(f) Litigation. To the best of Seller's actual knowledge, there is no claim, litigation, proceeding or governmental investigation pending or threatened in writing against Seller with respect to the Property, or the transactions contemplated by this Agreement.

(g) Hazardous Substances. Except for the environmental reports provided to Buyer as part of the Review Materials, to Seller's actual knowledge, (a) the Property does not contain, no activity on the Property has produced nor has the Property been used in any manner for the storage, discharge, deposit or dumping of hazardous or toxic wastes or substances, whether in the soil, ground water or otherwise; (b) the Property does not contain underground tanks of any kind; and (c) the Property does not contain and does not produce polychlorinated biphenyls, asbestos, urea formaldehyde or radon gas.

(h) Definitions. The term "**Seller's actual knowledge**" means and includes only the actual knowledge of Ron Moatar, Metro Project Manager, without giving effect to any principles of imputed or constructive knowledge and without any duty of inquiry.

10.2 Updates to Seller's Representations and Warranties. If any of the representations or warranties of Seller contained herein become materially inaccurate as of the date of Closing, or for a period of twelve (12) months after Closing, as a result of information received by Seller or Buyer, or as a result of occurrences subsequent to the Agreement Date, then Seller shall promptly notify Buyer, or Buyer shall promptly notify Seller, as the case may be, of such information or occurrence. Seller shall then have sixty (60) days after receipt of such notice to cure such breach, so long as Seller's reasonably estimated cost to cure such breach is not in excess of Two Million Five Hundred Thousand Dollars (\$2,500,000). If the notice of breach is received before Closing, then Closing shall be automatically extended for such sixty (60) – day cure period. If the notice of breach is received before Closing, and Seller is either unable to complete such cure within such sixty (60) – day period, or Seller estimates that such cure cannot occur for an amount equal to or less than Two Million Five Hundred Thousand Dollars (\$2,500,000), then Buyer may elect to (i) proceed with Closing (in which case Seller's reasonably estimated cost of curing such inaccuracy shall be credited against the Purchase Price, but in no event an amount in excess of Two Million Five Hundred Thousand (\$2,500,000)), or (ii) terminate this Agreement, in which event the Earnest Money shall be returned to Buyer as its sole remedy (except for reimbursement of its Due Diligence Costs as provided in Section 17.2) and all obligations of Seller and Buyer hereunder (except for those indemnity and other obligations that would survive Closing) shall terminate and be of no further force or effect. If the notice of breach is received after Closing, but within the twelve (12) month period set forth above, and Seller's reasonably estimated cost to cure such breach or default is in excess of Two Million Five Hundred Thousand Dollars (\$2,500,000), then

Buyer's sole remedy shall be to elect for Seller to pay Buyer an amount equal to but not in excess of Two Million Five Hundred Thousand Dollars (\$2,500,000) to complete such cure. The representations and warranties of Seller contained herein shall survive Closing for a period of twelve (12) months and shall expire thereafter except for and only to the extent written notice containing a description of the specific nature of any breach(es) shall have been given by Buyer to Seller prior to expiration of the twelve (12) month period. In no event shall Seller's liability for breach of the representations and warranties of Seller contained herein be in excess of Two Million Five Hundred Thousand Dollars (\$2,500,000).

10.3 Buyer's Representations and Warranties. Buyer hereby represents, warrants and covenants to Seller that this Agreement has been duly authorized, executed and delivered by Buyer and is a legal, valid and binding obligation of Buyer. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will: (a) conflict with or result in a breach of any law, regulation, writ, injunction or decree of any court or governmental instrumentality applicable to Buyer; or (b) constitute a breach of any agreement to which Buyer is a Party or by which Buyer is bound; and (c) incurring the payment obligations herein, to be set forth in the Note, will not violate any constitutional, statutory or other limitation upon the amount of indebtedness that the Buyer may incur.

11. As-Is Purchase and Release. Buyer is purchasing the Property "**as is where is**" in its present condition. Buyer has the opportunity to inspect the Property and documentation in Seller's possession as provided herein. Except as expressly set forth in Section 10 above and in the conveyance documents, Seller makes no representations or warranties, express or implied, with respect to: (a) the condition of the Property or any buildings, structure or improvements thereon, or the suitability of the Property for Buyer's intended use; (b) any applicable building, zoning or fire laws or regulations or with respect to compliance therewith or with respect to the existence of or compliance with any required permits, if any, of any governmental agency; (c) the availability or existence of any water, sewer or utilities, any rights thereto, or any water, sewer or utility districts; (d) access to any public or private sanitary sewer or drainage system; or (e) the presence of any hazardous substances at the Property or in any improvements on the Property, including without limitation asbestos or urea-formaldehyde, or the presence of any environmentally hazardous wastes or materials on or under the Property. Buyer acknowledges that Buyer is given the opportunity under this agreement to fully inspect the Property and, subject to the terms of this Agreement, Buyer assumes the responsibility and risks of all defects and conditions.

Except for claims of fraud or willful misrepresentation on the part of Seller, and except as specifically set forth in this Agreement or the Temporary Joint Use Agreement, Buyer, on behalf of itself and its employees, agents, successors and assigns, attorneys and other representatives, and each of them, hereby forever expressly waives and releases, Seller from and against any and all claims, demands, causes of action, obligations, damages and liabilities of any nature whatsoever, whether alleged under any statute, common law or otherwise, directly or indirectly, arising out of or related to the operation or economic performance of the Property, delays in completing the Project, and the condition of the Property, including, but not limited to, Hazardous Materials in violation of Environmental Regulations. The term "**Hazardous Material**" for purposes hereof shall mean any chemical, substance, material or waste component thereof listed or defined as hazardous or toxic under any Environmental Regulations. The term "**Environmental Regulations**" means all applicable present and future statutes, regulations, ordinances, rules, codes, judgments, orders, or other similar enactments or any governmental authority or agency

regulating or relating to health, safety, or environmental conditions on, under or about the Property or the environment including the following: Model Toxics Control Act, the Comprehensive Environmental Response, Compensation and Liability Act and the Resource Conservation and Recovery Act. Buyer and Seller acknowledge that Buyer has been afforded the opportunity to conduct certain environmental testing on the Property and the Purchase Price has been adjusted by mutual agreement of Buyer and Seller as set forth in Section 2 above.

From and after Closing, Buyer shall indemnify, defend and hold Seller, its officers, agents and employees harmless from and against any and all claims and agency orders or requirements (collectively "**Claims**") relating to or arising out of, directly or indirectly, Hazardous Materials, if any, presently on the Property except for Claims relating to or arising out of, directly or indirectly, (a) Hazardous Materials that have migrated from the Property by ground water, storm water, soil excavation, or other means during construction of the existing improvements on the Property which commenced during or about 1988 including, without limitation, handling and disposal of Hazardous Materials during demolition, excavation, construction and alterations of such improvements, (b) the disposal of Hazardous Materials including soil, tanks or debris during and after construction of the existing improvements on the Property, or (c) Seller's or its predecessor's (meaning the Municipality of Metropolitan Seattle) failure to comply with Environmental Regulations related to bus or transit operations on the Property, including handling and disposal of Hazardous Materials. In addition to the foregoing, if Seller is named or joined in any legal action or proceeding intended to delay the Project or to challenge or dispute Buyer's permits, approvals or other necessary entitlements for the Project, Buyer, at its expense, will defend Seller in such litigation with Buyer's counsel, provided Seller may direct such counsel on its behalf in consultation and cooperation with Buyer. If Seller engages separate counsel, such counsel shall be at Seller's expense, but Seller and its counsel shall cooperate with Buyer's counsel.

12. Negotiation and Construction. This Agreement and each of the terms and provisions hereof are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either Party.

13. Brokers and Finders. Each Party represents and warrants to the other that no broker or finder has been involved in this transaction. In the event of a claim for any broker's fee, finder's fee, commission or other similar compensation by an broker, finder or agent in connection with this Agreement, Buyer, if such claim is based upon any agreement alleged to have been made by Buyer, hereby agrees to indemnify Seller against any and all damages, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and costs) which Seller may sustain or incur by reason of such claim, and Seller, if such claim is based upon any agreement alleged to have been made by Seller, hereby agrees to indemnify Buyer against any and all damages, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and costs) which Buyer may sustain or incur by reason of such claim. The provisions of this Section 13 shall survive the termination of this Agreement or the Closing.

14. Possession. Buyer shall be entitled to possession of the Property on the date of Closing, free and clear of all tenant leases or other parties in possession except as expressly provided in this Agreement or the Temporary Joint Use Agreement.

15. Governing Law, Attorneys' Fees. This Agreement shall be construed according to the laws of the state of Washington. If either Buyer or Seller should find it necessary to employ an

attorney to enforce a provision of the Agreement or to recover damages for the breach hereof (including proceedings in bankruptcy), the substantially prevailing Party shall be entitled to be reimbursed for its arbitration and/or court costs and attorneys' fees, in addition to all damages, through all levels of appeal.

16. Waiver of Right to Receive Seller Disclosure Statement and Waiver of Right to Rescind. To the maximum extent permitted by RCW Ch. 64.06, Buyer expressly waives its right to receive from Seller a seller disclosure statement ("**Seller Disclosure Statement**") and to rescind this Agreement, both as provided for in RCW Ch. 64.04. Seller and Buyer acknowledge and agree that Buyer cannot waive its right to receive the section of the Seller Disclosure Statement entitled "Environmental" (which is contained in Section 6 of the form) if the answer to any of the questions in that section would be "yes." Nothing in the Seller Disclosure Statement creates a representation or warranty by the Seller, nor does it create any rights or obligations in the Parties except as set forth in RCW Ch. 64.06. Buyer is advised to use its due diligence to inspect the Property as allowed for by this Agreement, and that Seller may not have knowledge of defects that careful inspection might reveal. Buyer specifically acknowledges and agrees that the Seller Disclosure Statement is not part of this Agreement, and Seller has no duties to Buyer other than those set forth in this Agreement.

17. Default and Remedies.

17.1 Default by Buyer. If Buyer fails without legal excuse to complete the purchase of the Property in accordance with the terms of this Agreement, the Earnest Money deposited by Buyer shall be forfeited as liquidated damages to Seller as the sole and exclusive remedy available to Seller for such failure. Buyer and Seller expressly agree that the delivery to and retention of the Earnest Money by Seller represents a reasonable estimation of the damages in the event of Buyer's default, that actual damages would be difficult to ascertain as of the date hereof, and this provision does not constitute a penalty.

17.2 Default by Seller. If Seller fails without legal excuse to complete the sale of the Property in accordance with the terms of this Agreement, Buyer may elect one of the following remedies as its sole and exclusive remedy: (a) specific performance of this Agreement (provided an action thereon is commenced within one hundred twenty (120) days of Seller's failure to perform); or (b) rescission of this Agreement and return of the Earnest Money and reimbursement of its actual Due Diligence Costs (as defined below), but not exceeding Four Hundred Thousand Dollars (\$400,000). For the purposes of this Agreement, "**Due Diligence Costs**" shall mean all actual, out-of-pocket due diligence, environmental, engineering, permitting, entitlement, rezoning, consultant and legal fees and costs and any non-refundable deposits expended by Buyer in connection with the Project, as reasonably shown in writing.

18. Post-Closing Obligations of Buyer and Seller. The following obligations of Buyer and Seller shall survive Closing hereunder.

18.1 Pledge of Lodging Tax; Priority Position.

(a) Pledge of Lodging Tax. Buyer hereby irrevocably covenants and agrees for as long as its obligations under the Note (the "Obligations") are outstanding that each year it will continue to impose the Lodging Tax pursuant to RCW 36.100.040(4) and (5), as the same may be amended from time to time or any successor statute (the revenues from such Lodging Tax are hereinafter

referred to as the "Lodging Tax Revenues"), to the extent permitted by applicable law. Buyer hereby irrevocably obligates and binds itself to set aside and pay from Lodging Tax Revenues the amount necessary to pay the Obligations as and when due, from amounts available after payments have been made as described as (i) priorities First through Seventh in the Flow of Funds set forth in Section 9(c) of Resolution No. 2010-12 of Buyer adopted on November 12, 2010 (the "2010 Bond Resolution"), a copy of which is attached hereto as Exhibit C-2, prior to the effective date of the second amendment described in Section 18.1(c) below (the "Second Amendment"), or (ii) priorities First through Sixth, on and after the effective date of the Second Amendment. The foregoing sentence shall constitute a pledge of Lodging Tax Revenues to the payment of the Obligations, as authorized by RCW 36.100.040(7).

Buyer shall cause the Lodging Tax Revenues so pledged for payment of the Obligations to be deposited monthly into an account identified and maintained by Seller before any payments are made with respect to obligations incurred by, or liabilities of, Buyer with a priority position described as (i) priority Eighth in the Flow of Funds set forth in Section 9(c) of the 2010 Bond Resolution or (ii) priority Seventh, after the effective date of the Second Amendment. The Obligations shall not be subject to acceleration.

Buyer will exercise due regard for the anticipated financial requirements to be satisfied as priorities First through Seventh of Section 9(c) of the 2010 Bond Resolution each Fiscal Year prior to authorizing or making any disbursement of Lodging Tax Revenues for payment of the Obligations prior to the effective date of the Second Amendment. At or before Closing, Buyer shall amend the 2010 Bond Resolution pursuant to Section 21(a)(10) thereof to renumber priority Eighth as priority Ninth and to add a new priority "Eighth: to pay the Obligations as and when due" (the "First Amendment").

Capitalized terms used but not defined herein have the meanings set forth in the 2010 Bond Resolution. In lieu of providing a Bond Trust Agreement the foregoing provisions are intended to confirm the priority of the payment of the Obligations from the Lodging Tax Revenues, subject to the First Amendment and the Second Amendment.

(b) Issuance of Bonds for the Project. Seller recognizes that Buyer expects to issue the First Issue and each Later Issue (each as defined in the Financing Plan attached hereto as Exhibit D-1 (the "Financing Plan")) including short term debt as described in Section 3.b. of the Financing Plan as Additional First Priority Bonds (also referred to as "PFD First Priority Bonds" under the Transfer Agreement between the State of Washington and Buyer dated November 30, 2010 (the "Transfer Agreement") or Subordinate Priority WSCC Obligations (also referred to as "PFD Subordinate Lien Obligations" under the Transfer Agreement), provided Buyer satisfies the applicable conditions to such issuance set forth in the Financing Plan and in the 2010 Bond Resolution. At the request of Buyer from time to time, Seller shall confirm the priority of the Obligations in writing. Notwithstanding the foregoing, any bonds issued within one (1) year following completion of the Project (defined as receipt of the final certificate of occupancy for the Project) ("Completion Bonds") for the purpose of renovating Buyer's existing convention facility may be issued as Additional First Priority Bonds or Subordinate Priority WSCC Obligations so long as Buyer satisfies the Later Issue DSCR set forth in the Financing Plan (but satisfaction of the other conditions set forth in the Financing Plan for Additional First Priority Bonds or Subordinate Priority WSCC Obligations shall not be required). Thereafter, Buyer may not issue Additional First Priority Bonds or Subordinate Priority WSCC Obligations without Seller consent, except that Buyer may issue refunding First Priority Bonds and Subordinate Priority WSCC

Obligations for debt service savings or to refinance the short term debt described in Section 3.b. of the Financing Plan.

(c) Second Amendment to 2010 Bond Resolution. Buyer hereby covenants and agrees to use good faith efforts to adopt the Second Amendment to the 2010 Bond Resolution pursuant to Section 21(b) thereof in connection with the First Issue to provide that (i) the Obligations shall constitute priority Seventh in the Flow of Funds set forth in Section 9(c) of the 2010 Bond Resolution, (ii) the payments and obligations currently described as priority Seventh in the 2010 Bond Resolution shall become priority Eighth, and (iii) the payments and obligations currently described as priority Eighth in the 2010 Bond Resolution shall become priority Ninth. In the event Buyer is unable to adopt the Second Amendment, Buyer must satisfy the Additional Conditions as defined in Paragraph 7 of the Financing Plan.

(d) Performance and Payment Bond. Buyer shall cause its general contractor / construction manager to provide a performance and payment bond covering the total GC/CM contract cost of the Project, and for subcontractors to provide bid bonds and performance and payment bonds, as required pursuant to Ch. 39.10 RCW (or equivalent like Subguard, provided it is reasonably acceptable to Seller).

18.2 Temporary Joint Use Agreement. After Closing and until the DSTT Termination Date (as defined below), Seller shall require temporary access to and use of the Property as provided below for Metro operations. Prior to and as a condition of Closing, the Parties will enter into an agreement that is approved by each Party, such approval not to be unreasonably withheld, conditioned or delayed (the "Temporary Joint Use Agreement") that ensures the continuity of Metro operations on the Property and Metro access to the Downtown Seattle Transit Tunnel (the "DSTT") until September 30, 2018, unless such date is extended due to substantial delays in Buyer's commencement of or continuity of construction of the Project (the "DSTT Termination Date"). The Temporary Joint Use Agreement shall specify the latest date that construction of the Project may begin before there is a corresponding extension of the DSTT Termination Date. Buyer and Seller shall cooperate with each other to ensure that Metro operations on the Property do not materially interfere with Buyer's construction of the Project and that Buyer's construction does not materially interfere with Metro's operations and access to the DSTT. The Parties currently contemplate the Temporary Joint Use Agreement to include the following:

(a) Interim Access to DSTT. The Temporary Joint Use Agreement shall include: (i) the scope, concept and design for access to the DSTT (the "DSTT Access Conceptual Plans"), (ii) the schedule for completing such access to the DSTT in accordance with the DSTT Access Conceptual Plans (the "DSTT Access Schedule"), and (iii) the estimated cost of implementing and maintaining the DSTT access pursuant to the DSTT Access Conceptual Plans and the DSTT Access Schedule (the "DSTT Access Cost Estimate"). Seller shall reimburse eighty percent (80%) of the DSTT Access Cost Estimate and Buyer shall pay twenty percent (20%) of the DSTT Cost Estimate. The DSTT Access Cost Estimate was approximately \$3,100,000 based on the Buyer's estimate dated February 26, 2016. Based on that DSTT Access Cost Estimate, Seller's reimbursement would be \$2,480,000. Both Parties will strive to keep the DSTT Access Cost Estimate below \$5,000,000. However, Seller's reimbursement obligation will not exceed \$4,000,000 without prior approval from the King County Council. Buyer shall be responsible for implementing the DSTT Access Conceptual Plans in substantial accordance with the DSTT Access Cost Estimate and the DSTT Access Schedule as set forth and revised in the Temporary Joint Use Agreement. Seller's portion of the actual DSTT Access Cost Estimate, subject to the

limitations set forth herein, shall be paid to Buyer on June 30, 2020. In the event the cost to implement the DSTT Access Conceptual Plans exceeds the DSTT Access Cost Estimate as specified in the Temporary Joint Use Agreement, such excess shall be borne solely by Buyer unless such excess is a result of a: (i) material delay or change requested by Seller in the DSTT Access Conceptual Plans or (ii) other material delays or changes caused by Seller that result in an increase in the DSTT Access Cost Estimate to the extent of such increase.

(b) King County Site Work. Seller shall be responsible for completing certain King County site work on the Property related to the DSTT Access Conceptual Plans as described in Exhibit H attached hereto (the "King County Site Work"). Buyer shall perform the King County Site Work for Seller as further defined in the Temporary Joint Use Agreement. The King County Site Work shall be completed prior to Closing, but shall not commence until execution of the Temporary Joint Use Agreement, and the conditions set forth in Sections 6.4(h) and 6.5(f) have been satisfied. In the event this transaction fails to close for any reason other than Seller's default after commencement of the King County Site Work, Buyer will repair and restore the Property at its sole expense to the condition that existed immediately prior to commencement of the King County Site Work.

(c) Bus Layover Space. During construction of the Project, Buyer, at its cost, shall provide to Seller temporary bus layover space for a total of nine (9) 60-foot long buses simultaneously (the "Temporary Layover Space") in a location agreed to between Buyer and Seller as such location is generally depicted on Exhibit E attached hereto. Buyer and Seller shall obtain approval of the proposed Temporary Layover Space by SDOT before the Closing Date. If SDOT does not approve the location of the Temporary Layover Space before the Closing Date, then Buyer shall assist Seller to determine an alternative location for the Temporary Layover Space. Additionally Buyer shall assist Seller and SDOT to determine a location to accommodate (i) fifteen (15) 60-foot long buses in a single (or dual) location or (ii) twenty-four (24) 60-foot long buses in dispersed locations (on or off-street) in the downtown area of Seattle.

(d) Bus Routing, Delays, and Closure. Buyer shall utilize reasonable measures to mitigate any public transportation travel time increases caused by re-routings through the Property and other property impacted by the construction of the Project. Buyer and Seller shall work collaboratively and reasonably to develop, pursuant to the Temporary Joint Use Agreement, appropriate milestones and minimum notice requirements for closure of the DSTT and the station located on the Property.

18.3 Artwork. Reference is made to that certain letter dated July 9, 2015 from Cath Brunner of 4Culture regarding existing artwork located on the Property, a copy of which has been provided to Buyer (the "**Existing Artwork Letter**"). Seller shall enter into an agreement with 4Culture by which Seller will cause the de-accession of all existing public artwork on the Property prior to Closing and to pay the costs related thereto. Such agreement between Seller and 4Culture shall be provided to Buyer for review and approval, such approval not to be unreasonably withheld, conditioned or delayed, prior to execution thereof. While Buyer does not have a statutory requirement for public art in the Project, in consideration of Seller's agreement with 4Culture, Buyer hereby agrees to the following:

(a) Buyer will establish an Art Budget (the "Art Budget") of not less than \$4,500,000 and expend at least that amount on public art. Buyer shall supplement the Art Budget by an additional \$100,000 (for a total of not less than \$4,600,000) to be spent on mitigation of lost artwork.

(b) Buyer will engage in a fully public process for the administration of the Art Budget which means hiring an artist to assist in art master planning, employing the services of a qualified public art professional or organization to manage the process of acquiring and installing the art and utilizing, empowering and adequately staffing Buyer's Art Advisory Committee to assist in the administration of the Art Budget; provided, however, all final decisions regarding acquisition of artwork for the Project and use of the Art Budget shall be made by Buyer's board of directors.

(c) Buyer will develop an interpretive framework at the Convention Center that will make the documentation of lost artwork open and accessible to the public. The costs related to such framework shall be included in the Art Budget.

(d) Buyer will incorporate into the Project the five (5) artistic tree grates and the two (2) profiles in the sidewalk that are depicted on Exhibit I attached hereto. The costs related to incorporation of the tree grates and the profiles shall be included in the Art Budget. The final location of the tree grates and the profiles in the Project will be determined by Buyer.

18.4 Relocation of Existing Systems and Infrastructure Improvements. Buyer and Seller have entered into that certain Memorandum of Understanding between King County and Washington State Convention Center Regarding CPS Property Replacement of Transit Power Substation dated October 22, 2015 (the "**TPSS MOU**"). A copy of the current TPSS MOU is attached to this Agreement as Exhibit G. Prior to and as a condition to Closing, Buyer and Seller shall amend the TPSS MOU or enter into a separate TPSS MOU Contract for additional work/costs (collectively the "**TPSS MOU Amendment**") as follows: (a) add the relocation or replacement of certain equipment specified by Seller that is located on the Property, that supports operations within the DSTT, and that is owned by Sound Transit and/or King County, to the scope of work contemplated by the MOU (collectively with the work currently described in the MOU, the "**TPSS and Infrastructure Work**") (b) Buyer, Seller and Sound Transit determining the schedule for completing the TPSS and Infrastructure Work, and (c) Seller and Sound Transit determining the allocation and reimbursement of costs between them for completing the TPSS and Infrastructure Work which shall be reimbursed to Buyer. Buyer and Seller acknowledge and agree that Seller and Sound Transit must reach agreement with respect to certain matters described above before Buyer and Seller may enter into the TPSS MOU Amendment, and Seller shall use commercially reasonable efforts to resolve expeditiously such issues with Sound Transit.

18.5 WSDOT Lease. Seller is a Party to that certain lease dated as of June 29, 1987, for that certain real property labeled as Parcel 11 on Exhibit A-3 (the "**Seller WSDOT Lease**"). Upon Seller's abandonment of the Seller WSDOT Lease, Buyer intends to enter into a lease with WSDOT for Parcel 11 and all or some portion of that certain real property labeled as Parcel 12 on Exhibit A-3 (the "**Buyer WSDOT Lease**"). At such time that Seller is no longer using the Seller WSDOT Lease area, as contemplated and set forth in the Temporary Joint Use Agreement, Seller shall promptly provide notice to WSDOT and Buyer of its intent to abandon the Seller WSDOT Lease. The above sequencing notwithstanding, Seller agrees to cooperate in good faith with Buyer if Buyer is able to reach agreement with WSDOT to acquire interest in Parcel 11 from WSDOT prior to Seller's abandonment, provided that Buyer will provide Seller with access and use of Parcel 11 pursuant to the same rights and interests that Seller has under the existing Seller WSDOT Lease until Seller no longer requires use of Parcel 11, as contemplated and set forth in the Temporary Joint Use Agreement.

18.6 Affordable Housing. To provide for, satisfy and support Seller's interest, goal and requirement to make the Property available for affordable housing, Buyer, as a component of the Project, agrees to either: (a) construct Five Million Dollars (\$5,000,000) worth of affordable housing units on the Project; or (b) contribute Five Million Dollars (\$5,000,000) to the King County Department of Community and Human Services to be used by the agency to support and provide affordable housing in King County. If Buyer elects to include affordable housing in the Project, Seller must approve, not to be unreasonably withheld, conditioned or delayed, the number and type of units, the income eligibility standards for the affordable housing, and the form and duration of an affordable housing covenant that will be recorded against the Project to secure performance of the affordable housing obligation described herein. Buyer may elect to require that housing preference be given to persons working at the Convention Center. Buyer's elections above, and Seller's approval or Buyer's contribution, as applicable, as outlined herein, must be completed prior to and as a condition of Closing.

18.7 Project Conditions. Buyer agrees to comply with the following requirements during the construction of the Project:

(a) Buyer shall use a Project Labor Agreement with terms similar to the terms set forth in that certain Project Labor Agreement for the Brightwater Conveyance System dated June 20, 2005 provided the Seattle Building Trades Unions will agree to such terms.

(b) Buyer shall use apprentices during construction of the Project.

(c) Buyer shall use good faith efforts to implement the use of local hiring preferences during construction of the Project.

(d) Buyer shall be responsible for obtaining all permits necessary to complete the construction of the Project unless otherwise contemplated in this Agreement.

(e) During construction of the Project, Buyer shall permit a representative of Seller to have access to the Property for purposes of monitoring transit access, attending significant Project design and construction meetings which materially affect Metro's access to the DSTT, and approving timeline and construction thresholds related to access to the DSTT and public transit through the Property, which approval shall not be unreasonably withheld, conditioned or delayed. Such access shall be subject to all reasonable construction rules and security and safety requirements established by Buyer or its contractor.

18.8 Sales Tax Deferral. In the event Buyer obtains a construction sales tax deferral or exemption, that portion of construction sales tax that otherwise would have been received by King County in connection with construction of the Project shall be added to principal on the Note in the years that such sales tax revenue would have been received as reasonably estimated by Buyer, and if a sales tax deferral, then the principal of the Note shall be reduced by the amount and at such time as Seller actually receives the amount of such deferred sales tax.

19. Notices. All notices, demands, requests, consents and approvals which may, or are required to, be given by any Party to any other Party hereunder shall be in writing and shall be deemed to have been duly given if (a) delivered personally, (b) sent by a nationally recognized

overnight delivery service, or (c) if mailed or deposited in the United States mail and sent by registered or certified mail, return receipt requested, postage prepaid to:

SELLER: King County
Chinook Building
401 5th Ave Ste 810
Seattle, WA 98104
Attention: Director: Performance, Strategy and Budget

with a copy to: Cairncross & Hempelmann
524 Second Avenue, Suite 500
Seattle, Washington 98104
Attention: Matt Hanna

Washington State Convention Center Public Facilities District:
800 Convention Place
Seattle, Washington 98101-2350
Attention: Jeff Blosser, President and CEO

With a copy to: Pine Street Group L.L.C.
1500 Fourth Avenue, Suite 600
Seattle, Washington 98101
Attention: Matt Griffin and Matt Rosauer

Either Party hereto may by proper notice made by the other Party designate such other address for giving of notices. All notices shall be deemed given on the day such notice is delivered (or if refused, the date of such refusal).

20. Assignment.

20.1 Buyer's Assignment. Buyer may not assign its rights under this Agreement without Seller's prior written consent, which consent may be withheld or conditioned in Seller's sole discretion.

20.2 Seller's Assignment. Seller may not assign its rights under this Agreement without Buyer's prior written consent.

21. Dispute Resolution. In the event of a dispute between the Parties during the Term of the Agreement, the following terms and conditions shall apply:

21.1 Buyer's designee and the King County Executive, or its designee (the "Designated Representatives"), shall confer to resolve disputes that arise under this Agreement as requested by either Party. The Designated Representatives shall use their best efforts and exercise good faith to resolve such disputes. The following individuals are hereby designated as the Designated Representatives of the Parties for the purpose of resolving disputes that arise under this Agreement, and dispute resolution notices shall be sent to:

Buyer: Chairman, WSCC Board of Directors
800 Convention Place
Seattle, Washington 98101

Seller: Deputy King County Executive
Chinook Building
401 Fifth Avenue, Suite 800
Seattle, Washington 98104

If the Parties are still unable to resolve the dispute, then either Party may pursue any right or remedy available under applicable law.

22. Further Assurances. In addition to the acts and deeds recited herein and contemplated to be performed at the Closing, Seller and Buyer agree to perform such other acts, and to execute and/or deliver such other instruments and documents, as either Seller or Buyer, or their respective counsel, may reasonably require in order to effectuate the intents and purposes of this Agreement. The provisions of this Section shall survive Closing.

23. Exhibits. All exhibits attached hereto or referenced herein are incorporated in this Agreement.

24. Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such provisions had not been contained herein.

25. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs and assigns to the extent permitted hereunder.

26. Entire Agreement. This Agreement contains the entire understanding between the parties and supersedes any prior agreements between them respecting the subject matter hereof.

27. Recording. This Agreement shall not be recorded, but either Party may record a memorandum of the agreement including Seller's rights to payments under the Note.

28. Time of the Essence. Time is of the essence of this Agreement.

29. Computation of Time. If a deadline arises or performance is due on a day that is a Saturday, Sunday or other legal holiday in the State of Washington, the actual deadline for performance shall be extended to the next succeeding business day.

30. Force Majeure. Neither Party shall be liable for delays in performance resulting from causes, including third parties and acts of God, beyond such Party's reasonable control, and the time for such performance shall be extended by the number of days such performance is delayed by such causes.

31. Counterparts. This Agreement may be executed in several counterparts, which shall be treated as originals for all purposes, and all counterparts so executed shall constitute one

agreement, binding on all the parties hereto, notwithstanding that all the parties are not signatory to the original or to the same counterpart. Any such counterpart shall be admissible into evidence as an original hereof against the person who executed it.

32. Attorney's Fees, Jurisdiction and Venue. In any action to enforce this Agreement, each Party shall bear its own attorney's fees and costs. In the event of any litigation hereunder, the Superior Court of King County, Washington shall have exclusive jurisdiction and venue.

[Signatures only follow.]

DATED as of the day and year first above written.

SELLER: KING COUNTY, a home-rule charter county and political subdivision of the State of Washington

By: _____
Name: _____
Its: _____

Approved as to form:

By: _____

BUYER: WASHINGTON STATE CONVENTION CENTER PUBLIC FACILITIES DISTRICT, a King County public facilities district

By: _____
Name: Frank Finneran
Its: Chairman of the Board of Directors

Approved as to form:

By: _____
Matthew R. Hendricks, General Counsel

Exhibits

- Exhibit A-1 Description of Property
- Exhibit A-2 Legal Description of Property
- Exhibit A-3 Parcel Map
- Exhibit B Bargain and Sale Deed
- Exhibit C-1 Form of Note
- Exhibit C-2 2010 Bond Resolution
- Exhibit D-1 Financing Plan
- Exhibit D-2 Financing Contingency Plan
- Exhibit E Temporary Layover Space
- Exhibit F Special Use Permit
- Exhibit G TPSS MOU
- Exhibit H King County Site Work
- Exhibit I Sidewalk Art and Tree Grates

EXHIBIT A-1
TO
PURCHASE AND SALE AGREEMENT

Description of Parcels

Parcel	Address	Parcel Number	Area	Zoning
A	906 Pine St	0660001025	123,747 SF	Downtown Mixed Commercial 340/290-400
B	1620 9 th Ave	0660001700	54,287 SF	Downtown Mixed Commercial 340/290-400

EXHIBIT A-2
TO
PURCHASE AND SALE AGREEMENT

Legal Description

PARCEL A:

LOTS 1 THROUGH 12, INCLUSIVE, BLOCK 32 AND LOTS 4 THROUGH 6, INCLUSIVE, BLOCK 44, 2ND ADDITION TO THE TOWN OF SEATTLE, AS LAID OFF BY THE HEIRS OF SARAH A. BELL (DECEASED) COMMONLY KNOWN AS HEIRS OF SARAH A. BELLS 2ND ADDITION TO THE CITY OF SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 121, IN KING COUNTY, WASHINGTON; EXCEPT THE SOUTHERLY 7 FEET OF LOTS 1 AND 12 CONDEMNED UNDER SUPERIOR COURT CAUSE NO. 57057 FOR PINE STREET. TOGETHER WITH THE ALLEY IN BLOCK 32 AND THAT PORTION OF TERRY AVENUE VACATED BY CITY OF SEATTLE ORDINANCE 124728.

PARCEL B:

THOSE PORTIONS OF PINE STREET AND TERRY AVENUE AND OF LOTS 1, 2, 3, 10, 11, AND 12 AND THE ALLEY ADJOINING THERETO, ALL IN BLOCK 44, SECOND ADDITION TO THE TOWN (NOW CITY) OF SEATTLE AS LAID OFF BY THE HEIRS OF SARAH A. BELL (DECEASED), ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 121, RECORDS OF KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEASTERLY CORNER OF SAID LOT 10; THENCE SOUTH 30°38'18" EAST, ALONG THE EASTERLY LINE OF SAID LOTS 10, 11 AND 12, TO A POINT OPPOSITE HIGHWAY ENGINEER'S STATION 2233+60± ON THE LINE SURVEY OF SR 5, SEATTLE FREEWAY: JACKSON ST. TO OLIVE WAY AND 110 FEET NORTHWESTERLY THEREFROM; THENCE SOUTH 16°54'20" WEST, PARALLEL WITH SAID LINE SURVEY, TO A POINT ON A LINE THAT IS PARALLEL WITH AND 18 FEET NORTHWESTERLY OF, MEASURED AT RIGHT ANGLES TO, THE CENTERLINE OF PINE STREET; THENCE SOUTH 59°21'55" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 153.07 FEET TO THE CENTERLINE OF TERRY AVENUE; THENCE SOUTH 59°21'30" WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 33 FEET TO THE SOUTHEASTERLY PROLONGATION OF THE WESTERLY MARGIN OF TERRY AVENUE; THENCE NORTH 30°37'28" WEST, ALONG SAID WESTERLY MARGIN, A DISTANCE OF 194.93 FEET; THENCE NORTH 59°22'07" EAST, A DISTANCE OF 66 FEET TO THE NORTHWESTERLY CORNER OF SAID LOT 3; THENCE NORTH 59°22'21" EAST, ALONG THE NORTHERLY LINE OF SAID LOTS 3 AND 10, A DISTANCE OF 256.09 FEET TO THE POINT OF BEGINNING. SITUATE IN THE CITY OF SEATTLE, COUNTY OF KING, STATE OF WASHINGTON.

EXHIBIT B
TO
PURCHASE AND SALE AGREEMENT

FILED FOR RECORD AT REQUEST OF
AND WHEN RECORDED RETURN TO:

BARGAIN AND SALE DEED

Grantor:

Grantee:

Abbreviated

Legal Description: _____
complete legal description appears on Exhibit A hereto).

Assessor's Tax

Parcel No.: _____

The Grantor, _____, a _____, for good
and valuable consideration in hand paid, the receipt and sufficiency of which are hereby
acknowledged, bargains, sells, and conveys to _____,
_____, the following described real estate, situated in the County of
_____, State of Washington:

The real property described on Exhibit A attached hereto, subject to the permitted
exceptions described on Exhibit B attached hereto, together with all and singular the
tenements, hereditaments and appurtenances thereunto belonging or in anywise
appertaining.

This Deed may be executed in one or more counterparts, each of which shall be an original,
but which together shall constitute one and the same instrument.

DATED as of _____, 20__.

[**ADD ACKNOWLEDGEMENTS AND EXHIBITS**]

Calculations to be updated for initial year after Closing Date is established.

EXHIBIT C-1
TO
PURCHASE AND SALE AGREEMENT
FORM OF NOTE

PROMISSORY NOTE

\$141,010,940 (U.S.)
_____, 201_

Seattle, Washington

FOR VALUE RECEIVED, the undersigned (“Maker”), promises to pay to the order of King County, a home-rule charter county and political subdivision of the State of Washington (“Holder”), at its office at [_____], or at such other place as the Holder may from time to time designate in writing, the sum of ONE HUNDRED FORTY ONE MILLION TEN THOUSAND NINE HUNDRED FORTY DOLLARS (\$141,010,940) in lawful money of the United States.

SECTION 1. Interest Rate.

This Note shall bear interest prior to maturity or acceleration during the term of this Note as provided in this Section 1 (the “Note Rate”). From twelve (12) months before the first payment date in Section 2 until the June 30 that is six (6) years later (the “Initial Note Rate Period”), the Note Rate shall be one percent (1.0%). After the Initial Note Rate Period until the Maturity Date, the Note Rate shall be four and 25/100 percent (4.25%). In the event of a default under this Note, interest shall begin to accrue at the Default Rate set forth in Section 7 below. Interest shall compound annually and be paid annually in accordance with Section 2 below.

SECTION 2. Annual Payments.

Payments shall be due and payable to Holder in accordance with this Section 2. On the June 30, that first occurs after Closing, and each June 30th thereafter for a period of five (5) years, interest only payments shall be due and payable to Holder in the amount of ONE MILLION FOUR HUNDRED TEN- THOUSAND ONE HUNDRED NINE DOLLARS (\$1,410,109) for a total of six payments of this amount (the “Initial Payment Period”). On each June 30th thereafter until the Maturity Date, amortizing installments of principal and interest in the amounts set forth on the amortization table attached hereto as Schedule A will be due and payable to Holder. To the extent Closing occurs less than a full year before the first payment is due, a portion of the first payment will be interest and a portion will be principal. The interest portion shall be calculated based on the actual number of days remaining between the Closing and the first payment divided

by 365 and multiplied by \$1,410,109. The remaining amount of the first payment will be applied to principal. As a condition of Closing, Maker and Holder will update this Note to reflect the expected Closing Date and the subsequent reduction in future payments due to the foregoing principal payment.

SECTION 3. Maturity.

Unless sooner repaid, the entire unpaid principal balance of this Note, plus all accrued but unpaid interest, and all other amounts owing hereunder shall be due and payable on the June 30 that occurs thirty (30) years after the first payment date in Section 2 (the "Maturity Date").

SECTION 4. Application of Payments.

Payments shall be applied: (a) first, to the payment of accrued interest, to the extent applicable; (b) second, at the option of Holder, to the payment of any late charges due hereunder; and (c) third, to the reduction of principal of this Note.

SECTION 5. Prepayment.

Maker does not have the sole right to prepay its obligation under this Note in full or in part at any time prior to June 30, 2035 (the "Prepayment Date"). Nevertheless, if either Maker or Holder believes it is in their mutual interest to pay off the obligations, that party may make a proposal to the other party for consideration. As of the Prepayment Date, and any June 30 thereafter, Maker may pay off the entire note by paying an additional 5% of the outstanding principal at the payoff. Maker must provide Holder with one year notice of its intent to pay off the remaining balance. In addition to the above described prepayment options, Buyer has the right at any time to establish an escrow fully funding all interest, principal and redemption premium on the Note through June 30, 2035. Upon funding such escrow with permitted investments (US Treasury obligations or, upon approval of Holder, equivalent), the Note will be considered legally defeased and all restrictions on the issuance of additional indebtedness by the Buyer described herein shall no longer be in force.

SECTION 6. Late Charge.

If any payment under Section 2 above is paid more than three (3) business days after the due date thereof, Maker promises to pay a late charge of three percent (3%) of the delinquent amount as liquidated damages for the extra expense in handling past due payments.

SECTION 7. Default; Remedies.

If Maker fails to make payment of any amount payable hereunder within thirty (30) days of when due, or in the event this Note is not repaid in full by the Maturity Date, the entire unpaid balance of this Note, including all accrued but unpaid interest, shall thereafter bear interest at a rate of two percent (2%) per annum above the Note Rate, compounded annually (the "Default Rate").

SECTION 8. Attorneys' Fees.

Holder shall be entitled to its reasonable attorneys' fees and other costs and expenses in enforcing or interpreting its rights under this Note, including attorneys' fees in both trial and appellate courts and in any bankruptcy or reorganization proceeding.

SECTION 9. Miscellaneous.

- (a) Every person or entity at any time liable for the payment of the indebtedness evidenced hereby waives presentment for payment, demand and notice of nonpayment of this Note.
- (b) The headings to the various sections have been inserted for convenience of reference only and do not define, limit, modify, or expand the express provisions of this Note.
- (c) This Note is made with reference to and is to be construed in accordance with the laws of the state of Washington.
- (d) This Note is for business or commercial purposes and is not for personal, family or household purposes.

SECTION 10. Security.

- (a) Buyer hereby irrevocably covenants and agrees for as long as its obligations under this Note (the "Obligations") are outstanding that each year it will continue to impose the Lodging Tax pursuant to RCW 36.100.040(4) and (5), as the same may be amended from time to time or any successor statute (the revenues from such Lodging Tax are hereinafter referred to as the "Lodging Tax Revenues"), to the extent permitted by applicable law. Buyer hereby irrevocably obligates and binds itself to set aside and pay from Lodging Tax Revenues the amount necessary to pay the Obligations as and when due, from amounts available after payments have been made as described as priorities First through Seventh in the Flow of Funds set forth in Section 9(c) of Resolution No. 2010-12 of Buyer adopted on November 12, 2010 (the "2010 Bond Resolution"), a copy of which is attached to the Purchase and Sale Agreement ("**PSA**") as Exhibit C-2 subject to the amendments described in the PSA including the obligation of Buyer set forth in Section 18.1(c) of the PSA. The foregoing sentence shall constitute a pledge of Lodging Tax Revenues to the payment of the Obligations, as authorized by RCW 36.100.040(7).
- (b) Buyer shall cause the Lodging Tax Revenues so pledged for payment of the Obligations to be deposited monthly into an account identified and maintained by Seller from amounts available after payments have been made as described as priorities First through Seventh in the Flow of Funds set forth in Section 9(c) of the 2010 Bond Resolution of Buyer, subject to the amendments described in the PSA including pursuant to the obligation of Buyer set forth in Section 18.1(c) of the PSA. The Obligations shall not be subject to acceleration.
- (c) Buyer will exercise due regard for the anticipated financial requirements to be satisfied as priorities First through Seventh of Section 9(c) of the 2010 Bond Resolution each Fiscal Year prior to authorizing or making any disbursement of Lodging Tax Revenues for payment of the Obligations to the extent set forth in the PSA. Buyer shall not issue Additional First Priority Bonds

or Subordinate Priority WSCC Obligations without Seller consent except as permitted under the PSA.

(d) Capitalized terms used but not defined herein have the meanings set forth in the 2010 Bond Resolution. In lieu of providing a Bond Trust Agreement the foregoing provisions are intended to confirm the priority of the payment of the Obligations from the Lodging Tax Revenues on the terms set forth in the PSA. The conditions to subordination of Seller (Holder herein) set forth in Section 18.1(b) of the PSA are incorporated herein by reference.

SECTION 11. Right of Offset. Pursuant to that certain Temporary Joint Use Agreement dated as of even date herewith by and between Maker and Holder, Maker has the right to offset certain obligations of Holder against the interest owed pursuant to this Note.

SECTION 12. Modifications. Maker, and by acceptance of this Note, Holder, acknowledge that certain provisions of the Purchase and Sale Agreement may require modifications to this Note to adjust the principal amount, the calculation of interest payable hereon or the timing of payments under this Note. At any time, and from time to time, upon request by the other party, this Note will be modified accordingly.

DATED as of the day and year first above written.

PLEASE BE ADVISED THAT ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

WASHINGTON STATE CONVENTION CENTER PUBLIC FACILITIES DISTRICT, a King County public facilities district

By: _____
Name: Frank Finneran
Its: Chairman of the Board

Approved as to form:

By: _____
Matthew R. Hendricks
General Counsel

SCHEDULE A TO PROMISSORY NOTE

Year ending June 30 after the Initial Payment Period	Beg Yr Bal	Interest	Payment	End Yr Bal
Year 7	141,010,940	5,992,965	6,770,381	140,233,524
Year 8	140,233,524	5,959,925	6,973,492	139,219,957
Year 9	139,219,957	5,916,848	7,182,697	137,954,108
Year 10	137,954,108	5,863,050	7,398,178	136,418,980
Year 11	136,418,980	5,797,807	7,620,123	134,596,663
Year 12	134,596,663	5,720,358	7,848,727	132,468,294
Year 13	132,468,294	5,629,903	8,084,189	130,014,008
Year 14	130,014,008	5,525,595	8,326,714	127,212,889
Year 15	127,212,889	5,406,548	8,576,516	124,042,921
Year 16	124,042,921	5,271,824	8,833,811	120,480,934
Year 17	120,480,934	5,120,440	9,098,826	116,502,548
Year 18	116,502,548	4,951,358	9,371,790	112,082,116
Year 19	112,082,116	4,763,490	9,652,944	107,192,662
Year 20	107,192,662	4,555,688	9,942,532	101,805,818
Year 21	101,805,818	4,326,747	10,240,808	95,891,757
Year 22	95,891,757	4,075,400	10,548,033	89,419,124
Year 23	89,419,124	3,800,313	10,864,474	82,354,963
Year 24	82,354,963	3,500,086	11,190,408	74,664,641
Year 25	74,664,641	3,173,247	11,526,120	66,311,768
Year 26	66,311,768	2,818,250	11,871,904	57,258,115
Year 27	57,258,115	2,433,470	12,228,061	47,463,524
Year 28	47,463,524	2,017,200	12,594,903	36,885,821
Year 29	36,885,821	1,567,647	12,972,750	25,480,719
Year 30	25,480,719	1,082,931	13,361,932	13,201,717
Year 31	13,201,717	561,073	13,762,790	0

FP 2/23/17

EXHIBIT C-2
TO
PURCHASE AND SALE AGREEMENT

2010 Bond Resolution

CH&

Message

Message ID

7GLvALUj

From

kbeckham@cairncross.com

To

kbeckham@cairncross.com

Subject

RE: WSCC King County PSA 1-21-17 Rdlne.doc

Access Restriction

Anyone can access

Message Expires

February 23, 2017

Public URL

<https://files.cairncross.com/message/7GLvALUjtrnCfjXonGGUGG>

Public URL

Anyone can access

Attached files

- [Certificate Regarding Resolution and Resolution No. 2010-12 \(2010 Bond Resolution\) \(03254531\).pdf \(16 MB\) Checksum \(SHA1\):](#)
8b6261811a2e46650f396548f2ae6efb9c77d1d4

Message

Hello, Mr. Kuffel – My previous email received a bounce back because of the file size. Please follow this link to access the 2010 Bond Resolution from internal secure file transfer service.

If you have any questions, please let me know.

Thank you.

CH& | Kristi Beckham

Legal Assistant

Cairncross & Hempelmann

524 Second Avenue | Suite 500 | Seattle, WA 98104-2323

d:206-254-4494 | f:206-587-2308

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From: Kristi Beckham

Sent: Tuesday, January 24, 2017 8:42 AM

To: 'Thomas.Kuffel@kingcounty.gov'

Cc: Matt Hanna

Subject: FW: WSCC King County PSA 1-21-17 Rdlne.doc

Hello, Mr. Kuffel – Attached please find a pdf of Exhibit C-2 (2010 Bond Resolution). We do not have a copy of Exhibit A-1, but we can create one if you'd like.

Please let us know if you have any questions or if you need anything else.

Thank you.

CH& | Kristi Beckham

Legal Assistant

Cairncross & Hempelmann

524 Second Avenue | Suite 500 | Seattle, WA 98104-2323

d:206-254-4494 | f:206-587-2308

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From: Kuffel, Thomas [mailto:Thomas.Kuffel@kingcounty.gov]
Sent: Saturday, January 21, 2017 2:40 PM
To: Matt Hanna
Subject: WSCC King County PSA 1-21-17 Rdlne.doc

Matt,

Attached for your review and feedback are my edits and comments to the PSA. Also, if you happen to have a copy of Exhibit A-1 (Description of Parcels) and Exhibit C-2 (2010 Bond Resolution) please send to me.

Thank you.

Tom

EXHIBIT D-1
TO
PURCHASE AND SALE AGREEMENT

FINANCING PLAN

The Buyer intends to issue Additional First Priority Bonds and/or Subordinate Priority WSCC Obligations to finance the Project. The following sets forth the requirements that must be satisfied in order for the First Issue and Later Issue to be issued as Additional First Priority Bonds and/or Subordinate Priority WSCC Obligations.

1. Buyer anticipates issuing two bond issues, with the majority of the bonds issued in 2017 or 2018 ("First Issue") and the remainder planned over the following approximately four (4) years later ("Later Issue," which may be multiple issues). This subsection is not a condition, just a statement of intent.
2. At least 50% of the bonds will be issued in the First Issue.
3. Buyer will establish that the First Issue DSCR (defined below) will be satisfied prior to the First Issue:
 - a. The Lodging Tax Revenues (as defined in Section 18.1(a) above) used for the First Issue DSCR shall be the "Historical Revenues" defined as any 12 consecutive months of Lodging Tax Revenues out of the prior 24 months before issuance as selected by Buyer.
 - b. The "Annual Debt Service" used for this calculation means debt service payable in each fiscal year on the then-outstanding First Priority Bonds and on the First Issue, plus debt service payable in each fiscal year on any other then existing debt of Buyer of a higher priority than the Obligations (as defined in Section 18.1(a) above). The First Issue and the Later Issue shall be long-term and fixed rate (i.e. no interim financing, no variable rate debt, no derivatives, etc.), issued as Additional First Priority Bonds or Subordinate Priority WSCC Obligations (as those terms are defined in the 2010 Bond Resolution), unless Seller consents to the use of some other type of debt structure. Notwithstanding the foregoing, in order to bridge Project budget issues, Buyer may issue as part of the First Issue or a Later Issue short term debt with a maturity date not exceeding five (5) years provided such indebtedness satisfies the requirements of the Transfer Agreement as may be modified and the First Issue DSCR or Later Issue DSCR, as applicable. If reasonable changes to such debt service coverage requirements applicable to the short term debt are approved by the bondholders, Seller will reasonably consider accepting these changes.
 - c. Based on the Historical Revenues and Annual Debt Service described above (the "First Issue DSCR"):
 - i. At closing of the First Issue, Buyer shall satisfy a 1.25x debt service coverage ratio for each fiscal year through 2029 based on the Historical Revenues determined in Section 3(a). If the debt service coverage ratios are reduced to less than 1.25x for the period before 2030 by modification to the Transfer Agreement and by bondholders, Seller will consider a reduction in the 1.25x debt service coverage ratio accordingly.
 - ii. At closing of the First Issue, Buyer shall satisfy a 1.15x debt service coverage ratio for each fiscal year from 2030 and after based on the Historical Revenues determined in Section 3(a).
 - iii. Given the reductions in Build America Bonds subsidies, if any such projected

subsidies are included in the debt service coverage ratio calculations, Seller's approval (not to be unreasonably withheld) shall be required for the projected debt service coverage ratio to be used.

4. Buyer will establish that the "Later Issue DSCR" (as calculated below) will be satisfied prior to the Later Issue:
 - a. The Historical Revenues will be any 12 consecutive months of Lodging Tax Revenues out of the prior 24 months before issuance of the Later Issue as selected by Buyer.
 - b. If the Later Issue is in multiple issues, each may have its own base period for determining Historical Revenues, based on any 12 consecutive months of Lodging Tax Revenues out of the prior 24 months before issuance as selected by Buyer.
 - c. Based on the Historical Revenues for the later period described in Section 4(a) for the Later Issue(s), and the Annual Debt Service definition from Section 3(b) above, the required coverage ratios are the same as Section 3(c) above for this issue thru 2029 (1.25x) and after 2029 (1.15x).
5. At the time of the First Issue, Buyer will conduct a stress test ("Stress Test") to confirm that there is sufficient financial capacity for the Later Issue(s), a copy of which will be provided to Seller. This test will be based on Buyer's estimated development budget and schedule of the Project, the debt service coverage ratio required above, and estimates of Lodging Tax Revenues and debt service developed as follows:
 - a. Lodging Tax Revenues.
 - i. The growth in the Lodging Tax Revenues will be estimated from the growth in Lodging Tax Revenues in the preceding 36 months, provided that the parties will reasonably adjust the growth estimate by mutual agreement to account for approved legislative changes affecting Lodging Tax Revenues. This same growth will be used to forecast Lodging Tax Revenues available at the projected time(s) of the Later Issue(s). For example, if actual annual growth in Lodging Tax Revenues in the preceding 36 months has averaged 7.0%, an annual growth rate of 7.0% in Lodging Tax Revenues will be projected through the years up to the expected timing of the Later Issue(s).
 - ii. The growth in Lodging Tax Revenues will also be estimated from the latest PKF report.
 - b. Interest rate. The interest rates used for the Stress Test will be the most recent 5-year average for the 30-year AAA Municipal Market Data Index (the "MMD"), plus the appropriate credit spread determined by Buyer and approved by Seller such approval not to be unreasonably withheld. For guidance, the investment bankers for Buyer will give their estimate of the credit spread 120 days before the expected date of the First Issue. The Stress Test will be conducted with annual Lodging Tax Revenues 5% below the amounts in Section 5(a)(i) and 5% below the amounts in Section 5(a)(ii) to confirm at the time of the First Issue that the Later Issue(s) are financially viable with such lower Lodging Tax Revenues. In the event that the combined Stress test plus Added Stress Test Amount defined under 7 below fails (i.e., Lodging Tax Revenues are not sufficient to meet the required 1.25x and 1.15x debt service coverage ratios described above), Seller and Buyer will explore alternative financing methods as provided on Exhibit D-2.
6. At the time of the First Issue the Buyer's cash on hand, Lodging Tax Revenues during development, reimbursements, and the sources from these bond offerings should equal or exceed Buyer's development budget of uses, using a cash flow analysis across the projected development period.

7. In the event Buyer is unable to amend the 2010 Bond Resolution as provided in Section 18.1(c) above, Buyer must satisfy the following additional conditions (the "Additional Conditions"):
- a. At the time of the First Issue, Buyer will conduct an additional stress test based on the Added Stress Test Amount (as hereinafter defined) as provided herein, a copy of which will be provided to Seller. The "Added Stress Test Amount" shall be based on the information and data from the HVS report on Financial Operations Analysis dated November 12, 2015 ("2015 HVS Report") or as it may be updated, and shall be the cumulative operating losses for the first ten (10) years of operations of Buyer after opening the Project (2020 – 2029). The operating losses will be calculated based on a 35% increase in operating revenue from the 2015 results, indexed at the inflation rate used in the 2015 HVS Report. Costs included in the development budget for the Project intended to be used to cover operating losses in early years shall be excluded from the operating loss calculation. Current estimate of the Added Street Test Amount is \$19M. Buyer must show that its Lodging Tax Revenues projection is sufficient to cover this Added Stress Test Amount in addition to the Stress Test in Section 5.
 - b. Buyer shall adopt a new resolution to modify Resolution 2010-16 to limit operating reserves to no more than 100 days of budgeted operating expenses for establishing the operating reserve. Based on the 2016 operating budget the operating reserve would be \$9.4M. Buyer may elect to put additional funds into the operating reserve, but such additional funds (and any replacement thereof) shall be subordinate to the payment of the Obligations to Seller.
 - c. All marketing payments to Visit Seattle or any other similar marketing organization shall be subordinate to the payment of the Obligations.

EXHIBIT D-2
TO
PURCHASE AND SALE AGREEMENT

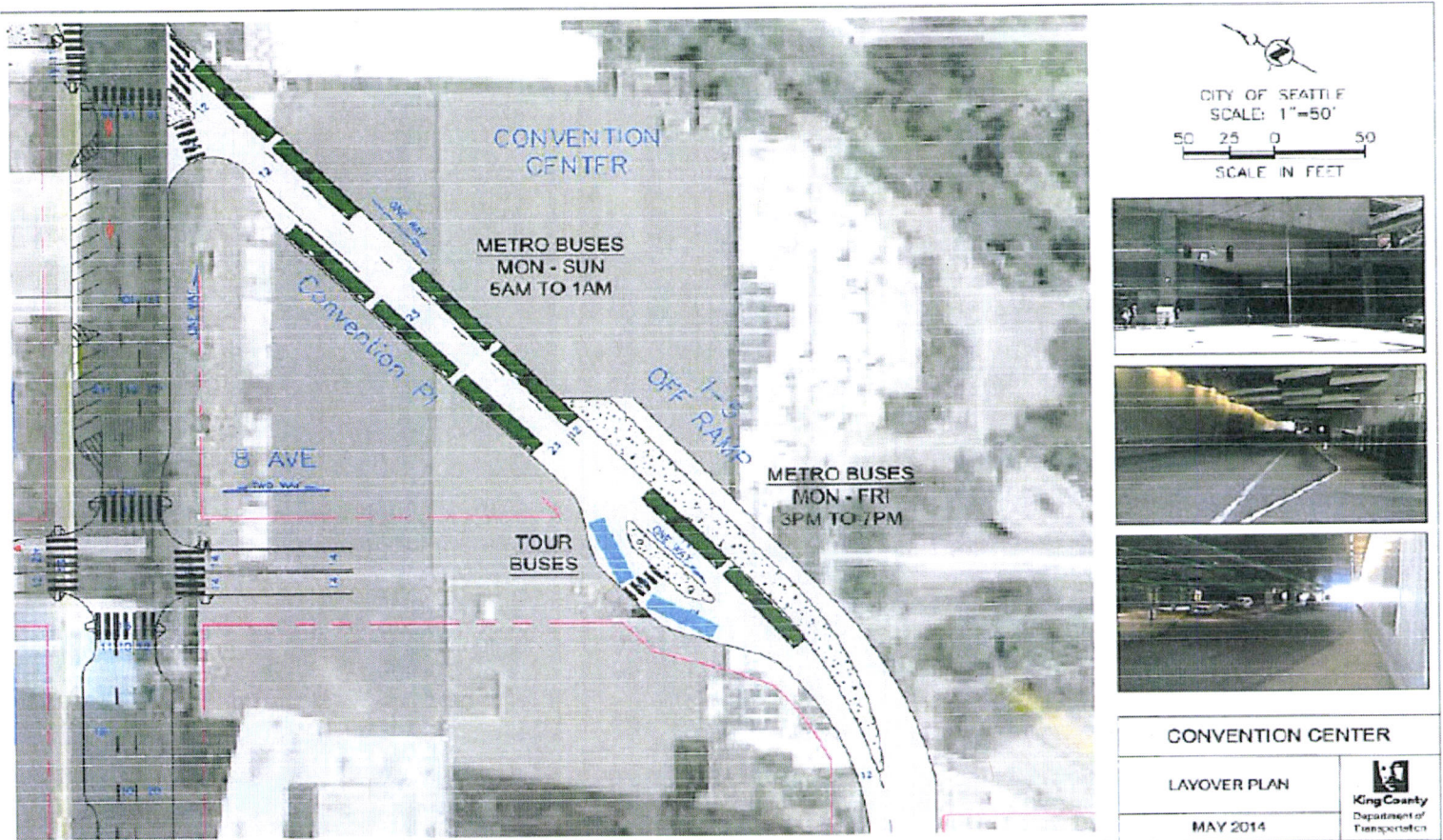
FINANCING CONTINGENCY PLAN

Below is a list of financing options that could be utilized by Buyer to create more debt capacity, relative to the plan outlined in Exhibit D and could be considered by Buyer with consent of Seller.

Financing Capacity Options		
	Considerations	Estimated Impact
Modify Issue Structure	<ul style="list-style-type: none"> ▪ Increase annual debt service beyond 2029 ▪ Capture limited amount of projected lodging tax growth 	= \$50-mm
Longer Debt Maturity	<ul style="list-style-type: none"> ▪ Increase term of debt to as much as 40 years ▪ Market has been receptive to longer maturities ▪ Useful life test will apply 	= \$30-mm
Put Bonds	<ul style="list-style-type: none"> ▪ Long term debt but captures short end of yield curve ▪ Can be structured with both hard and soft puts (FRNs) ▪ Reset ranges from 3 – 5 years and requires remarketing 	=\$100-mm
Capital Appreciation Bonds	<ul style="list-style-type: none"> ▪ Provides ability to capture additional revenues beyond 2029 ▪ More expensive than regular current interest bonds Normally lack optional redemption flexibility 	=\$25-mm
Bond Anticipation Notes	<ul style="list-style-type: none"> ▪ May be the most cost effective alternative to provide flexibility ▪ Converted to long-term senior/subordinate debt when revenues allow ▪ Note on parity with payment obligations to King County note 	=\$75-mm

EXHIBIT E
TO
PURCHASE AND SALE AGREEMENT

Depiction of Temporary Layover Space



FP 2/23/17

EXHIBIT F
TO
PURCHASE AND SALE AGREEMENT

FORM OF SPECIAL USE PERMIT



Facilities Management Division
 Real Estate Services Section
 King County Administration Building
 500 Fourth Avenue ADM-ES-0830
 Seattle, WA 98104

King County

Permits 206-477-9350, FAX 206-296-0196

**SPECIAL USE PERMIT Use of
 County Owned Property**

PERMIT NUMBER:	DATE:						
PERMITEE:							
DAY PHONE	OTHER PHONE	FAX					
PURPOSE:							
LEGAL DESCRIPTION:	Primary	Sec	Twp	Rge	Account No	Kroll Page	
EXPIRATION:							
Administrative Fee (New or Renewal)	\$500.00	Bond/Insurance Amount	\$5,000,000.00				
PERMITEE MUST NOTIFY JENNIFER ASH DOT- TRANSIT AT: (206) 477-5975 AT LEAST 72 HOURS PRIOR TO PERFORMING ANY WORK AND IMMEDIATELY UPON COMPLETION							
Issued By: _____			Phone: _____				
By this permit King County authorizes the use of the above described property:							
Custodial Approval:	_____	Date:	_____				
Real Estate Services Approval:	_____	Date:	_____				
The Permittee agrees to comply with the terms and conditions contained herein.							
SEE REVERSE SIDE FOR TERMS AND CONDITONS.							
Signature of Permittee:	_____					Date:	_____

NOTE: Permit not valid without all necessary signatures and expiration date.
 King County Code 14.30

TERMS AND CONDITIONS

PERMIT REVOCATION: This Permit is revocable at any time by King County. The right to revoke is expressly reserved to King County.

INDEMNITY AND HOLD HARMLESS. The Permittee agrees to indemnify and hold harmless King County as provided herein to the maximum extent possible under law. Accordingly, the Permittee agrees for itself, its successors and assigns to defend, indemnify, and hold harmless King County, its appointed and elected officials, and employees from and against liability for all claims, demands, suits, and judgments including costs of defense thereof for injury to persons, death, or property damage which is caused by, arises out of, or is incidental to Permittee's exercise of rights and privileges granted by this Permit. The Permittee's obligation under this section shall include: a) Indemnification for such claims whether or not they arise from the sole negligence of either the County or the Permittee, the concurrent negligence of both parties, or the negligence of one or more third parties. b) The duty to promptly accept tender of defense and provide defense to the County at the Permittee's expense. c) Indemnification of claims made by the Permittee's own employees or agents. d) Waiver of the Permittee's immunity under the industrial insurance provisions of Title 51 RCW, which waiver has been mutually negotiated by the parties.

In the event it is necessary for the County to incur attorney's fees, legal expenses, or other costs to enforce the provisions of this section, such fees, expenses, and costs shall be recoverable from the Permittee.

In the event it is determined that RCW 4.24.115 applies to this agreement, the Permittee agrees to defend, hold harmless, and indemnify King County to the maximum extent permitted thereunder, and specifically for its negligence concurrent with that of King County to the full extent of Permittee's negligence. Permittee agrees to defend, indemnify, and hold harmless the County for claims by Permittee's employees and agrees to waive of its immunity under Title 51 RCW, which waiver has been mutually negotiated by the parties.

ANTI-DISCRIMINATION: In all hiring or employment made possible or resulting from this Permit, there shall be no discrimination against any employee or applicant for employment because of race, color, ancestry, religion, national origin, age, sex, sexual orientation, marital status, or the presence of any sensory, mental or physical handicap in an otherwise qualified handicapped person unless based upon a bona fide occupational qualification, and this requirement shall apply to but not be limited to the following: employment, advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. No person shall be denied, or subjected to discrimination in receipt of the benefit of any services or activities made possible by or resulting from this Permit on the grounds of race, color, ancestry, religion, national origin, age (except minimum age and retirement provisions), sex, sexual orientation, marital status, parental status, presence of any sensory, mental or physical handicap, or the use of a trained guide-dog by a blind or deaf person. Any violation of this provision shall be considered a violation of a material provision of this Permit and shall be grounds for cancellation, termination or suspension in whole or in part of the Permit by the County, and may result in ineligibility for further County permits.

PERMITTED USE: Permittee shall limit its use of the property to only those activities specified in the Permit and its application for permit.

NON-EXCLUSIVE RIGHT: This Permit shall not be deemed or construed to be an exclusive right. It does not prohibit the County from granting any other permits to other public or private entities, nor shall it prevent the County from using any public place for any and all public use or affect its jurisdiction over any part of them.

ASSESSMENTS: Permittee shall be required to pay any general or special assessments incurred by King County which are directly attributable to or arising from any actions, occupancy, or usage authorized herein.

TERMINATION: The Permittee may terminate the Permit by written notice to the Manager of Real Estate Services Section. Upon revocation, termination, or abandonment, the Permittee shall remove at his expense all facilities placed on said property by the Permittee, and restore the premises to a condition which is equivalent in all respects to the condition existing prior to installation of the facilities, or to a condition which is satisfactory to the County. If the Permittee has not accomplished removal and restoration at the end of a ninety-day period following the effective date of revocation, termination, expiration, or abandonment, the County may accomplish all of the necessary work and charge all of the costs to the Permittee.

RESTORATION: After completion of work authorized by this Permit, the Permittee shall restore the property to a condition which is equivalent in all respects to the condition of the property prior to starting work, or a condition satisfactory to King County. If the Permittee delays restoration beyond expiration of the Permit, the County may accomplish all the necessary work and charge all the costs to the Permittee.

REPAIRING DAMAGE BY PERMITTEE: In the event that damage of any kind is caused by the Permittee in the course of performing work authorized by this Permit, Permittee will repair said damage at its sole cost and expense. Repair work shall begin without delay and continue without interruption until completed. If damage is extensive, the time allowed for repair will be prescribed by the County agent. If the County determines it is necessary, the County may accomplish the work and charge all the costs to the Permittee.

0. **ABATEMENT OF UNSAFE CONDITIONS:** The County representative may at any time, do, order, or have done all work considered necessary to restore to a safe condition any area described in Permit left by the Permittee in a condition dangerous to life or property. The Permittee shall pay, upon demand, to the County all costs of such work, materials, etc. Nothing in this section shall relieve the Permittee of duties under Terms and Conditions No. 2 above.

1. **RIGHTS RESERVED TO COUNTY -CONFORMANCE AND PAYMENT OF COST REQUIRED:** The County reserves the right to use, occupy, and enjoy its property for such purposes as it shall desire including, but not limited to, constructing or installing structures and facilities on the property, or developing, improving repairing or altering the property. The Permittee, upon written notice, will at its own cost and expense remove, repair, relocate, change or reconstruct its installations to conform with the plans of work contemplated or ordered by the County according to a time schedule contained in the written notice.

2. **NOTICE:** Permittee agrees to obtain information from other utility operators regarding the location and current status of their installations before starting work. Property owners adjoining, or in proximity to, the project as described herein shall be notified by Permittee when such property is exposed to the possibility of injury or damage through performance of work on the project authorized by this Permit. Permittee shall make all advance arrangements necessary to protect such property or utility from injury or damage.

3. **OTHER APPLICABLE LAWS:** Issuance of this Permit does not in any way relieve the Permittee from complying with any other applicable laws in performing the work subject to this Permit.

4. **AMENDMENTS:** This Permit may only be amended by King County at any time or upon written request of the Permittee and written approval by King County. Amendments shall be issued in the same manner as a new Permit would be issued.

5. **TITLE:** This Permit grants only the right to use King County's interest in the herein described property, and the granting of this Permit is not a warranty that good title to any specific property is vested in King County.

6. **CONDITION OF PROPERTY:** The Permittee understands and agrees that the property is taken for its use "AS IS" and that King County has no obligation to the Permittee to make any changes, improvements, or to incur any expense whatsoever for environmental and/or other problems associated with the property to facilitate Permittee's authorized use of the property.

7. **ASSIGNMENT:** The Permittee may not assign any of its rights under this permit without the prior written consent of the County.

8. **SPECIAL TERMS AND CONDITIONS:** _____ (SEE ATTACHED SHEET(S))

**Special Use Permit SUPS17-xxxx
Special Terms and Conditions
Section 18(1) through 18(XX)**

(1) [insert special terms and conditions here]

(2) Environmental.

- a. The Permittee understands and agrees that the Property is taken for use on an "as is" basis and that the County has no obligation to Permittee to clean, repair, make any changes, improvements or to incur any expenses whatsoever for environmental problems (as defined below) on the Property. Permittee shall notify the King County Real Estate Services Section Permit & Franchise Unit and any other public agency as required by law, in the event the Permittee or its contractors obtain knowledge of any environmental problems on the Property
- b. The Permittee further agrees, for itself, its successors and assigns, to defend, indemnify and hold harmless King County from and against any and all environmental problems, including the cost of defense related thereto, which arise from, in connection with or incident to the acts or omissions of Permittee, its appointed and elected officials, employees, agents and contractors (hereinafter "Permittee actors") in the exercise of Permittee's rights and privileges granted by this Permit or the Permittee's use of, or activities on, the subject property or any surrounding County property. By way of example only, the obligations of the Permittee under this section shall include, but are not limited to, (a) the cost of removing and disposing of any pre existing Hazardous Substances uncovered in the course of the activities by Permittee actors under this Permit, related permits or activities as may be required by law; (b) the cost of taking necessary penalties assessed for failure to comply with the provisions of any federal, state or local environmental statutes, ordinances or regulations.
- c. For purposes of this section, the term "environmental problems" shall mean any claim, complaint, demand, action, cause of action, suit, loss, contribution action, action by an instrumentality of a federal, state or local government, cost, damage, fine, penalty, expense, judgement or liability of any kind which directly or indirectly relates to noise or the existence, use, release, threatened release, leakage, spillage, discharge, disturbance, dispersal, movement, uncovering, treatment, handling, storage, transport, or disposal of Hazardous Substance(s), whether in, on, into, onto or from soil, surfaces, improvements, air, surface water or ground water.
- d. For purposes of this Permit, "Hazardous Substances" shall include:
 - i. Any toxic substances or waste, sewage, petroleum products, radioactive substances, heavy metals, medical, corrosive, noxious, acidic, bacteriological or disease producing substances; or
 - ii. Any dangerous waste or hazardous waste as defined in:
 - a. Washington Hazardous Waste Management Act as now existing or hereafter amended (RCW Ch.70.105);
 - or
 - b. Resource Conservation and Recovery Act as now existing or hereafter amended (42 U.S.C. Sec. 6901 et seq.); or
 - iii. Any hazardous substance as defined in:
 - a. Comprehensive Environmental Response, Compensation and Liability Act as now existing or hereafter amended (42 U.S.C. Sec. 9601 et seq.); or
 - b. Washington Model Toxics Control Act as now existing or hereafter amended (RCW Ch.70.105D); or
 - iv. Any other pollutants, contaminants, substances, or materials posing a danger or threat to public health or welfare, or to the environment, which are regulated or controlled by any federal, state and local laws and regulations now or hereafter amended.
- e. The Permittee's obligations contained in this section shall survive any termination or expiration of this permit and any subsequence transfer by King County of its interest in the subject property. In the event of a conflict between the provisions of this section and that certain Purchase and Sale Agreement between Permittee and the County dated _____, 2017, the Purchase and Sale Agreement shall control.

18(XX) Insurance

By the date of issuance of this permit, the Permittee shall procure and maintain, for the duration of this permit, insurance or coverage against claims for injuries to persons or damages to property which may arise from and in connection with the rights and privileges granted by this permit and/or the performance of work hereunder by the Permittee, his agents, representatives, employees and/or subcontractors.

By requiring such minimum insurance coverage, the County shall not be deemed or construed to have assessed the risks that may be applicable to the Permittee under this contract. The Permittee shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage.

Nothing contained within these insurance requirements shall be deemed to limit the scope, application and/or limits of the coverage afforded, which coverage will apply to each insured to the full extent provided by the terms and conditions of the policy(s). Nothing contained within this provision shall affect and/or alter the application of any other provision contained within this Agreement.

For All Coverages: The cost of such insurance shall be paid by the Permittee. Each insurance policy shall be written on an "Occurrence Form."

1. Minimum Scope and Limits of Insurance. Coverage shall be at least as broad as:

General Liability:

Insurance Services Office form number CG 0001 (Ed. 11-88) covering COMMERCIAL GENERAL LIABILITY. The Permittee shall maintain limits no less than \$5,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.

AUTOMOBILE LIABILITY: Insurance Services Office form number (CA 00 01 Ed. 12-90 or its equivalent) covering BUSINESS AUTO COVERAGE, symbol 1 "any auto", or the combination of symbols 2, 8 and 9. Limits shall be no less than \$5,000,000. Combined Single Limit Bodily Injury and Property Damage.

WORKERS COMPENSATION: Workers Compensation coverage, as required by the Industrial Insurance Act of the

State of Washington;

EMPLOYERS LIABILITY or "Stop-Gap": The protection by the Workers Compensation policy Part 2 (Employers Liability) or, in states with monopolistic state funds, the protection provided by the "Stop-Gap" endorsement to the General Liability policy. Limits shall be no less than \$5,000,000.

POLLUTION LIABILITY. Permittee shall provide Permittee's Pollution Liability coverage in the amount of \$5,000,000 per occurrence and in the aggregate to cover sudden and non-sudden bodily injury and/or property damage to include the destruction of tangible property, loss of use, clean-up costs and the loss of use of tangible property that has not been physically injured or destroyed. If Asbestos, Lead or PCB's are a potential exposure, such insurance shall not exclude pollution arising out of Asbestos, Lead and/or PCB operations. Evidence of Insurance must specifically state that coverage is included.

2. Deductibles and Self-Insured Retentions. The deductible and/or self-insured retention of the policies shall not limit or apply to the Permittee's liability to the County and shall be the sole responsibility of the Permittee.
3. Other Insurance Provisions. The insurance policies required in this permit are to contain, or be endorsed to contain the following provisions
 - a. All Liability policies except Workers Compensation:
 1. The County, its officers, officials, employees and agents are to be covered as insured as respects liability arising out of activities performed by or on behalf of the Permittee in connection with this permit.
 2. Insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and agents. Any insurance and/or self-insurance maintained by the County, its officers, officials, employees or agents should not contribute with the Permittee's insurance or benefit the Permittee in any way.
 3. The Permittee's insurance shall apply separately to each Insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.
 - b. All Policies: Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits prior to the expiration date of this special use permit, unless forty-five (45) days prior notice, return receipt requested, has been given to the County.
4. Acceptability of Insurers. Unless otherwise approved by the County, insurance is to be placed with insurers with a Bests' rating of no less than A: VIII, or, if not rated with Bests', with minimum surpluses the equivalent of Bests' surplus size VIII.
5. Verification of Coverage. The Permittee shall furnish the King County Real Property Division with certificates of insurance and endorsements required by this permit. The County reserves the right to require complete, certified copies of all required insurance policies at any time.
6. Municipal or State Agency Provision. If the Permittee is a Municipal Corporation or an agency of the State of Washington and is self-insured for any of the above insurance requirements, a certification of self-insurance shall be attached hereto and be incorporated by reference and shall constitute compliance with this section.
7. Sub-Contracting. If the Permittee sub-contracts out any of the work, the Permittee shall be responsible for ensuring that such Contractor is adequately insured and that King County is added as an additional insured to all of Contractor's liability policies except Workers Compensation.

FP 2/23/17

EXHIBIT G
TO
PURCHASE AND SALE AGREEMENT

TPSS MOU

EXHIBIT G
TO
PURCHASE AND SALE AGREEMENT

TPSS MOU
Memorandum of Understanding
Between King County and Washington State Convention Center
Regarding Convention Place Station Property Replacement of Transit
Power Substation

This Memorandum of Understanding (“MOU”) is made and entered into as of this 22nd day of OCTOBER, 2015, by and between King County a home-rule charter county and political subdivision of the State of Washington (the “County”), acting through its Metro Transit division, and the Washington State Convention Center, a King County public facilities district (“WSCC”).

INTENT

1. Washington State Convention Center (“WSCC”) and King County (“KC”) have been working collaboratively on a proposed WSCC addition (“Project”) located on KC’s Convention Place Station (“CPS”) property.
2. WSCC and KC intend to execute a purchase and sale agreement (“PSA”) of CPS property in Q3 2015.
3. WSCC has delegated to the Pine Street Group L.L.C. (“PSG”) the authority to negotiate and coordinate all aspects of the work contemplated and covered in this MOU on its behalf pursuant to that certain Development Management Agreement between WSCC and PSG (“Management Agreement”).
4. To the extent any terms of this MOU conflict with the PSA, the PSA shall govern if it is executed.
5. Early removal and replacement of KC’s existing Olive Traction Power Sub Station (“TPSS”), located on CPS, is considered a critical early work scope in meeting WSCC’s overall construction schedule (anticipated to start early 2017).
6. To meet WSCC schedule goals, Attachment B sets key schedule milestones for this work.
7. The existing TPSS currently serves overhead power to trolley-buses on surface streets of downtown Seattle. The replacement TPSS must serve the same trolley-bus system.
8. KC requires uninterrupted TPSS power. However, some limited, short-duration scheduled interruption is anticipated.
9. KC has determined that the final location of the TPSS is in the cut and cover portion of the Downtown Seattle Transit Tunnel (“DSTT” or “tunnel”). WSCC may elect to locate the TPSS on Sound Transit’s parcel on Pine on an interim basis if WSCC finds that has a benefit to the project.
10. Given KC’s contracting process, KC is unable to procure and install a replacement TPSS that meets WSCC’s desired schedule.
11. WSCC has agreed to manage the procurement and installation of the TPSS to maintain the Project schedule.
12. WSCC and KC will jointly engage in the direction of design activities for a successful replacement TPSS as further established in Attachment A.

13. PSG acting for WSCC will be the project proponent and project manager. KC will be the project client and end user.
14. The Parties' respective and joint responsibilities are listed in Attachment A. It is not intended to be an exhaustive list of responsibilities and the parties agree to use all good faith efforts in order to successfully design, procure, deliver and install a replacement TPSS that meets the objectives and criteria of King County as the client (the "Work").

AGREEMENT

1. WSCC Responsibilities

WSCC will perform the responsibilities identified in Attachment A, in accordance with the schedule included as Attachment B.

2. King County Responsibilities

King County will perform the responsibilities identified in Attachment A, in accordance with the schedule included as Attachment B.

3. Cost Responsibility and Reimbursement

- A. WSCC will prepare a preliminary budget for the Work (the design and management costs are attached hereto as Attachment C) and WSCC will periodically update such budget as the Work progresses for KC approval, such approval not to be unreasonably withheld. The budget last approved by KC shall be referred to herein as the "Budget."
- B. KC will reimburse WSCC for all costs borne by WSCC directly associated with the Work as set forth in the Budget. The Budget will include, design, permitting, project management (at PSG's stipulated rates approved by WSCC) directly associated with the Work as certified by WSCC, and installation costs when bid, commencing May 1, 2015 and concluding upon the earlier of final acceptance of the Work by KC or December 31, 2016 subject to extension for causes beyond the reasonable control of WSCC or PSG.
- C. If the sale of the CPS property closes pursuant to the PSA, the dates of reimbursement and sums due are as follows:
 - 100% of reimbursable costs incurred by WSCC for the Work as of the date of closing of the sale of the CPS property shall be paid by KC to WSCC at closing.
 - Thereafter, KC shall make progress payments to WSCC 30 days following submission of requests for reimbursement by PSG less any retention withheld from contractors.
 - The estimated final reimbursement will be made within 30 days following the substantial completion of the Work. The final reimbursement will be determined by independent audit of actual final costs following completion, turnover, commissioning and acceptance of the Work by KC.

- D. Unless otherwise agreed to by the parties, if the PSA terminates prior to the closing of the sale of the CPS property or if KC and WSCC do not sign the PSA by September 30, 2015, and as a result the construction portion of the Work does not proceed, KC will pay 100% of the costs incurred for the Work to such date within 30 days following submission of request by WSCC, and in such event WSCC will assign to KC all of WSCC's right, title and interest in and to all plans and specifications related to the TPSS project.
- E. Upon acceptance of the Work by KC, WSCC shall assign to KC all assurances, rights and warranties in all consulting, engineering, design, and construction contracts for the performance of the Work (the "Contracts") and shall transfer title to all equipment/improvements to KC.

4. Indemnification

Indemnification. Each Party shall protect, defend, indemnify and save harmless the other Party, its officers, officials, employees and agents while acting within the scope of their employment as such, from any and all suits, costs, claims, actions, losses, penalties, judgments, and/or awards of damages, of whatsoever kind arising out of, or in connection with, or incident to the services associated with this Contract caused by or resulting from each Party's own negligent acts or omissions. Each Party agrees that its obligations under this provision extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees, or agents. The foregoing indemnity is specifically and expressly intended to constitute a waiver of each Party's immunity under Washington's Industrial Insurance act, RCW Title 51, as respects the other Party only, and only to the extent necessary to provide the indemnified Party with a full and complete indemnity of claims made by the indemnitor's employees. Notwithstanding the foregoing, WSCC's obligations to defend, indemnify and save harmless KC shall not extend to any errors, failure to perform, suits, costs, claims, actions, losses, penalties, judgments, and/or awards of damages, of whatsoever kind arising out of, or in connection with, or incident to the Work caused by or resulting from the acts and omissions of WSCC's architect(s), designer(s), consultants, suppliers, contractor(s) and/or subcontractors, of any tier, that perform services or work or supply materials for the Work (collectively, the "TPSS Providers"). Liability of the TPSS Providers for errors, negligence or failure of performance shall not be imputed to WSCC or PSG, but rather and instead, in the event of such claim of error, negligence or failure of performance, WSCC shall either (a) assign to KC all of WSCC's rights as against said TPSS Provider(s) or (b) WSCC shall enforce such rights for the benefit of KC as KC shall direct and such enforcement costs shall be included in the Budget. WSCC shall use good faith efforts to include in the Contracts (c) commercially reasonable insurance limits in the TPSS Providers contracts as specified by KC, and (d) listing of KC as an additional insured with respect thereto. The Parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

5. Term

The MOU term will expire upon delivery and turnover of fully commissioned replacement TPSS to KC and final payment of all reimbursable costs to WSCC.

- 6. **Dispute Resolution.** In the event of a dispute between the Parties during the Term of the MOU, the following terms and conditions shall apply:

- A. WSCC and the King County Executive, or their designees, shall confer to resolve disputes that arise under this MOU as requested by either Party. The Designated Representatives shall use their best efforts and exercise good faith to resolve such disputes.
- B. The following individuals are the Designated Representatives of the Parties for the purpose of resolving disputes that arise under this Agreement, and Dispute Resolution notices shall be sent to:

WSCC: Matt Griffin
 c/o Pine Street Group L.L.C.
 1500 Fourth Avenue, Suite 600
 Seattle, Washington 98112

County: Chief of Staff to the King County Executive
 Chinook Building
 401 Fifth Avenue, Suite 800
 Seattle, Washington 98104

If the Parties are still unable to resolve the dispute the ADR process outlined in the PSA will apply. If the PSA is not executed, the Parties will submit any unresolved disputes to binding arbitration, the costs of which will be split by the Parties equally.

7. Communication

Notices to the parties shall be made by and to the following:

County: Design and Construction Manager
 Metro Transit Division
 Department of Transportation
 201 South Jackson Street, M.S. KSC-TR-0435,
 Seattle, WA 98104-0431

WSCC: Pine Street Group L.L.C., Attn: Matt Rosauer
 1500 Fourth Avenue, Suite 600
 Seattle, WA 98112

Agreed and Accepted:

WASHINGTON STATE CONVENTION
 CENTER PUBLIC FACILITIES DISTRICT, a
 Washington municipal corporation

By: Frank Finneran
 Its: Chairman of the Board
 Date: 10/21/15

Agreed and Accepted:

King County:

By: Kevin Desmond
 Its: KC Metro General Manager
 Date: 7-29-2015

ATTACHMENT A
SPECIFIC SCOPE OF RESPONSIBILITIES OF THE PARTIES

WSCC:

PSG for WSCC will:

1. Keep KC reasonably apprised of needed decisions, schedule, costs, and information related to the Work in order to maintain schedule, quality and cost control, including providing KC with the updated Budget from time to time but not less than quarterly.
2. Provide reasonably complete and timely information to KC in advance of decisions requested, in accordance with schedule milestones in Attachment B, within the professional industry standard of care.
3. PSG will manage WSCC responsibilities.
4. PSG will facilitate the WSCC team and resources as necessary to carry out WSCC responsibilities.
5. Develop a Project Management Plan ("PMP") that establishes assumptions, scope, schedule, decision points, required permits/entitlements and budget.
6. Procure and manage the Work, design team, vendors and contractors in accordance with WSCC public processes and consult with KC with respect thereto.
7. Maintain responsibility for managing the Project schedule and the schedule implementation.
8. Coordinate work with Project early work and construction activities.
9. Coordinate work with 3rd parties including, but not limited to Sound Transit, City of Seattle, and WSDOT.
10. Obtain all required permits in coordination with and with the cooperation of KC.
11. Procure and manage the design and installation of the Work in accordance with KC written performance requirements, design criteria, and access and location requirements, including adequate access for routine maintenance and emergency conditions as reasonably established by KC. A basis of design will be provided in time to maintain schedule.
12. Procure and manage the testing and commissioning of the completed Work to the specifications outlined in the basis of design and coordinate with KC or its agents with respect thereto.
13. Provide documents for review at key milestones for KC sign-off & acceptance.
14. Provide sufficient access to or through the CPS site during construction for KC reviews.
15. Provide monthly status and forecast reporting on scope, schedule and expenditure/budget.

KC:

KC and/or its assigns will:

1. Serve as replacement TPSS project client and end user.
2. Provide complete and timely information and decisions in accordance with the schedule milestones in Attachment B and to a level of professional industry standard of care.

3. Coordinate with WSCC's designers, vendors, contractors, and agencies as needed and consult with WSCC on the selection of the designers, vendors and contractors.
4. Review and approve the PMP prepared by WSCC, in accordance with the attached schedule.
5. Provide load requirements for the replacement TPSS.
6. Provide KC performance requirements, design criteria and locational requirements.
7. Review and approve design (including plans and specifications) at appropriate stages of work, including all amendments or modifications to such plans and specifications.
8. Approve the replacement TPSS prior to installation thereof and review the progress of the installation of the Work and the commissioning thereof.
9. Accept the completed replacement TPSS, which shall not be unreasonably withheld.
10. Review and agree to a project cost of new TPSS.
11. Assist PSG with coordination and approvals with other transit agencies.

WSCC and KC:

1. Jointly engage in directing the design for a smooth and efficient design and implementation process of the Work with the parties leading various specific design elements as follows:
 - o WSCC will lead civil work;
 - o WSCC will lead elements relating to WSCC Addition, its constructability and construction phasing;
 - o KC will lead elements impacting transit operations;
 - o KC will lead TPSS equipment design criteria and WSCC will follow KC criteria;
 - o WSCC and KC will jointly lead electrical equipment elements and WSCC will follow KC elements;.
2. Hold and/or attend joint team meetings (including designers, vendors and contractors when appropriate) to coordinate the progress and direction of the Work;
3. Coordinate the Work with any/all existing or on-going KC functions and operations at CPS; and
4. Provide timely information and responses to requests and inquiries by the other party or their respective consultants.

**ATTACHMENT B
TPSS PROJECT SCHEDULE**

Key TPSS Milestone and Decision Dates:

KC NTP to WSCC to procure designer	12/12/14
KC Decision of Final TPSS Location	4/6/15
WSCC Decision on Use of Interim Location	12/31/15
WSCC NTP to commence design	5/4/15
Project Management Plan delivery to KC	12/31/15
KC final acceptance of fully commissioned TPSS	12/31/16

Production Schedule:

Refer to the following schedule titled "Olive TPSS Project Schedule", dated 6/4/15.
Schedule to be confirmed after selection of GC/CM and selected TPSS manufacturer.

**ATTACHMENT C
BUDGET**

PINE STREET GROUP L.L.C.

1500 Fourth Avenue, Suite 600
Seattle, Washington 98101
T 206.340.9210
F 206.428.3000
metr@pinest.com

June 16, 2015

Randy Witt, Manager
Metro Transit Division
201 S. Jackson Street
Seattle, WA 98104-3856

RE: TPSS design and management costs

Dear Randy,

LMN has assembled the design cost estimate (approved by Ron Moattar) to replace the Olive TPSS on Convention Place Station with a new TPSS in the cut and cover. With Pine Street Group L.L.C. management costs, we estimate the total design and management costs will range between \$1.4mm to \$1.9mm.

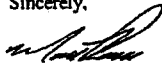
Important notes:

- Costs are time and material reimbursements up to a maximum allowable amount.
- The scope assumes a prefabricated TPSS located in the cut and cover tunnel.
- The estimate is based on a 21 month schedule (ending December 2016).
- The estimate does not include the purchase of the TPSS, infrastructure, or installation costs.
- The Metro team agrees that LTK is an appropriate choice for the TPSS work.

Roles and responsibilities by both parties will follow the TPSS MOU (under review).

Please sign authorizing approval of the design and management costs.

Sincerely,



Matt Rosauer
Principal

Signed:

Randy Witt date
Manager

cc: Matt Griffin

MRKR: \\PINEST\Projects\WSCC\Project Administration\Early Work - Meeting Minutes\TPSS\PSG cover letter for TPSS costs 15-06-17.docx, 6/16/2015 4:05 PM

Washington State Convention Center Addition Project
Pine Street Group L.L.C.
Metro - 2015 billable hourly rates

**Annual
Increase**
3.0%

Person	Title	Hourly Rate	2015 Rate
Matt Rosauer	Principal Project Manager	\$ 250 *	\$ 265 **
Matt Griffin	Manager's Representative	\$ 500 *	\$ 530 **
Ryan Keane	Project Manager	\$ 150	\$ 159 **
Chris Bischoff	Project Manager	\$ 150	\$ 159 **
Jason Foley	Project Manager	\$ 150 *	\$ 159 **
Andy Bench	Project Engineer	\$ 100 *	\$ 100
Alana Schutt	Project Coordinator	\$ 60 *	\$ 64 **
Crystal Ng	Project Assistant	\$ 60	\$ 60

* Billing rates to WSCC

** Adjusted rates from April 2013 original agreement date

801 Second Avenue, Suite 501

Seattle, Washington 98104

T 206 682 3460

F 206 343 9388

www.lmnarchitects.com

Architecture
Urban Design
Interiors

June 10, 2015

Matt Rosauer, Project Manager
Pine Street Group L.L.C
1500 Fourth Avenue, Suite 2912
Seattle, WA 98101

Re: TPSS Fee Proposal

Dear Matt:

This proposal is for design services regarding the TPSS (Traction Power Sub-Station) for King County Metro and is to be located adjacent to the Convention Center Place Station in the Cut and Cover tunnel. A detailed scope of work may be referenced in the attached proposals from LTK, MKA (Civil) and ARUP for the design and engineering of the new TPSS. The general scope assumptions are based on a pre-fabricated TPSS with primary power feeds from the existing Metro 26KV lines and auxiliary service from the existing SCL vault in Ninth Avenue. Our proposal assumes that any emergency power will be provided by Metro as desired.

LMN will be providing overall design coordination with the project stake holders and the sub-consultant team outlined above and in the attached proposals. To simplify the contracting for this aspect of the work LTK will be a direct sub-consultant to LMN in lieu of the previous structure where LTK was a sub-consultant to ARUP. This new contract structure will initiate with June invoicing, any invoicing from LTK thru May 31 services will be billed under the ARUP interim agreement. The basis of compensation for this effort is hourly to a maximum and mirrors our contract agreement with Washington State Convention Center and is summarized below:

LMN Architects:	
Overall project coordination of project team, extending from preliminary design through construction.	\$98,000
LTK:	
Design and Engineering of TPSS and Power feeds *Services from May onward under LMN contract ** Includes Ground Testing Services \$5,000	\$850,202
MKA (Civil):	
Design and Engineering of TPSS grounding pad/foundation. Preparation of site construction documents and Utility Major Permit Drawings (if required)	\$45,000
ARUP:	
Design and Engineering of lighting and auxiliary systems described in attached proposal. *** Includes LTK effort and mark-up thru May 31, 2015	\$257,590



Sub-Total Consultants	\$1,152,792
LMN Mark-Up (6%) per contract	\$69,168
Total Fee Estimate	\$1,319,960

LMN and the consultant team will need to coordinate this work with multiple city agency's including, Seattle City Light, Seattle Department of Transportation and the Fire Department. As a result there may be requirements placed on the installation of this unique piece of equipment in this unique location, the scope of which is not known.

Thru May 31, 2015 LMN has expended approximately 299hrs and \$53,660 of the above LMN fee total. LMN proposes to expend the remaining \$44,340 thru August 2016, tracking the schedule of the TPSS design by LTK. Our effort will consist of coordinating the process and documents:

- TPSS procurement
- Bid Support and Site Engineering (Including project specifications)
- Construction Administration (Incl. RFI and Submittal process)
- Expenses will be invoiced per our contract agreement with Washington State Convention Center
- Insurance coverages are per our contract agreement with Washington State Convention Center

The following items are assumptions and qualifications for this proposal:

- Proposal includes assisting Metro with providing more convenient and secure access to the existing 9th Avenue access. However, the proposal does not include design and documentation associated with a "dog-house" enclosure of existing 9th Avenue access.
- Proposal includes location and coordination of an emergency power demark in the cut and cover tunnel adjacent to the TPSS unit (with Metro/Sound Transit). However, the proposal does not include design and documentation of emergency power generator.
- Proposal includes slab remediation in the tunnel where trenching and connections are made to the existing services. However, the proposal does not include structural analysis or retrofitting of the DTSS tunnel structure if it is determined these required connections impact the structure.

If you have any questions regarding the scope, fee or schedule please contact me to review. We are eager to move this element of the project forward so if we can clarify any of our assumptions we would be happy to have a discussion.

Sincerely,

For Pine Street Group L.L.C.:

Chris Easeman
Principal
LMN Architects

Matt Rosauer
Pine Street Group L.L.C.

Date

Enclosures:

Cc:

LMN





Washington State Convention Center Addition Project

Olive Traction Power Substation Replacement

Scope of Work

May 26, 2015

Project Background

Washington State Convention Center (WSCC) is currently planning a facility addition on the Convention Place Station (CPS) site which is owned by King County (KC). WSCC and KC are in negotiations to transfer the ownership of CPS to WSCC for their facility addition project. This County-owned property, located one block from the current WSCC facilities, is now an active transit station, that may undergo significant operational transformation. Some transit uses may remain on the site, including access to the Downtown Seattle Transit Tunnel and the Interstate-5 express lanes, bus layover space, and a small number of transit support functions.

The King County's Olive Traction Power Substation (TPSS) located at CPS, however, must be replaced to accommodate the WSCC facility addition and allow for continued electric trolley bus (ETB) service. This document identifies the scope which includes the design for the replacement Olive TPSS to be located on a nearby site to be determined during the design process.

Scope of Work

The work for the Olive TPSS project is expected to begin in May 2015. The replacement TPSS will be a prefabricated TPSS suitable for providing power to KC's existing ETB system. Requirements of the Olive TPSS electrical design services include the following tasks:

Task 1 – Project Management

The Consultant will coordinate with LMN, WSCC, Metro, other consultants, or contractors as necessary in the completion of this effort. Consultant shall provide project management and contract administration services to facilitate the efficient progress of the work. Project Management services include invoicing, progress reporting, scheduling, project and team management, coordination, and meeting attendance as needed.

Deliverables:

- Monthly invoices
- Monthly Progress Reports

Page 1 of 4

Task 2 – Design TPSS Procurement Documents

Consultant shall provide electrical design services for preparing drawings and technical specification for the procurement of a prefabricated TPSS to replace the existing Metro Olive TPSS. The consultant shall perform data collection and field investigations as needed of the proposed TPSS site in preparation of the design. The Consultant shall participate in a design review with stakeholders following the 85 percent milestone and continue the 85 percent design for development of the 100 percent submittal. The design shall assume one site plan for the TPS procurement which will be determined by others. The surveying and base mapping required for the TPSS drawings is assumed to be provided by others.

Consultant shall also provide permit support, SCL service request support, and bid support services for the TPS procurement contract. Consultant shall assist others in preparing final technical documents for advertisement of the procurement documents.

Consultant shall participate in a 100 percent design review with LMN and then with other stakeholders for the 100 percent milestone.

CAD drawings shall utilize KC Metro Standards.

Consultant shall provide bid support services and respond to RFIs by bidders and assist with bid selection during the bid period.

Deliverables:

- 85 Percent Design
 - Participate in Design Review
- 100 Percent Design
 - TPS Drawings
 - Site layout plan, one line diagram, sectionalizing diagram, equipment layout, equipment elevation, communication block diagram, SCADA points list.
 - Electronic, PDF, plotted half size
 - TPS Specifications
 - Electronic, PDF, plotted letter
- Provide permit support by preparing drawings for plan review
- Bid Support – Respond to RFIs

Task 3 – Design Site Engineering

Consultant shall provide electrical design services for preparing drawings, technical specifications, and cost estimates for the civil related electrical infrastructure required to accommodate the installation of the TPSS and its tie in with the existing electric trolley bus (ETB) traction power system. The electrical design work shall include the TPSS grounding, manholes, underground raceways for the AC utility feeders, raceways for DC positive and negative feeders, feeder conductors, feeder disconnect switches, and other raceways for tying into the existing Metro dc feeder infrastructure.

Consultant shall support others with the design of civil/structural related TPSS site work, including the TPSS foundation design, site clearances, site accommodations (fencing, gates, and driveway access) by providing site requirements needed to accommodate the TPSS and feeder infrastructure.

LTK

Roadway/sidewalk demolition, excavation, restoration, utility locates, utility relocation, traffic control, drainage, architectural design, and other civil/structural design work is assumed to be by others.

Surveying and base mapping required for the TPSS drawings is assumed to be provided by others, and will be provided prior to the development of the design drawings.

Deliverables:

- 60 Percent Design
 - Site Drawings
 - Conduit layout plan, conductor schedule, conduit and raceway detail, manhole detail, grounding detail, and ground grid
 - Electronic, PDF, plotted half size
 - Site Specifications
 - Electronic, PDF, plotted letter
 - Cost Estimate
 - Participate in Design Review
- 90 Percent Design
 - Site Drawings
 - Conduit layout plan, conductor schedule, conduit and raceway detail, manhole detail, grounding detail, and ground grid
 - Electronic, PDF, plotted half size
 - Site Specifications
 - Electronic, PDF, plotted letter
 - Cost Estimate
 - Participate in Design Review
- 100 Percent Design
 - Site Drawings
 - Conduit layout plan, conductor schedule, conduit and raceway detail, manhole detail, grounding detail, and ground grid
 - Electronic, PDF, plotted half size
 - Site Specifications
 - Electronic, PDF, plotted letter
 - Participate in Design Review
- Issued for Construction IFC
 - Site Drawings
 - Conduit layout plan, conductor schedule, conduit and raceway detail, manhole detail, grounding detail, and ground grid
 - Hard Copy, half size bond, electronic sealed, 3 copies
 - Electronic, CAD files and xrefs
 - Site Specifications
 - Hard copy, letter size bond, electronic sealed, 3 copies
 - Electronic, PDF, plotted letter

Task 4 – Construction Administration TPS Procurement

Consultant shall provide construction administration support services for the TPS procurement. The services shall include reviewing RFIs, submittals, and final shop drawings by the manufacturer; performing factory inspections (two), witnessing the factory acceptance test, rain intrusion test, field acceptance test, and integrated testing; performing change order review and cost estimate preparation; and participating in weekly meetings with the Contractor.

Deliverables:

- Responses to submittals and RFIs
- Prepare change order cost estimates as needed
- Summary trip reports for factory inspections, rain test, factory acceptance test, field acceptance test, integrated test.

Task 5 – Construction Administration Site Engineering

Consultant shall provide construction administration support services for the construction of the civil related electrical infrastructure. The services shall include reviewing RFIs, submittals, performing field inspections as needed for the installation of the ground grid, underground raceways, and conductors. The inspections shall also include witnessing the electrical tests performed on the cables and inspecting the final conductor terminations at the TPSS and feeder poles. Consultant shall participate in meetings with the Construction Manager.

Deliverables:

- Response to submittals and RFIs
- Prepare inspection reports
- Review as-built record documents prepared by the Contractor.

Projected Schedule

See attached schedule.

Budget Buckets for WSCC Addition
(PRELIMINARY)
 Last Revised - 09/15

LTK Engineering Services

Time & Materials	Task 1 Project Management	Task 2 Design/Const Detail Support TPS Procurement	Task 3 Design/Const Detail Bid Support Site Engineering	Task 4 Construction Administration TPS Procurement	Task 5 Construction Administration Start Engineering	Task 6 Construction Administration Check Engineering	OCCE/Reserve	Total
Design/Const Fee Budgets (TAM Max) Estimated Hours	\$ 27,718 \$ 27,718 204	\$ 83,885 \$ 83,885 528	\$ 354,204 \$ 354,204 1972	\$ 196,424 \$ 196,424 1096	\$ 163,456 \$ 163,456 918	\$ - \$ - 8	\$ 20,915 \$ 20,915	\$ 858,302 \$ 858,302 4716

Notes:

Update 5-25-15

Estimate is based on WSCC Olive Scope of Work dated 5-25-15

Travel ODCs for TPS Inspections are \$14,858 (8 days, 5 days each, air, lodging, rental, per diem)

General ODCs for reproduction services, travel, communication are \$8,700

Ground Testing Services are \$5000.

Proposed Civil Engineering Traction Power Substation (TPSS) Design Approach
Washington State Convention Center Addition
Seattle, Washington

May 1, 2015

As part of the demolition of existing King County Transit operational equipment at the site of the Washington State Convention Center Addition (WSCCA) project, a TPSS unit is required to be installed to replace the function of the existing system. It is Magnusson Klemencic Associates' (MKA's) understanding that the yet-to-be-determined sequencing of King County's transit revisions at the site dictates which of two TPSS unit location options will be pursued (depicted on the next page as Figure 1):

- Option A: West of the WSCCA site within the existing transit tunnel approximately under Ninth Avenue
- Option B: Within a Sound Transit triangular parcel for short-term operation with relocation to the Option A site as a permanent location.

It is also MKA's understanding that the decision whether to pursue Option A or Option B is controlled by King County and that decision is imminent. MKA is pleased to provide this civil engineering TPSS design approach and timeline for Option A, as Option B is unlikely to be pursued due to the expense to the County. The actual TPSS unit is to be designed by others but based on a March 13, 2015 scoping meeting, the unit is assumed to:

- Consist of a prefabricated steel container-type box
- Extend approximately 45 feet in length and 14 to 15 feet in width
- Require the ability to move (but not necessarily be mobile/wheel mounted)
- Require 4 feet of clear access to adjacent walls and 10 feet of clearance on the primary access side of the unit
- Demand ducted electrical service consisting of eight 4-inch conduits (26kV) to an SCL-accepted vault

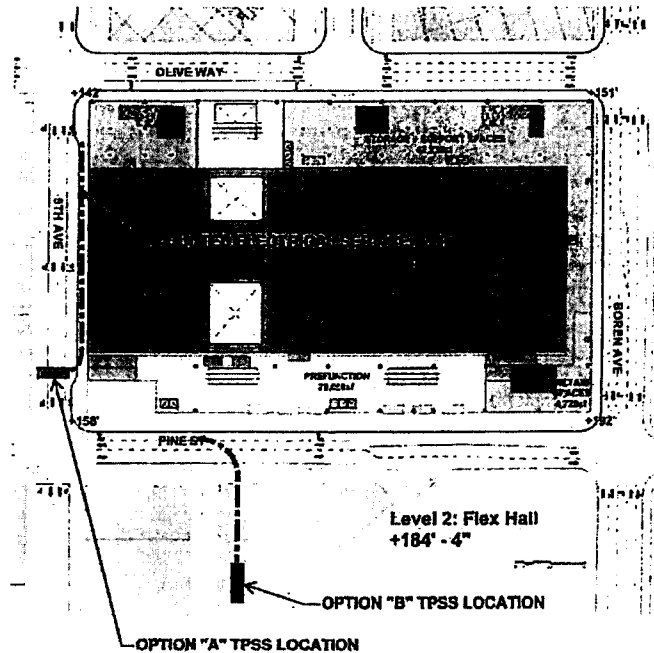


Figure 1: Option Layouts

For Option A, the TPSS unit would be installed on a widened sidewalk section south of the transit bus lanes within the existing transit tunnel west of the WSCCA portal. MKA would include in our scope of services the following efforts:

- Site visit.
- Investigation of adjacent buildings, City utilities, and King County Transit Tunnel as-built drawings.
- Coordination with TPSS specialty design firm, MEP, Architect, and Structural on the location and precise placement of the unit, considering proposed service access points and assuming this location is permanent.

- Coordination with SCL for service vault selection and duct bank penetration position. Early design indicates that the acceptable service vault will be SCL vault #M31, which exists on Ninth Avenue just south of Olive Way.
- Preparation of site construction drawings to include demolition, pad design and trenching for TPSS ground grid (with input from specialty design firm team and manufacturers), curb, gutter, sidewalk, vehicle pavement, fencing, driveway, security feature/gate, grounding restorations within the tunnel, utility relocations if needed, and in-ground utility structures required to convey service within the tunnel.
- Preparation of traffic control, phasing diagrams, and installation plans if needed for construction phase duration and transit re-routes (with input from Contractor).
- Preparation of Utility Major Permit drawings for team review and comment and submittal to the Seattle Department of Transportation, to include electrical service duct bank design and sidewalk and roadway feature restoration. It is anticipated that UMPs will be required at 30, 90, and 100 percent design completion for permitting.

Notable work items required by others include TPSS unit design, including access portals and structure; preparation and submittal of electrical service application to SCL; application for building permitting for tunnel modifications; design of fire suppression, smoke exhaust, or other life safety systems; and design of Ninth Avenue grating or ventilation systems.

CIVIL TPSS DESIGN TIMELINE

- May 2015: Data Gathering, Site Visit, and Early Coordination
- June – July 2015: 30% Construction Drawing and Utility Major Permit Prep with Team Review
- August 2015: Submit 30% UMP to SDOT (6+ week review)
- October 2015: Revise and Submit 90% UMP to SDOT (4+ week review)
- December 2015: Revise and Submit Final (100%) UMP to SDOT (4+ week review)
- January 2016: Permitting

MKA involvement beyond permitting to be determined by Owner, GC, and MKA based on bid and build approach.

CIVIL TPSS DESIGN FEE

MKA anticipates that the Utility Major Permit drawing preparation provides an opportunity for a MWBE firm to participate under MKA's guidance and supervision.

The hours and fee breakdowns for the MKA-specific tasks noted above were not specifically included in the previous MKA fee proposals, as the TPSS scope has only recently become known, although MKA civil

Proposed Approach – Civil TPSS Design
Washington State Convention Center Addition
Seattle, Washington
May 1, 2015
Page 4



MAGNUSSON
KLEMENCIC
ASSOCIATES

did provide a general allowance for Early Work that assumed a limited amount of King County Transit relocation scope. It is anticipated that an effort of approximately 370 hours will be required in order for MKA to complete this scope of work, which translates to an estimated fee of roughly \$45,000. If this proposal is accepted, MKA's Early Work fee estimates would be partially reduced to offset the transfer of effort to the TPSS allocated fee. Additionally, if it is determined that the services for the TPSS unit do not trigger streetwork or ducting in a manner that requires a Utility Major Permit, the anticipated fee would be reduced to \$30,000.

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**LMN Architects
Washington State Convention
Center Addition
Traction Power Sub-Station Support
Engineering**

Rev B | June 4, 2015

This report takes into account the particular instructions and requirements of our client. It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

Job number 242684

Arup North America Ltd
719 Second Avenue
Suite 400
Seattle WA 98104
United States of America
www.arup.com

ARUP



Rev B | June 4, 2015 | Anap North America Ltd
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- Phase 3: When the TTCA is demolished and removed, the TPSS will be enclosed within a rated enclosure underneath 9th Avenue. Arup's scope of work relates to changes to the existing and addition of required new lighting, fire protection, plumbing, and ventilation systems to accommodate that change to a sealed location.

The details of the Arup project scope are outlined in Appendix A.

2.1 Team Members

LMN is the architect for this project, and Arup will be a sub-consultant to LMN. LTK Engineering will perform the traction power sub-station design engineering. LTK was jointly selected by LMN, Arup, the Pine Street Group and King County Metro after the issuance of a public RFQ.

LTK Engineering is a sub-consultant to Arup through May 31, 2015. After that date LTK Engineering is a direct sub-consultant to LMN Architects and Arup has no further role in traction power sub-station design engineering.

Arup has engaged Pielow Consulting as a sub-consultant for Code Consulting as they are also performing the main WSCC code consulting scope of work.

Arup may engage FSi Engineers to perform some or all of the fire protection/suppression engineering work at our discretion. In that event, we understand that our maximum allowable fee will not be adjusted as a result of their project involvement.

We assume that other consultants who may form part of the team will be appointed at an appropriate time to enable overall team coordination with those scopes to occur in a timely manner in accordance with the project schedule. This will help the team achieve the overall project goals. It is our understanding that the following consultants are on the team:

- Magnusson Klemencic Associates – Civil Engineer
- Magnusson Klemencic Associates – Structural Engineer
- LTK Engineering: Traction Power Sub-station design engineering
- Gustafson Guthrie Nichol – Landscape Architect

3 Fees & Schedule

We reserve the right to adjust our fees should the scope of project, schedule, or services change significantly from that described in this proposal.

3.1 Fees

These fees are based on the scope of the project described above, with our services as detailed in Appendix A.

Fees are on a Time and Materials basis with a maximum as stipulated below.

Arup staff labor hourly rates are based on actual staff hourly salary times a 3.3 multiplier. Labor rates shall be adjusted based on annual or other salary adjustments as they occur; at which time Arup shall inform LMN of new rates.

LTK Engineering staff labor hourly rates are based on actual staff hourly salary times a 2.76111 multiplier. Labor rates shall be adjusted based on annual or other salary adjustments as they occur; at which time Arup shall inform LMN of new rates. LTK's total labor cost listed is based on the maximum allowable expenditure under Arup's current interim agreement with LTK.

Pielow Consulting rates are reviewed and revised on January 1 of each year and are not based on a labor multiplier due to the sole proprietorship nature of the business.

Arup sub-consultants shall be invoiced at cost plus 6% (i.e. multiplier of 1.06). Arup sub-consultants invoices will be time and materials based.

Invoices will be issued monthly in accordance with LMN's invoicing schedule for the main Washington State Convention Center Addition project.

Arup Labor	Fee
Arup Labor Total	\$171,631
Pielow Consulting Labor	Fee**
Pielow Labor Total	\$15,133
LTK Engineering Labor	Fee*
LTK Labor Total	\$70,826
LTK Engineering Expenses	Fee*
LTK Expense Total	\$0
Total Fee T&M Maximum	\$257,590

* Estimated fee through May 31, 2015; includes Arup 1.06 mark-up

** Includes Arup 1.06 mark-up

3.2 Reimbursable Expenses

Reimbursable expenses are invoiced at cost plus 6%, and include:

- Messenger service and overnight mail.
- Travel outside of the Seattle metropolitan area
- Printing of formal submissions

At this time Arup does not expect to incur any reimbursable expenses for this scope of work.

LTK's expense allowance is based on assumed scope of work through May 31, 2015.

4 Terms and Conditions

Terms and Conditions will be per Arup's existing Interim Agreement with LMN Architects until such time as a subsequent agreement is reached.

Arup shall not be held responsible for LTK Engineering work completed after May 31, 2015 as our contractual relationship with them shall terminate on that date.

5 Agreement

If you are in agreement with our proposal, please sign below and return a copy to us as our authorization to proceed.

Agreed and accepted by LMN Architects.

Signature	Name	Date
-----------	------	------

Appendix A
Scope of Work

A1 Arup

A1.1 Mechanical, Electrical and Plumbing and Fire Protection Engineering

A1.1.1 Mechanical Engineering

Phase 1

- No scope of work is anticipated

Phase 2

- No scope of work is anticipated

Phase 3

- Design of ventilation system for enclosed TPSS room under 9th Avenue that considers thermal and air quality requirements of the space and TPSS. For this proposal we assume that the TPSS room is treated as an electrical room by the code with commensurate ventilation requirements.
- Cooling requirements will be coordinated with the TPSS design and shop drawings. Heating requirements will be coordinated with other systems as required.

A1.1.2 Plumbing and Fire Protection Engineering

Fire suppression design will include the sprinkler and fire standpipe system design, excluding the design of systems within the TPSS itself. The location and specification of fire extinguishers is excluded from our scope.

Fire suppression system and sprinkler design will be to a performance base specification and schematic drawings only. It is assumed that the contractor will be responsible for final design of the system and will be the engineer of record for the fire suppression/protection systems.

No plumbing engineering scope of work is anticipated.

Phase 1

- Review of existing conditions and surveys relative to fire protection water service and routing within the cut and cover tunnel area of the TPSS
- Design of fire suppression system modifications required due to installation of the TPSS, including head relocation. This design assumes that the existing

deluge system serving the cut and cover tunnel remains as is from a functionality and zoning perspective.

- Design and coordination of new fire water service, if required. We assume that the civil engineer will be responsible for coordination and work outside the TPSS cut and cover site boundary (work in streets and right of ways or otherwise outside the cut and cover area).

Phase 2

- No scope of work is anticipated

Phase 3

- Design of fire suppression system modifications to support the final TPSS room, including an anticipated re-zoning of the deluge system to remove the TPSS room area from that system, fire suppression control revisions, and design of new fire suppression system for the TPSS room area.

A1.1.3 Electrical Engineering

Phase 1

- Lighting changes required by the installation of the TPSS within the cut and cover system

Phase 2

- No scope of work is anticipated

Phase 3

- Design of electrical systems to serve new mechanical and other loads added as a result of enclosure of TPSS room.

A1.1.4 Deliverables

For the noted scope of work, Arup will provide design drawings and/or narratives at the noted design stages. Construction administration support is based on the construction administration schedules noted above.

Specifications are assumed be on the drawings given the limited scope of the project. Full three part specifications are excluded from this proposal.

Phase 1

- Design deliverables to be provided at 60%, 90% and 100% milestones. We assume the 100% documents will be used for permitting, if required.

Phase 2 and 3

- Design deliverables for TPSS scope of work are to be provided at each milestone in alignment with main WSCC project schedule. Drawings, narratives, and deliverables will be separated from main WSCC deliverables (separate drawing sheets, etc). Deliverables will commence in Schematic Design.
- Our fee and scope assume that TPSS scope of work will not be broken out into multiple bid packages within itself, but recognize that final TPSS construction documents schedule may differ from main WSCC schedule to facilitate construction scheduling.

A1.1.5 Construction Administration

We assume that the WSCC general contractor and MEP/FP sub-contractors will be utilized for this work and will be engaged in typical GCCM/ECCM/MCCM pre-construction support for the TPSS work.

Our scope of work includes the following:

- Answer pre bid questions from bidders.
- Review shop drawings and submittals
- Respond to RFIs
- Carry out site visits to observe general compliance with design intent. We have anticipated the following site visits:
 - Phase 1: 4 electrical and 4 plumbing/fire protection
 - Phase 2: No site visits anticipated
 - Phase 3: 4 visits each, mechanical, electrical, and plumbing/fire protection
- Review contractor's as-built drawings and operating manuals

A1.1.6 Record Drawings

At the completion of Phase 3, Arup will prepare a set of Record Drawings based on contractor mark-ups for the owner encompassing the final built condition.

A1.1.7 Meetings

Phase 1

- Weekly meetings through 60% site design. Bi-weekly through 100% site design.

Phase 2/3

- We assume that the Phase 1 TPSS meetings will include Phase 2 and 3 work through their duration (November 2015).

- From December 2015 through the end of construction documents we assume monthly TPSS meetings.
- We assume that OAC meeting participation will not be regularly required as part of the TPSS scope of work during any construction phase.

A1.1.8 Exclusions

- Demolition drawings/plans
- Contractor phasing drawings
- Engineering or provision of temporary services
- Preparation of record drawings for interim conditions
- Removal/salvage pop-up barriers and control cabinets.
- Roadway/sidewalk demolition, excavation, restoration for new electrical conduits and manholes for ac and dc feeders between replacement TPSS and interface points.
- Utility locates/potholes, utility relocation for drainage, water, sewer, steam, gas if needed.
- Permit acquisition (responsibility of the contractor)
- Bid administration (by the general contractor)
- Phasing plans/documents/scheduling for switch over from existing to new.
- Plans/documents/scheduling for de-construction and/or de-commissioning of existing TPS or other CPS site works or equipment

A2 Pielow Consulting

Pielow Consulting will provide the following services for the TPSS site, with guidance provided for each phase of operation noted above.

- Identification of main occupancy group and accessory use groups
- Construction classification
- Means of egress requirements (occupant loading, types and locations of means of egress, egress component capacity requirements, number of exit requirements, interior finish criteria, emergency lighting), excluding performance-based egress analysis
- Internal and external fire-resistive construction and fire separation requirements of different occupancies
- Occupancy and use separations
- Vertical opening protection

- Emergency power criteria
- Fire detection and occupant notification design criteria (not plans and specs)
- Automatic sprinkler criteria (not plans and specs)

A2.1 Exclusions

- Demolition drawings/plans/input
- Contractor phasing drawings, input or code review
- Evaluation of temporary services
- Evaluation of interim conditions except noted Phases
- Permit acquisition (responsibility of the contractor)

A3 LTK Engineering

LTK's scope of work has been amended from their full proposal to only include work anticipated through May 31, 2015. Work outside this period has been noted by ~~strikethrough~~.

A3.1 Scope of Services

A3.1.1 Task 1 – Project Management

LTK will coordinate with Arup, LMN, WSCC, KC Metro, other consultants, or contractors as necessary in the completion of this effort. Consultant shall provide project management and contract administration services to facilitate the efficient progress of the work. Project Management services include invoicing, progress reporting, scheduling, project and team management, coordination, and meeting attendance as needed.

Deliverables:

- Monthly invoices
- Monthly Progress Reports

A3.1.2 Task 2 – Design TPSS Procurement Documents

LTK shall provide electrical design services for preparing drawings, and technical specification for the procurement of a prefabricated TPSS to replace the existing Metro Olive TPSS.

The Owner shall provide all necessary King County Metro performance requirements prior to the start of the work. LTK shall perform data collection and

field investigations as needed of the proposed TPSS site in preparation of the design. Once complete, the final design requirements shall be reviewed and approved by the Owner and King County Metro prior to commencing final design.

The TPSS design shall have two milestones (85 percent and 100 percent). The design shall assume one site plan for the TPSS procurement which will be determined by others. LTK shall provide site selection support during the design process. Final site selection and determination of connecting SCL feed shall be complete at least four weeks prior to the issuance of the 85% design milestone. The surveying and base mapping required for the TPSS drawings is assumed to be provided by others. All survey information and base mapping shall be provided at least four weeks prior to the issuance of the 85% design milestone. The LTK shall participate in a design review with stakeholders following the 85 percent milestone.

LTK shall also provide permit support, SCL service request support, and bid support services for the TPSS procurement contract. ~~LTK shall assist others in preparing final technical documents for advertisement of the procurement documents. LTK shall support Arup as required and as necessary in responding to RFIs by bidders and assist with bid selection during the bid period.~~

CAD drawings shall utilize KC Metro Standards.

Deliverables:

- 85 Percent Design
 - TPSS Drawings
 - Site layout plan, one line diagram, sectionalizing diagram, equipment layout, equipment elevation, communication block diagram, SCADA points list.
 - Electronic, PDF, plotted half size
 - TPSS Specifications
 - Electronic, PDF, plotted letter
- ~~Participate in Design Review~~
- ~~100 Percent Design~~
 - ~~TPSS Drawings~~
 - ~~Site layout plan, one line diagram, sectionalizing diagram, equipment layout, equipment elevation, communication block diagram, SCADA points list.~~
 - ~~Electronic, PDF, plotted half size~~
 - ~~TPSS Specifications~~
 - ~~Electronic, PDF, plotted letter~~
- ~~Provide permit support by preparing drawings for plan review~~
- ~~Bid Support - Respond to RFIs, attend a single pre-bid meeting~~

A3.1.3 Task 3 – Design Site Engineering

LTK shall provide electrical design services for preparing drawings, technical specifications, and cost estimates for the site related electrical infrastructure required to accommodate the permitting, installation of the TPSS and its tie in with the existing electric trolley bus (ETB) traction power system. The electrical design work shall include the TPSS ground grid, grounding, manholes, underground raceways for the AC utility feeders, raceways for DC positive and negative feeders, feeder conductors, and other raceways for tying into the existing Metro DC feeder infrastructure.

LTK shall support others in their design of civil/structural related TPSS site work, including the TPSS foundation design, site clearances, site accommodations (fencing, gates, and driveway access) by providing site requirements needed to accommodate the TPSS and feeder infrastructure.

Roadway/sidewalk demolition, excavation, restoration, utility locates, utility relocation, traffic control, drainage, architectural design, and other civil/structural design work is assumed to be by others.

Surveying and base mapping required for the TPSS drawings is assumed to be provided by others, and will be provided prior to the development of the design drawings in a timely fashion as required above.

Deliverables:

- Conceptual Design
 - Site Drawings
 - Site layout plans
 - Electronic, PDF, plotted half size
 - Site Specifications Outline
 - Electronic, PDF, plotted letter
 - Participate in Design Review
- ~~60 Percent Design~~
 - ~~Site Drawings~~
 - ~~Conduit layout plan, conductor schedule, conduit and raceway detail, manhole detail, grounding detail, and ground grid~~
 - ~~Electronic, PDF, plotted half size~~
 - ~~Site Specifications~~
 - ~~Electronic, PDF, plotted letter~~
 - ~~Provide Cost Estimate for LTK scope of work~~
 - ~~Participate in Design Review~~
- ~~90 Percent Design~~
 - ~~Site Drawings~~
 - ~~Conduit layout plan, conductor schedule, conduit and raceway detail, manhole detail, grounding detail, and ground grid~~

- Electronic, PDF, plotted half size
- Site Specifications
 - Electronic, PDF, plotted letter
- Provide Cost Estimate for LTK scope of work
- Participate in Design Review
- 100 Percent Design
 - Site Drawings
 - Conduit layout plan, conductor schedule, conduit and raceway detail, manhole detail, grounding detail, and ground grid
 - Electronic, PDF, plotted half size
 - Site Specifications
 - Electronic, PDF, plotted letter
 - Participate in Design Review
- Issued for Construction IFG
 - Site Drawings
 - Conduit layout plan, conductor schedule, conduit and raceway detail, manhole detail, grounding detail, and ground grid
 - Hard Copy, half size bond, electronic sealed, 3 copies
 - Electronic, CAD files and xrefs
 - Site Specifications
 - Hard copy, letter size bond, electronic sealed, 3 copies
 - Electronic, PDF, plotted letter

A3.1.4 Task 4 Construction Administration TPSS Procurement

LTK shall provide construction administration support services for the TPSS procurement. The services shall include reviewing and responding to RFIs, reviewing submittals, and final shop drawings by the manufacturer; performing factory inspections (two), witnessing the factory acceptance test, rain intrusion test, field acceptance test, and integrated testing; performing change order review and cost estimate preparation; and participating in weekly meetings with the Contractor.

Deliverables:

- Responses to submittals and RFIs
- Prepare change order cost estimates as needed
- Summary trip reports for factory inspections, rain test, factory acceptance test, field acceptance test, integrated test.

A3.1.5 Task 5 Construction Administration Site Engineering

LTK shall provide construction administration support services for the construction of the civil related electrical infrastructure. The services shall include reviewing and responding to RFIs, submittals, performing field inspections as needed for the installation of the ground grid, underground raceways, and conductors. The inspections shall also include witnessing the electrical tests performed on the cables and inspecting the final conductor terminations at the TPSS and feeder poles. LTK shall participate in meetings with the Construction Manager.

Deliverables:

- Response to submittals and RFIs
- Prepare inspection reports
- Review as-built record documents prepared by the Contractor.

- 4 **TYPE - DESIGN**
Assesses CAP and site information is provided at MFP
- 10 **TYPE - BID**
This is dependent on how quickly the procurement can occur
- 14 **TYPE - MODEL CONTRACT**
Dependent on requirements
MFP releases up to 14 months from MFP to Revenue Service without any delay (4-14-14)
- 22 **TYPE - CONSTRUCTION**
Follows MFP requirements
- 29 **TYPE - SERVICE**
MFP, service location and required maintenance @ customer
- 44 **TYPE - WORK**
Dependent on required bid work

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King County

Department of Transportation
Metro Transit Division
General Manager's Office
201 S. Jackson Street
KSC-TR-0415
Seattle, WA 98104-3856

July 10, 2015

Matt Rosauer, Principal
Pine Street Group L.L.C.
1500 Fourth Avenue, Suite 600
Seattle, WA 98101

Replacement TPSS Design and Management Costs

Dear Mr. Rosauer:

Your proposal dated June 16, 2015 for services to be provided by the WSCC team which includes PSG, LMN, LTK, MKA and ARUP, has been reviewed.

King County Metro Transit (KCM) accepts your proposal with the following clarifications and/or exceptions:

1. The scope and costs are based on commencement of work May 1, 2015 and completion of all work by December 31, 2016.
2. You have stipulated a range of cost between \$1,400,000 and \$1,900,000, including a \$250,000 contingency. KCM expects the WSCC team to execute the work efficiently. Ryan Keane, PSG Project Manager, shall serve as project lead to manage the work.
3. The maximum allowable reimbursement of design and management costs is \$1,650,000, excluding the specifically proposed \$250,000 contingency and estimated as follows:

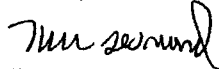
Design	\$1,320,000 maximum
Management	\$ 280,000 maximum
<u>Permits</u>	<u>\$ 50,000 maximum</u>
Total	\$1,650,000 maximum

4. KCM as the Client will hold a \$250,000 contingency to cover costs exceeding the maximum allowable reimbursement if the parties both agree to expend any portion of such contingency funds and how such funds would be allocated to consultants.

Replacement TPSS Design and Management Costs
July 10, 2015
Page 2

5. Construction Administration services will be provided by the WSCC team adequately to achieve successful project delivery and acceptance.
6. Reimbursements will be made to the WSCC team based on professional staff rates that are accepted by at least one other public agency and auditable as such.
7. This acceptance is contingent upon the parties' full execution of the referenced TPSS MOU.

Sincerely,



Kevin Desmond, General Manager
KC Metro Transit

EXHIBIT H
TO
PURCHASE AND SALE AGREEMENT

KING COUNTY SITE WORK

King County Site Work is early site work on and/or immediately adjacent to the Property that is necessary to prepare the Property for sale to Buyer. This work allows Buyer's contractor to proceed with commencement of its Project in a timely fashion after Closing while reducing impediments to the continued bus uses and transit operations on and through the Property after Closing.

The King County Site Work includes elements such as the following, which will be further defined in the Temporary Joint Use Agreement:

- a. Limited demolition of some existing structures along the 9th Avenue property line;
- b. Interim Access to DSTT;
- c. Temporary ramps between streets and the Property to provide bus operations on the Property during construction of the Interim Access to DSTT;
- d. Revised curb cuts for interim access to DSTT;
- e. Removal of overhead wires on the Property.

The cost for all such King County Site Work elements shall be reimbursed by Buyer to Seller except for the Interim Access to DSTT, the costs for which shall be paid pursuant to Section 18.2(a) of the Agreement.

The Temporary Joint Use Agreement will specify whether the passenger facility currently located on the Property is or is not an element of the King County Site Work.

EXHIBIT I
TO
PURCHASE AND SALE AGREEMENT

Example of Tree Grate



Example of Profile

