CITY OF TUMWATER

CITY COUNCIL MEETING AGENDA

Online via Zoom and In Person at
Tumwater City Hall, Council Chambers,
555 Israel Rd. SW, Tumwater, WA 98501

Tuesday, October 20, 2026
7:00 PM

1. **Call to Order**
2. **Roll Call**
3. **Flag Salute**
4. **Special Items:**
   - a. Proclamation: Walk to School Month, October 2026 (Executive Department)
   - b. Proclamation: National Veterans and Military Families Month, November 2026 (Executive Department)
5. **Public Comment:** (for discussion of items not having a public hearing on tonight's agenda)
6. **Consent Calendar:**
   - a. Approval of Minutes: City Council Work Session, September 8, 2026
   - b. Approval of Minutes: City Council, September 15, 2026
   - c. Approval of Minutes: City Council Work Session, September 22, 2026
   - d. Payment of Vouchers (Finance Department)
   - e. Resolution No. R2026-017 Deschutes Estuary Restoration Project (Public Works Committee)
   - f. Resolution No. R2026-018, Surplus Property (Finance Department)
   - g. Interlocal Agreement with Thurston County Public Defense for Indigent Defense Legal Services (Public Health & Safety Committee)
   - h. Interlocal Agreement with Thurston County Prosecuting Attorney's Office for Prosecution Services (Public Health & Safety Committee)
   - i. Advisory Board Appointment of Scott Bradley and Carol Campbell to the Tree Board (Executive Department)
   - j. Reappointment of Gina Kotek and Matthew Rounsley to the Planning Commission; Kathy Peterson, Sharie McCafferty, Carissa Parvin and Matthew Brownell to the Barnes Lake Management District Steering Committee and Dave Shipley to the Historic Preservation Commission (Executive Department)
7. **Public Hearings:**

a. Resolution No. R2026-020, Body Worn Camera (BWC) Redaction Fees (Public Health & Safety Committee)

8. Council Considerations:

a. Ordinance No. O2026-004 Residential Energy Performance Rating and Disclosure, Equity Commission Recommendation (Equity Commission)

b. Purchase and Sale Agreement with Puget Western for Habitat Conservation Land (Executive & Community Development Departments)

c. Purchase and Sale Option Agreement with Vine Street Investors—Conduit Two, LLC for 310 Israel Road Amendment No. 1 (City Council Work Session)

9. Mayor/City Administrator's Report

10. Councilmember Reports

11. Any Other Business

12. Adjourn

Hybrid Meeting Information
The public are welcome to attend in person, by telephone or online via Zoom.

Watch Online
https://us02web.zoom.us/w/88557235520?tk=OvZEYWz3x10LWbYislu9Qc-Su1-OFoB-R1uFdShLTTQ.DQkAAAAUnmwtQBZtS0Y1WWhOX1NwQ0Nna3NoMUJ2WWRRAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAA&pwd=uWm1v2YaAljvA0yTjvDARZ4MArZ8md.1&uuid=WN_AIpE_Gi-S0COjpdf9_gFfw

Listen by Telephone
Call (253) 215-8782, listen for the prompts and enter the Webinar ID 885 5723 5520 and Passcode 934668.

Public and Written Comment
Attend in person to give public comment or register by 5:00 p.m. the day of the meeting to provide public comment using the web-based meeting platform: https://us02web.zoom.us/webinar/register/WN_AIpE_Gi-S0COjpdf9_gFfw

After registering, you will receive a confirmation email with a login to join the online meeting.

As an alternative, prior to the meeting, the public may submit comments by sending an email to council@ci.tumwater.wa.us, no later than 5:00 p.m. on the day of the meeting. Comments are submitted directly to the Mayor and City Councilmembers and will not be read individually into the record of the meeting.

Post Meeting
Video of this meeting will be recorded and posted on our City Meeting page: https://tumwater-wa.municodemeetings.com.

Accommodations
The City of Tumwater takes pride in ensuring that people with disabilities are able to take part in, and benefit from, the range of public programs, services, and activities offered by the City. To request an accommodation or alternate format of communication, please contact the City's ADA Coordinator directly, call (360) 754-4129 or email ADACoordinator@ci.tumwater.wa.us. For vision or hearing impaired services, please contact the Washington State Relay Services at 7-1-1 or 1-(800)-833-6384.

TO: City Council

FROM: Paul Simmons, City Administrator

DATE: October 20, 2026

SUBJECT: Proclamation: Walk to School Month, October 2026

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1) Recommended Action:

Informational Only.

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2) Background:

October is Walk to School Month. Joining us to accept this proclamation and say a few words will be Nick Demerice, Intercity Transit Chief Communications & External Relations Officer and Kevin Bogatin, Tumwater School District Superintendent.

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3) Policy Support:

Vision, Mission, Values

Partnership: We work in partnership with residents, businesses, community organizations, and governments to address challenges and advance shared goals.

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4) Alternatives:

- ❑ None

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5) Fiscal Notes:

Proclamations have no fiscal impact.

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6) Attachments:

A. Proclamation

A

Proclamation

WHEREAS, making bicycle, pedestrian, and active transportation safety improvements a priority can help protect the life and safety of Tumwater's youth; and

WHEREAS, the City of Tumwater is working to add bike lanes, trails, sidewalks, and improve street crossings to better connect our neighborhoods and provide safer routes to schools; and

WHEREAS, increasing physical activity improves the health of our youth; and

WHEREAS, regularly walking, biking and rolling to school can be fun and increase students' readiness to learn; and

WHEREAS, driving students to school contributes to traffic congestion and air pollution; and

WHEREAS, an important role for parents and caregivers is to teach children how to safely walk, bike and roll on our streets; and

WHEREAS, in October, community leaders, parents and children from around the world will join together for Walk to School events to increase awareness about the health and environmental benefits of walking and biking to school.

NOW THEREFORE, I, Leatta Dahlhoff, Mayor of the City of Tumwater, do hereby proclaim

October 2026
Walk to School Month

and I call upon the people of the City of Tumwater to promote the safety and health of children this month and throughout the year by supporting pedestrian, bicycle and active transportation improvements, modeling safe pedestrian and bicycle behaviors, and helping make our roads safer for those walking and biking by participating in safe driving practices and following the speed limit. I invite parents, school employees, and community leaders to make a lasting impression on our community's youth by joining Tumwater students in walking to school.

Signed in the City of Tumwater, Washington, and recognized on this 20th day of October in the year, two thousand twenty-six.

THE SEAL OF THE CITY OF TUMWATER, WASHINGTON
CITY OF TUMWATER

Leatta Dahlhoff

Leatta Dahlhoff
Mayor

TO: City Council

FROM: Paul Simmons, City Administrator

DATE: October 20, 2026

SUBJECT: Proclamation: National Veterans and Military Families Month, November 2026

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1) Recommended Action:

Informational Only.

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2) Background:

November is National Veterans and Military Families Month. Joining us to accept this proclamation and say a few words will be Brian Waananen, Lacey Veterans Service Hub Coordinator.

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3) Policy Support:

Vision, Mission, Values

Partnership: We work in partnership with residents, businesses, community organizations, and governments to address challenges and advance shared goals.

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4) Alternatives:

- ❑ None

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5) Fiscal Notes:

Proclamations have no fiscal impact.

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6) Attachments:

A. Proclamation

A

Proclamation

WHEREAS, Tumwater honors the strength and sacrifices of our veterans and active military members whose service is essential to our national security and freedom, and the families, caregivers, and survivors of veterans during the month of November; and

WHEREAS, November is a time to acknowledge the tremendous sacrifices our veterans and military families make. Washington is home to more than 500,000 veterans; 56,000 Active Duty military; 17,000 National Guard and Reserves; and their supportive families; and

WHEREAS, our veterans and service members are brave and selfless individuals who respond when called to duty. Their abiding patriotism and enduring devotion to the ideals on which the United States is founded are both necessary and inspiring. To be a service member and a veteran is to have endured and survived challenges most Americans will never know; and

WHEREAS, to be a military family is to sacrifice more for our country than most Americans will ever give. Military families endure separation from their loved ones and adjust to new living situations with short notice and as frequently as every two to three years; and

WHEREAS, there are currently more than 1.2 million military children of active-duty members worldwide and nearly 80% of military children attend public schools throughout the United States. Washington state educators currently work with 32,000 military families and have to know how to help kids cope with stress, deployment of their parent(s), the impact of grief and loss, discuss violence, terrorism, and war, and the anticipation of their loved one(s) returning home; and

WHEREAS, support for military families sustains our fighting force and strengthens the health, security, and safety of our communities.

NOW THEREFORE, I, Leatta Dahlhoff, Mayor of the City of Tumwater, do hereby proclaim the month of

November 2026

National Veterans and Military Families Month

and I encourage people to join me in recognizing and supporting our veterans and military families, who embody strength, resilience, courage, and whose experiences enrich our community.

Signed in the City of Tumwater, Washington, and recognized on this 20th day of October in the year, two thousand twenty-six.

Leatta Dahlhoff

Leatta Dahlhoff
Mayor

MEETING MINUTES

TUMWATER CITY COUNCIL WORK SESSION
September 8, 2026

CONVENE: 6:00 p.m.

PRESENT: Mayor Leatta Dahlhoff and Councilmembers Peter Agabi, Joan Cathey, Angela Jefferson, Meghan Sullivan, Eileen Swarthout, Kelly Von Holtz and Brandon Weedon.

Staff: City Administrator Paul Simmons, Assistant City Administrator Kelly Adams, City Attorney Karen Kirkpatrick, Police Chief Carlos Quiles, Jr., Fire Chief Brian Hurley, Finance Director Troy Niemeyer, Information Technology Director Lance Inman, Transportation & Engineering Director Brandon Hicks, Communications Director Jason Wettstein, Parks & Recreation Director Chuck Denney, Water Resources & Sustainability Director Dan Smith, Water Resources & Sustainability Deputy Director Tyle Zuchowski, Senior Planner Alex Baruch, Finance Manager Nissa Musselman and Deputy City Clerk Tracie Core.

COSTCO DEVELOPMENT AGREEMENT: Administrator Simmons, Director Hicks & Senior Planner Baruch gave a presentation on the Costco Development Agreement. Administrator Simmons gave context about the agreement which outlines infrastructure obligations and commitments by both the city and the developer.

Director Hicks shared that he has been working on this agreement with Costco since 2021. Costco submitted a land use application in July 2026 for a new retail warehouse, fuel station, and car wash. A complete project description, all application materials, and a site plan are posted on the City's website.

Senior Planner Baruch shared the City issued a notice of application on August 12, 2026, which is the first public notice for the project notifying the public and properties within three

hundred feet of the site. This notice allows a 14-day comment period for the community to ask questions and make comments. Currently Community Development is working on the State Environmental Policy Act (SEPA) determination. A finalized traffic study is needed to complete this determination.

Costco's goal is to have the new store, fuel station and car wash open by October 2027. Councilmembers asked questions and shared comments.

BUDGET WORKSHOP #1:

Director Niemeyer shared a presentation on Budget Workshop #1. He reminded everyone that this is a biennial budget, all numbers are estimates and Council must approve the projects and new revenue.

Director Niemeyer shared a 2027-2028 budget development timeline with the following items ahead:

- Four Budget Workshops
- Two Public Hearings
- Bond Ordinance
- Annual Fee Resolution
- Annual Property Tax Ordinance
- Another Public Hearing
- Tumwater Metropolitan Park District (TMPD) Property Tax ordinance
- TMPD Budget
- Final Adoption

Council will receive electronically later this week a message from the mayor along with budget numbers, approved enhancements, and enhancements that were not approved. Councilmembers asked questions and shared concerns.

MAYOR/CITY ADMINISTRATOR'S REPORT:

Administrator Simmons gave no report.

Mayor Dahlhoff shared question from a Councilmember regarding an item on the agenda.

ADJOURNMENT:

With there being no further business, Mayor Dahlhoff adjourned the meeting at 7:11.

Prepared by Deputy City Clerk, Tracie Core

MEETING MINUTES

TUMWATER CITY COUNCIL
September 15, 2026

CONVENE: 7:00 p.m.

PRESENT: Mayor Leatta Dahlhoff and Councilmembers Peter Agabi, Joan Cathey, Angela Jefferson, Meghan Sullivan, Eileen Swarthout, and Brandon Weedon.

Excused: Councilmember Kelly Von Holtz

Staff: City Administrator Paul Simmons, Assistant City Administrator Kelly Adams, City Attorney Karen Kirkpatrick, Police Chief Carlos Quiles, Jr., Fire Chief Brian Hurley, Finance Director Troy Niemeyer, Information Technology Director Lance Inman, Communications Director Jason Wettstein, Parks and Recreation Director Chuck Denney, Water Resources & Sustainability Director Dan Smith, Deputy Community Development Director Sharon Lumbantobing and City Clerk Melody Valiant.

Others: President of the People First Washington Thurston County Chapter Ivanova Smith, Thurston County Trustee Mary Beth Harrington, Timberland Regional Library Regional Manager Anthony Rogers, Timberland Regional Library Interim Executive Director Andrea Heisel, Partner with Pacific Law Group Deanna Gregory and Financial Advisor with Northwest Municipal Advisors Scott Bauer.

SPECIAL ITEMS:

PROCLAMATION: WEEK WITHOUT DRIVING, OCTOBER 1-8, 2026

Councilmember Weedon read a proclamation declaring October 1-8, 2026, a Week Without Driving which was established in 2021 by Washington State by the Disability Mobility Initiative of Disability Rights Washington so those who have the option to

drive can learn firsthand about the barriers and challenges that non-drivers face. President Ivanova Smith with People First Washington Thurston County chapter spoke about how bringing more awareness to non-drivers is good and that they have several videos available for the public to watch to learn about crosswalk safety. She invited several members of the People First Thurston County chapter to speak.

Mayor Dahlhoff presented the proclamation to President Smith.

PROCLAMATION: FIRE PREVENTION WEEK, OCTOBER 4-10, 2026

Councilmember Sullivan read a proclamation declaring October 4-10, 2026, as Fire Prevention week. This year's theme is "Charge into Fire Safety: Safe Charging is a Super power!" It serves to focus on lithium - ion batteries to better educate the public about how to buy, charge and dispose of them safely. Residents and businesses are urged to heed the messages and to support the efforts of the Tumwater Fire Department and other emergency services to keep us safe from fires. Several members of the Fire Department were present.

Mayor Dahlhoff presented the proclamation to Chief Hurley.

PUBLIC COMMENT:

Public comment was given by residents and community members Fergus and Weddington.

CONSENT CALENDAR:

a. Approval of Minutes: City Council Meeting, August 18, 2026
b. Approval of Minutes: City Council Work Session, August 25, 2026
c. Approval of Minutes: City Council Meeting, September 1, 2026
d. Payment of Vouchers
e. Resolution No. R2026-013, Financial Policy Updates
f. Alternative Response Team Grant Agreement with the Association of Washington Cities
g. Cancellation of the October 6th Regular Council Meeting
h. Advisory Board Appointment of Paul Strickland to the Historic Preservation Commission

MOTION:

Councilmember Swarthout moved, seconded by Councilmember Weedon, to approve the Consent Calendar as published. A voice vote approved the motion unanimously.

HISTORIC PRESERVATION APPOINTMENT OF PAUL STRICKLAND:

Mayor Dahlhoff invited Paul Strickland to speak after being appointed to the Historic Preservation Commission. He expressed his gratitude to the Mayor and City Council for the opportunity and shared his personal pride as a fifth-generation Washingtonian serving a historic city.

PUBLIC HEARING:

RESOLUTION NO. R2026-014, IN SUPPORT OF TIMBERLAND REGIONAL LEVY LID LIFT PROPOSITION:

Mayor Dahlhoff opened the public hearing to discuss Resolution No. R2026-014, regarding the upcoming Timberland Regional Library (TRL) District Levy Lid Lift. Administrator Simmons introduced guests from the library including Thurston County Trustee Mary Beth Harrington, Regional Manager Anthony Rogers, and Interim TRL Executive Director Andrea Heisel.

Interim Director Heisel presented information on the proposed levy lid lift slated for the November ballot. She detailed plans to increase the library district's levy rate to stabilize operational revenue and prevent reductions in open hours and staffing. She said that approving the lid lift would allow TRL to stabilize its finances, restore library hours, expand physical and digital collections, and maintain staffed services.

Mayor Dahlhoff opened the testimony for the public hearing at 7:52 p.m.

Mayor Dahlhoff closed the public hearing at 7:52 p.m. with no one giving public comment.

MOTION:

Councilmember Swarthout moved, seconded by Councilmember Cathey, to adopt Resolution No. R2026-014, In Support of Timberland Regional Library Levy Lid Lift Proposition. A voice vote approved the motion unanimously.

COUNCIL CONSIDERATIONS:

ORDINANCE NO. O2026-006, DELEGATION OF AUTHORITY TO ISSUE BONDS:

Director Niemeyer gave a presentation on Ordinance No. O2026-006, Delegation of Authority to Issue bonds for approval. He introduced Deanna Gregory from Pacifica Law Group and Scott Bauer of Northwest Municipal Advisors members of the city's bond financing team.

The ordinance is intended to fund major capital projects, which include purchasing a building for a new city hall, remodeling Fire Station T2, and acquiring two properties for the Habitat Conservation Plan. Director Niemeyer explained that issuing debt is necessary because the city cannot pay for these large purchases upfront but can afford to finance them over a period of years.

MOTION: **Councilmember Sullivan moved, seconded by Councilmember Jefferson, to adopt Ordinance No. O2026-006 Delegation of Authority to Issue Bonds. A voice vote approved the motion unanimously.**

INTERLOCAL AGREEMENT WITH CITIES OF LACEY, OLYMPIA, AND THURSTON COUNTY FOR FRANZ ANDERSON ROAD PERMANENT HOUSING PROJECT SECOND AMENDMENT:

Deputy Director Lumbantobing presented the Second Amendment to the regional Interlocal Agreement (ILA) for the Franz Anderson Road Permanent Housing Project. The amendment confirms Tumwater's $275,000 financial commitment and adjusts the project's layout to help the nonprofit provider, Low Income Housing Institute (LIHI), financially balance the 70-unit project.

All participating city councils reviewed the agreement simultaneously, with final approval from Thurston County scheduled for the end of the month.

MOTION: **Councilmember Sullivan moved, seconded by Councilmember Cathey, to approve the Interlocal Agreement with Cities of Lacey, Olympia and Thurston County for Franz Anderson Road Permanent Housing Project – Second Amendment. A voice vote approved the motion unanimously.**

MAYOR/CITY ADMINISTRATOR'S REPORT:

Administrator Simmons reminded everyone that the Mayor's proposed budget had been emailed and printed out and put in their in boxes and is available for pick up.

Mayor Dahlhoff had no report.

COUNCILMEMBER REPORTS:

Councilmembers Agabi, Cathey, Jefferson, Sullivan, Swarthout, and Weedon gave reports.

ANY OTHER BUSINESS:

Councilmembers discussed the timeline for reviewing and voting on the proposed home energy ordinance that was previously

referred to the Equity Commission for further study. A formal report and recommendation from the commission are scheduled to return to the council by October to guide next steps.

ADJOURNMENT: **With there being no further business, Mayor Dahlhoff adjourned the meeting at 8:37 p.m.**

Prepared by Melody Valiant, City Clerk

MEETING MINUTES

TUMWATER CITY COUNCIL WORK SESSION
September 22, 2026

CONVENE: 6:00 p.m.

PRESENT: Mayor Leatta Dahlhoff and Councilmembers Peter Agabi, Joan Cathey, Angela Jefferson, Eileen Swarthout, Meghan Sullivan, Kelly Von Holtz, and Brandon Weedon.

Staff: City Administrator Paul Simmons, Assistant City Administrator Kelly Adams, City Attorney Karen Kirkpatrick, Finance Director Troy Niemeyer, Information Technology Director Lance Inman, Fire Chief Brian Hurley, Communications Director Jason Wettstein, Parks & Recreation Director Chuck Denney, Water Resources & Sustainability Director Dan Smith, Police Lieutenant Bryent Finch and City Clerk Melody Valiant.

BUDGET WORKSHOP #2: Director Niemeyer presented Budget Workshop #2, focusing on the Utility and Golf funds. He also reviewed approved utility budget enhancements including the reclassification of an Administrative Assistant and the addition of a Capital Project Manager. Director Smith reviewed proposed water, sewer, and stormwater rate increases, including the impacts of inflation, operating costs, capital projects, and future debt payments. Council discussed rate history, affordability and assistance programs for qualifying customers.

Director Denney reviewed the Golf fund, including approved funding for a reclaimed-water backflow prevention project and improvements to the pro shop and restaurant. He also discussed golf course revenues, facility needs and proposed rate increases to support ongoing maintenance and improvements.

MAYOR/CITY ADMINISTRATOR'S REPORT:	Mayor Dahlhoff reminded Councilmembers to respond to the request for records related to an outstanding public disclosure request. Administrator Simmons had no report.
ADJOURNMENT:	**Mayor Dahlhoff adjourned the meeting at 6:43 p.m.** Prepared by City Clerk, Melody Valiant.

TO: City Council

FROM: Silvia Torres-Torrero, Accounting Technician

DATE: October 20, 2026

SUBJECT: Payment of Vouchers

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1) Recommended Action:

Staff are seeking City Council ratification of:

- September 11, 2026, payment of Eden vouchers 175121 to 175132 in the amount of $2,377.13; payment of Enterprise vouchers 191160 to 191190 in the amount of $1,048,416.15, and electronic payments 907617 to 907644 in the amount of $416,019.42 and Wire payment of $323,198.78

- September 18, 2026, payment of Eden vouchers 175133 to 175137 in the amount of $1,094.60; payment of Enterprise vouchers 191191 to 191280 in the amount of $272,697.71 and electronic payments 907645 to 907686 in the amount of $887,208.81

- September 25, 2026, payment of Eden vouchers 175138 to 175155 in the amount of $5,156.64; payment of Enterprise vouchers 191281 to 191337 in the amount of $498,064.12 and electronic payments 907687 to 907713 in the amount of $163,429.42 and Wire payment of $337,928.51

- October 02, 2026, payment of Eden vouchers 175156 to 175166 in the amount of $2,301.89; payment of Enterprise vouchers 191338 to 191397 in the amount of $360,759.04 and electronic payments 907714 to 907728 in the amount of $27,238.96

- October 09, 2026, payment of Eden vouchers 175167 to 175174 in the amount of $87,539.37; payment of Enterprise vouchers 191398 to 191471 in the amount of $1,908,144.58 and electronic payments 907729 to 907761 in the amount of $1,383,293.84 and Wire payment of $354,601.89
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2) Background:

The City pays vendors monthly for purchases approved by all departments. The Finance Director has reviewed and released the payments as certified on the attached Exhibit(s). The full voucher listings are available upon request from the Finance Manager. The most significant payments were:

Vendor		
Name	Amount	Description
Lott Clean Water Alliance	$687,013.40	Deschutes Valley Property
Active Construction	$464,237.31	ACI PR #7 2nd Ave Ped & Bike
Clary Longview LLC	$64,890.67	New 2026 F150 HEV WRS/TED OPS
Stantec Consulting Svcs Inc	$55,606.19	Pioneer Park Restoration
Shea Carr & Jewell Inc	$48,369.20	SCJ Alliance DVT

Vendor		
Shea Carr & Jewel Inc	$37,418.51	SCJ Alliance DVT
Bobbie & Amanda's Cleaning	$27,729.45	Janitorial Services August
Tumwater School District	$60,573.00	Q1 2026 Impact Fees
Tumwater School District	$106,701.00	Q2 2026 Impact Fees
Active Construction	$225,032.30	ACI PE #22 I-5 Trosper
Robert W Droll Landscape	$35,716.15	RWD Landscape Architects Trails End
Active Construction	$554,737.62	ACI, PE #8 2nd Ave
Cities Digital Inc	$30,813.47	Laserfiche Annual Support
Gray & Osborne	$53,414.26	Trosper Sewer Extension
Employment Security Dept	$101,126.85	3rd Qtr. 2026 PFMLA
Employment Security Dept	$31,986.91	3rd Qtr. 2026 WALTC
Herrera Environmental	$28,788.93	Nutrient Reduction EMP
Rice Fergus Miller	$26,943.69	Professional Svs T2 Expansion
Bobbie & Amand's Cleaning	$28,248.37	Janitorial Services – Sept
Clary Longview	$86,990.77	2026 Ford F350 4x2 Street Ops
Dell Marketing	$21,103.18	2026 Replacements – Final
Lott Clean Water Alliance	$903,154.16	09-2026 Lott Collections

* Includes vouchers in excess of $20,000, excluding routine utility payments.

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3) Policy Support:

Strategic Priorities & Goals 2026-2032: Tumwater Excellence – Be good stewards of public funds by following sustainable financial strategies.

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4) Alternatives:

- ❑ Ratify the vouchers as proposed.
- ❑ Develop an alternative voucher review and approval process.

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5) Fiscal Notes:

The vouchers are for appropriated expenditures in the respective funds and departments.

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6) Attachments:

A. Exhibit A – Payment of Vouchers – Review and Approval
B. Exhibit B – Payment of Vouchers – Review and Approval
C. Exhibit C – Payment of Vouchers – Review and Approval

D. Exhibit D – Payment of Vouchers – Review and Approval
E. Exhibit E – Payment of Vouchers – Review and Approval

EXHIBIT "A"

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is a just, due and unpaid obligation against the City of Tumwater, and that I am authorized to authenticate and certify to said claim.

Enterprise ERP
Voucher/Check Nos 191160 through 191190 in the amount of $1,048,416.15
Electronic payment Nos 907617 through 907644 in the amount of $416,019.42
Wire payments in the amount of $323,198.78

Eden
Voucher/Check Nos 175121 through 175132 in the amount of $2,377.13



Accounting Technician – Accounts Payable

EXHIBIT "B"

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is a just, due and unpaid obligation against the City of Tumwater, and that I am authorized to authenticate and certify to said claim.

Enterprise ERP
Voucher/Check Nos 191191 through 191280 in the amount of $272,697.71
Electronic payment Nos 907645 through 907686 in the amount of $887,208.81
Wire payments in the amount of

Eden
Voucher/Check Nos 175133 through 175137 in the amount of $1,094.60



Accounting Technician – Accounts Payable

EXHIBIT "C"

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is a just, due and unpaid obligation against the City of Tumwater, and that I am authorized to authenticate and certify to said claim.

Enterprise ERP
Voucher/Check Nos 191281 through 191337 in the amount of $498,064.12
Electronic payment Nos 907687 through 907713 in the amount of $163,429.42
Wire payments in the amount of $337,928.51

Eden
Voucher/Check Nos 175138 through 175155 in the amount of $5,156.64



Accounting Technician – Accounts Payable

EXHIBIT "D"

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is a just, due and unpaid obligation against the City of Tumwater, and that I am authorized to authenticate and certify to said claim.

Enterprise ERP
Voucher/Check Nos 191338 through 191397 in the amount of $360,759.04
Electronic payment Nos 907714 through 907728 in the amount of $27,238.96

Eden
Voucher/Check Nos 175156 through 175166 in the amount of $2,301.89



Accounting Technician – Accounts Payable

EXHIBIT "E"

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is a just, due and unpaid obligation against the City of Tumwater, and that I am authorized to authenticate and certify to said claim.

Enterprise ERP
Voucher/Check Nos 191398 through 191471 in the amount of $1,908,144.58
Electronic payment Nos 907729 through 907761 in the amount of $1,383,293.84
Wire payments in the amount of $354,601.89

Eden
Voucher/Check Nos 175167 through 175174 in the amount of $87,539.37



Accounting Technician – Accounts Payable

TO: City Council

FROM: Dan Smith, Water Resources & Sustainability Director

DATE: October 20, 2026

SUBJECT: Resolution No. R2026-017 Deschutes Estuary Restoration Project

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1) Recommended Action:

Adopt Resolution No. R2026-017 for the Deschutes Estuary Restoration Project.

This resolution was recommended for adoption on the consent calendar by the Public Works Committee at their October 8, 2026 meeting.

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2) Background:

The project aims to restore tidal exchange between the Deschutes River and Budd Inlet through removal of the 5th Avenue Dam and related habitat, water-quality, sediment-management, infrastructure, and public-access improvements. The 2022 Final Environmental Impact Statement identified the Estuary Alternative as the preferred long-term approach, and the Washington Department of Ecology assumed lead responsibility in 2025. On October 15, 2024, the City Council unanimously approved the Project Interlocal Agreement and South Basin Boardwalk Agreement, establishing regional governance, sediment-management funding, and a future boardwalk. Resolution No. R2026-017 reaffirms that position and supports continued state and federal implementation.

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3) Policy Support:

- 2026-2032 Strategic Plan, Environmental Stewardship: Be a leader in environmental health and sustainability.
- Values: Environment & Partnership; long-term stewardship and intergovernmental collaboration.
- Action items include conserving and protecting water resources, promoting environmentally sustainable practices, and implementing the Climate Element of the Comprehensive Plan. The Project aligns with these priorities through its intended water-quality, habitat, ecological-function, and climate-resilience benefits and continued regional partnership.

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4) Alternatives:

- ❑ Do not recommend adoption. Existing city agreements would remain in effect; however, city but would not provide a current statement supporting state and federal implementation funding.

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5) Fiscal Notes:

Resolution No. R2026-017 has no immediate fiscal impact or new financial obligation. Existing obligations remain; FY2728 prepares for repayment of ~$2.865 million through 2050, addressing 15.4% of future sediment management costs (2024 Interlocal Agreement).

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6) Attachments:

A. Resolution No. R2026-017 Deschutes Estuary Restoration Project

RESOLUTION NO. R2026-017

A RESOLUTION of the City Council of the City of Tumwater, Washington supporting state and federal funding to implement the Deschutes Estuary Restoration Project.

WHEREAS, the Deschutes Estuary Restoration Project ("Project") is a transformative, once-in-generations opportunity to restore the Deschutes Estuary, improve the health of Budd Inlet and the Deschutes River watershed, and address long-standing water quality, habitat, sediment, and public access challenges associated with the existing Capitol Lake Basin; and

WHEREAS, the Washington State Department of Enterprise Services, acting on behalf of the State of Washington, led the environmental review process for the Project, including completion of the Environmental Impact Statement process and selection of the Estuary Alternative as the preferred long-term management plan; and

WHEREAS, the Washington Department of Ecology, per direction of the Legislature, took over the planning process for the Project in 2025; and

WHEREAS, the Project will remove the 5th Avenue Dam, restore tidal exchange and estuarine habitat, improve ecological function, support recovery of salmon and other native species, improve water quality in Budd Inlet, and enhance the resilience of public infrastructure and natural systems in the face of sea level rise and other changing environmental conditions; and

WHEREAS, the State of Washington constructed the 5th Avenue Dam and has long held management responsibility for Capitol Lake, and the State, acting through Department of Ecology, is responsible for leading, funding, managing, and administering Project planning, design, permitting, estuary restoration, and construction of Project-related physical assets; and

WHEREAS, state construction funding is primary and essential to initiate and advance Project implementation, because the State was responsible for constructing the 5th Avenue Dam, which created the environmental and infrastructure challenges that exist today, and bears responsibility for managing the State Capitol Campus assets in compliance with all relevant state and federal laws and policies; and

WHEREAS, the scale and importance of the Project require a funding partnership that reflects the Project's statewide, regional, tribal, local, environmental, cultural, economic, and infrastructure benefits; and

WHEREAS, federal funding is an appropriate and necessary supplement to state funding for construction because the Project advances federal interests in infrastructure resilience, water quality protection, endangered species recovery, and natural hazard resilience; and

WHEREAS, the City of Olympia, City of Tumwater, Thurston County, Squaxin Island Tribe, LOTT Clean Water Alliance, and the Port of Olympia ("Regional Partners") have demonstrated substantial commitment to the Project, as called upon and acknowledged by the Washington State Legislature (HB 2926, 2015; ESSB 6095, 2018; ESSB 5187, 2023; and SSB 6003, 2026) by entering into the Deschutes Estuary Restoration Project Interlocal Agreement and related subsidiary agreements ("Interlocal Agreement"), which establish roles and responsibilities for long-term sediment management, governance, funding, coordination, asset transfer, and operations and maintenance; and

WHEREAS, under the Interlocal Agreement, local parties will participate in long-term funding and governance for sediment management in navigational areas of West Bay through 2050 to support continued commercial and recreational navigation and allow the restored estuary and working waterfront to coexist; and

WHEREAS, local entities have also committed to long-term ownership, operation, maintenance, and risk-of-loss responsibilities consistent with the Interlocal Agreement; and

WHEREAS, these local commitments represent meaningful, durable, and ongoing support for the Project beyond construction and demonstrate that local partners are prepared to steward the Project's long-term success; and

WHEREAS, continued coordination among the Regional Partners, in collaboration with the State, federal agencies, and community partners will be necessary to secure construction funding and successfully implement the Project; and

WHEREAS, timely state and federal investment in the Project is in the public interest.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUMWATER AS FOLLOWS:

Section 1. **Support for the Project.** The City of Tumwater supports implementation of the Deschutes Estuary Restoration Project and recognizes Washington State Department of Ecology, acting on behalf of the State of

Washington, as the lead public agency responsible for Project design, permitting, funding, construction, and overall implementation.

Section 2. Support for State Funding. The City of Tumwater urges the Washington State Legislature, the Governor, and appropriate state agencies to continue providing support to secure the state funding necessary to initiate construction without delay and commit to full project implementation as quickly as reasonably feasible.

Section 3. Support for Federal Funding. The City of Tumwater supports and urges the pursuit and award of federal funding to supplement state funding for Project construction and implementation, including funding available for transportation infrastructure, natural hazard mitigation, Puget Sound recovery, endangered species recovery, water quality improvement, navigation, and utility infrastructure programs.

Section 4. Recognition of Local Commitment. The City of Tumwater reaffirms its commitment to the Deschutes Estuary Restoration Project Interlocal Agreement, including participation in long-term sediment management funding and governance, coordination on dredging and navigation issues, and acceptance of long-term ownership, operation, maintenance, and asset-management responsibilities where applicable.

Section 5. Continued Local Support. The City of Tumwater commits to continuing to work collaboratively with the State of Washington, other members of the Regional Partnership, federal agencies, and other stakeholders to support funding, permitting, coordination, and implementation of the Project consistent with the Interlocal Agreement and any applicable subsidiary agreements.

Section 6. Transmittal. The City Clerk is directed to transmit this resolution to the Governor of the State of Washington, members of the Washington State Legislature representing the region, the State's Congressional delegation, appropriate federal agencies, and other Project partners.

Section 7. **Ratification**. Any act consistent with the authority and prior to the effective date of this Resolution is hereby ratified and affirmed.

Section 8. **Severability**. The provisions of this Resolution are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this Resolution or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the Resolution, or the validity of its application to other persons or circumstances.

Section 9. **Effective Date**. This Resolution shall become effective immediately upon adoption and signature as provided by law.

RESOLVED this ___ day of _____, 20____.

CITY OF TUMWATER

_____
Leatta Dahlhoff, Mayor

ATTEST:

_____
Melody Valiant, City Clerk

APPROVED AS TO FORM:

_____
Karen Kirkpatrick, City Attorney

TO: City Council

FROM: Joann Fletcher, Accountant

DATE: October 20, 2026

SUBJECT: Resolution No. R2026-018, Surplus Property

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1) Recommended Action:

Adopt Resolution R2026-018 declaring property as surplus.

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2) Background:

The surplus items include 2 ER&R EV Chargers, and 2 ER&R IT Network switches.

All items have been taken out of service or will be taken out of service and replaced according to their useful lives or have become obsolete.

---

3) Policy Support:

2026-2032 Strategic Priorities & Goals: Tumwater Excellence: refine and sustain a great organization. Be good stewards of public funds by following sustainable financial strategies.

---

4) Alternatives:

- ❑ Adopt the Resolution.
- ❑ Don't adopt the Resolution

---

5) Fiscal Notes:

No significant impact. Most items are owned by the Equipment Rental Fund and are sold, disposed, or auctioned off where appropriate. Replacement cost for ER&R items is included in the internal rental rates. The replacement of all other items is budgeted by each department if necessary.

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6) Attachments:

A. Resolution R2026-018 Declaring Property as Surplus with attached Exhibit A List of the items to be surplused.

Exhibit "A"

RESOLUTION NO. R2026-018

A RESOLUTION of the City Council of the City of Tumwater, Washington declaring the property itemized on the attached Exhibit A surplus to the City's needs, so that it can be disposed of in accordance with Washington State Law.

WHEREAS, the Asset Manager has determined that the items on the attached Exhibit A, currently owned by the City of Tumwater by purchase, property seizure, or unclaimed property are not needed by the City for current operations; and

WHEREAS, it is the City's policy to dispose of surplus property in accordance with RCW 35A.11.010, RCW63.32.010, and other applicable Washington State laws, rules and regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUMWATER AS FOLLOWS:

Section 1. **Surplus Declaration**. The property itemized on the attached Exhibit A is hereby declared surplus to the needs of the City of Tumwater, and it shall be auctioned, sold, traded, donated, or otherwise disposed of in accordance with the provisions of Washington State laws, rules and regulations.

Section 2. **Ratification**. Any act consistent with the authority and prior to the effective date of this Resolution is hereby ratified and affirmed.

Section 3. **Severability.** The provisions of this Resolution are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this Resolution or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the Resolution, or the validity of its application to other persons or circumstances.

Section 4. **Effective Date.** This Resolution shall become effective immediately upon adoption and signature as provided by law.

RESOLVED this 20th day of October 2026.

CITY OF TUMWATER

_____

Leatta Dahlhoff, Mayor

ATTESTS:

_____

Melody Valiant, City Clerk

APPROVED AS TO FORM:

_____

Karen Kirkpatrick, City Attorney

Exhibit A

MEMO

Date: October 20, 2026
To: Troy Niemeyer, Finance Director
From: Joann Fletcher, Accountant
Subject: Surplus of Equipment – Asset Management Fund

The following items have exceeded their useful lives, or are unclaimed items or evidence and are ready for donation, disposal or sale:

Asset #	ER&R#	Description	VIN# / Serial #	Current Location / Condition
0005057	6070427	Sema Connect EV Charger	BAE605454	Signal Tech Office - Non-operational
0005057	6070427	Sema Connect EV Charger	BAE605455	Signal Tech Office - Non-operational
0004723	6070084	Core Switches for Network	A5500-JD375A	
0004723	6070084	Core Switches for Network	V1910-48G	

TO: City Council

FROM: Troy Niemeyer, Finance Director

DATE: October 20, 2026

SUBJECT: Interlocal Agreement with Thurston County Public Defense for Indigent Defense Legal Services

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1) Recommended Action:

Authorize the Mayor to sign the interlocal agreement with the Thurston County Office of Public Defense.

The agreement was recommended for approval on the consent calendar at the October 7, 2026 Public Health and Safety Committee meeting.

---

2) Background:

In 2012 the City of Tumwater City Council decided to outsource its municipal court and contract with Thurston County for court services. In 2013 the City entered into an interlocal agreement with Thurston County's Office of Assigned Council, now referred to as Thurston County Public Defense (TCPD), to provide indigent defense legal services. A supplemental agreement for services was also approved in 2013 detailing the services to be provide and the cost of those services. That agreement was renewed in 2018, 2020, 2022 and 2024. This is a new, updated agreement to contract for the same services in 2027 and 2028.

Patrick O'Connor, Director of TCPD, presented to the Public Health and Safety Committee on September 2, 2026 to give a general update on the services they provided under this agreement.

---

3) Policy Support:

2026-2032 Strategic Priorities & Goals: Tumwater Excellence: refine and sustain a great organization. Be good stewards of public funds by following sustainable financial strategies.

---

4) Alternatives:

- ❑ Direct staff to explore other options for providing indigent defense services.
- ❑ Direct staff to place this item on the considerations calendar instead of the consent calendar.

---

5) Fiscal Notes:

The total cost of this agreement is $685,490 over the two-year term ($327,189 in 2027 and $358,301 in 2028). The two-year costs are increasing by $200,790 due to the Washington State Supreme Court decision on public defense caseload standards. The full scope of the Supreme Court decision will be phased in over six years. Thurston County estimates that Tumwater will need two full-time attorneys in 2027 and 2028 (an increase of one FTE) to make adequate progress in addressing the new requirements.

6) Attachments:

A. Attachment A – Interlocal Agreement with Thurston County Public Defense for Indigent Defense Legal Services

Attachment A

INTERLOCAL AGREEMENT BETWEEN THE CITY OF TUMWATER AND THURSTON COUNTY FOR INDIGENT DEFENSE LEGAL SERVICES

THIS AGREEMENT is entered into this _____day of _____, 2026, between the City of Tumwater, Washington, a municipal corporation, herein referred to as the "City," and Thurston County, herein referred to as the "County."

WHEREAS, the City and the County entered into an original Interlocal Agreement pursuant to RCW 39.34 on June 4, 2013, and amended it on October 18, 2018, November 3, 2020, June 21, 2022, and April 22, 2024 whereby the County, through its office of Assigned Counsel (OAC), now referred to as Thurston County Public Defense ("TCPD") agreed to provide indigent defense legal services ("Agreement"); and

WHEREAS, the City and the County desire to amend and restate a new Interlocal Agreement in its entirety.

WHEREAS, Chapter 39.34 RCW, the Interlocal Cooperation Act, authorizes agreements between public agencies for the performance of governmental services; and

WHEREAS, the City does not have the personnel to provide said services; and

WHEREAS, County through its TCPD, has the capability to provide the City with mandated indigent legal defense services; and

WHEREAS, County provides court services to the City; and

WHEREAS, County agrees to provide the City legal services for indigent defendants upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereby agree as follows:

1. Purpose.

   The purpose of this agreement is to provide legal representation services for indigent persons charged with criminal offenses by the City of Tumwater.

2. Scope of Services.

   A. All indigent defendants charged in the Thurston County District Court with violations of City ordinances, including those state laws adopted by reference, punishable by loss of liberty and who qualify for appointed counsel shall be referred to TCPD. TCPD shall provide legal representation for each of those defendants from arraignment through trial, sentencing,

post-trial review and any appeals. TCPD will assure that professional staff are available for interviewing and/or counseling individuals and defendants held in custody as needed twenty-four (24) hours per day and will assure that defendants held in custody pending trial are interviewed in a timely manner in accordance with established professional standards.

B. Services shall be provided in accordance with the City's and TCPD's standards for public defense services mandated by RCW Chapter 10.101, as well as the Rules of Professional Conduct prescribed by the Washington State Supreme Court. TCPD shall provide services at the same or higher level of quality and staff participation as is customarily supplied by TCPD to the County. TCPD shall carry on all activities pursuant to this Agreement in full compliance with all applicable laws, rules and regulations of the United States, State of Washington, Thurston County, and the City of Tumwater. Legal services provided by TCPD shall be provided without discrimination on the basis of race, color, creed, religion, national origin, ancestry, citizenship or immigration status, sex, gender identity or expression, sexual orientation, age, marital status, familial status, honorably discharged veteran or military status, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal by a person with a disability.

C. Services by TCPD shall also include the representation of indigent defendants assigned to appointed counsel prior to the effective date of this Agreement and for whom the previously assigned counsel has withdrawn as counsel of record.

D. TCPD will comply with such reporting and project evaluation requirements as may be established by the City to enable it to appraise the effectiveness of TCPD's services. Quarterly reports detailing expenditures and caseload activity will be supplied by TCPD to the City Finance Director.

E. Services shall be provided in the most cost effective and efficient manner feasible including the efficient use of resources, personnel and facilities to minimize costs to both the County and City.

F. TCPD has provided the City with current salary schedules for the Defense Attorney I, Defense Attorney II, Defense Attorney III, and Legal Assistant II positions. Both parties understand that costs will increase as a result of the County's salary schedule step increases and anticipate an annual adjustment as both parties intend the services to be provided at cost.

3. Compensation for Services.

A. Payments for services provided hereunder shall be made following the performance of such services, unless otherwise permitted by law and approved in writing by the City. No payment shall be made for any service rendered by TCPD except for services identified and set forth in this Agreement.

B. The City shall pay TCPD for work performed under this Agreement a total sum not to exceed **Six hundred eighty-five thousand, four hundred ninety and no/100 dollars ($685,490)** as follows:

1. The City shall pay TCPD the sum of **Two hundred ninety-five thousand, fifty and no/100 dollars ($295,050)** in 2027, and the sum of **Three hundred seventeen thousand, three hundred fifty-eight and no/100 dollars ($317,358)** in 2028. Except as expressly provided in Section 3(B)(2) and 3(B)(3), the cost of all infrastructure, administrative support and systems, as well as standard overhead services necessary to comply with the established standards, is included in this payment.

2. In addition to the base annual fee, the City shall pay the actual costs incurred, which are estimated to be, and shall not to exceed: **(a) Thirty-Two Thousand One Hundred Thirty-Nine and 00/100 dollars ($32,139) in 2027; and (b) Forty Thousand Nine Hundred Forty-Three ($40,943) and 00/100 dollars**, to be used for the following:

a. Non-routine case expenses requested by Department and preauthorized by order of District Court or pursuant to Local Court Rule 3.1(f)(2). Unless the services are performed by Department staff or subcontractors, non-routine expenses include medical and psychiatric evaluations; expert witness fees and expenses; interpreters; polygraph, forensic and other specific tests; investigation expenses; and any other non-routine expenses the Director of TCPD finds necessary and proper for the investigation, preparation and presentation of a case.

b. Lay witness fees and mileage incurred in bringing defense witnesses to court, but not including salary or expenses of law enforcement officers required to accompany incarcerated witnesses.

c. On-call legal advisement services by a Defense Attorney twenty-four (24) hours a day, seven (7) days a week, including all

observed federal and county holidays. These services are specifically required under Washington law for defendants being questioned or detained under suspicion of driving under the influence (DUI) and shall include immediate telephonic consultation regarding constitutional rights and custodial procedures.

d. All indigent defendants determined to have a conflict of interest by TCPD under the Rules of Professional Conflict will be represented by outside conflict counsel. The County will be responsible for securing counsel for "conflict defendant" but will not bear the costs for furnishing conflict counsel. In the event that the retention of above services requires any additional funds for such outside counsel over and above the amount provided for this Section shall remain separate from the contract compensation to TCPD as set forth in this Agreement.

C. TCPD shall submit to the City Finance Director an invoice for services rendered during the quarterly pay period. The City shall initiate authorization for payment after receipt of said invoice and shall make payment to the County within approximately thirty (30) days thereafter.

D. When subcontracting services or purchasing goods from third parties, as identified and approved in the Agreement, TCPD must submit written documentation establishing that the goods and/or services have been provided, and the third party has been paid in order to receive reimbursement for such goods and/or services.

E. Invoices may be submitted immediately following performance of services, but not more often then monthly nor less often than quarterly. In no event shall an invoice be submitted more than twenty (20) business days following the end of the contract term unless the contract term ends at the end of the calendar year where invoices must be submitted no more than five (5) business days following the end of the calendar year.

F. At the request of either party, but not more often than annually, the parties may review the Agreement to determine whether the rate of compensation is adequate to cover the costs actually incurred by TCPD. If such review demonstrates that TCPD's actual costs have exceeded the contract amount due to: (1) increases in required compensation rates, or (2) costs associated with conflict counsel retention, both parties agree that the compensation rate shall be adjusted to reimburse such excess costs. However, any such adjustment under this Section shall not exceed ten percent (10%) of the annual contract compensation. If the review determines the rate is in excess of services provided, both parties shall negotiate a reasonable credit.

4. Compliance with the Washington State Supreme Court Caseload Standards.

The parties acknowledge that the Washington State Supreme Court has issued Order No. 25700-A-1644 and related orders mandating phased reductions in indigent defense caseload standards. The parties further acknowledge that compliance with these standards may require the addition of one (1) or more full-time equivalent (FTE) defense attorneys commencing in the contract year 2028.

A. Caseload Trajectory Review. In 2027, before the 2028-2029 budget cycle, the parties shall meet and review TCPD's actual and projected City caseloads against the phase-in targets required by the Supreme Court; as implemented by the City, and County.

B. Conditional Amendment. If this review demonstrates that current staffing levels are insufficient to meet the mandated caseload standards for 2028, the parties agree to negotiate in good faith an amendment to this Agreement. Such amendment shall provide additional compensation specifically designated for the retention of the necessary defense attorney FTE(s) to ensure compliance.

5. Term and Termination.

A. Term. This agreement shall commence January 1, 2027, and shall be completed no later than December 31, 2028. This agreement may be extended for additional periods of time upon mutual written agreement of the parties.

B. Termination.

1. Either party may terminate this Agreement for cause in the event the other fails to perform its obligations as described in this Agreement, and such failure has not been corrected after notice of breach and an opportunity to cure has been provided.

2. Either party may terminate the Agreement without cause, in its sole discretion, by giving the other party sixty (60) days written notice prior to the date of the proposed termination.

3. Withdrawal. If the Agreement is terminated in accordance with this Section, TCPD shall take reasonable steps to withdraw from any pending cases and the City shall not be responsible to compensate TCPD for services provided after such withdrawal.

6. Force Majeure

Neither Party will be liable for any failure or delay in performing an obligation under this contract that is due to any of the following causes, to the extent beyond its reasonable control: acts of God, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, breakdown of communication facilities, breakdown of web host, breakdown of internet service provider, natural catastrophes, governmental acts of omissions, changes in laws or regulations, national strikes, fire, explosion, generalized lack of availability of raw materials or energy.

A. For the avoidance of doubt, Force Majeure shall not include (a) financial distress nor the ability of either party to make a profit or avoid a financial loss, (b) changes in market prices or conditions, or (c) a party's financial inability to perform its obligations hereunder.

7. Applicant Screening.

Determination of indigence for eligibility for appointed counsel under this Agreement shall be determined using the County's customary screening process.

8. Independent Contractor Relationship.

A. The parties intend that an independent contractor relationship will be created by this Agreement. Subject to paragraphs herein, the implementation of services pursuant to this Agreement will lie solely within the discretion of TCPD. No agent, employee, servant or representative of TCPD shall be deemed to be an employee, agent, servant or representative of the City for any purpose, and the employees of TCPD are not entitled to any of the benefits the City provides for its employees. TCPD will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants, subcontractors or representatives during the performance of this Agreement.

B. In the performance of the services herein contemplated by TCPD is an independent contractor with the authority to control and direct the performance of the details of the work; however, the results of the work contemplated herein must meet the approval of the City and shall by subject to the City's general rights of inspection and review to secure the satisfactory completion thereof.

C. The City may at its sole discretion require TCPD to remove an employee, agent or servant from services performed for the City. TCPD may however employ that individual on other non-City related services.

9. Consultation.

The Finance Director for the City and the Director of TCPD shall be the respective representatives responsible for administering this Agreement. Each party may change its designated representative upon written notice to the other party. There will be no joint board created for the purpose of administering this Agreement. Disputes that cannot be resolved by the designated representatives shall be referred to the City Administrator and the County Administrator.

10. Indemnification.

A. The County agrees to indemnify, defend and hold the City, its elected officials, officers, employees, agents, and volunteers harmless from any and all claims, demands, losses, actions and liabilities (including costs and all attorney fees) to or by any and all persons or entities, including, without limitation, their respective agents, licensees, or representatives, arising from, resulting from, or connected with this Agreement to the extent caused by the negligent acts, errors or omissions of the County, its elected officials, officers, employees, agents, and volunteers or by the County's breach of this Agreement.

B. County expressly waives any immunity that may be granted to it under the Washington State Industrial Insurance Act, Title 51 RCW. Department indemnification shall not be limited in any way by any limitation on the amount of damages, compensation or benefits payable to or by any third party under workers' compensation acts, disability benefit acts or any other benefits acts or programs. This waiver has been mutually negotiated by the parties.

C. The provisions of this Section shall survive the expiration or termination of this Agreement with respect to any event occurring prior to such expiration or termination.

11. No Assignments.

Any assignment of this Agreement by either party without the written consent of the non-assigning party shall be void. If the non-assigning party gives its consent to any assignment, the terms of this Agreement shall continue in full force and effect and no further assignment shall be made without additional written consent.

12. Modification.

No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of the City and County.

13. Entire Agreement.

This agreement constitutes the entire agreement between the parties and represents the entire understanding of the parties hereto. The written provisions and terms of this Agreement shall supersede all prior verbal statements of any officer or other representative of the City or County, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Agreement.

14. Compliance with Laws.

TCPD agrees to comply with all federal, state, and municipal laws, rules, and regulations, including the Rules of Professional Conduct, Court Rules and City Standards for Delivery of Public Defense Services that are now effective or in the future become applicable to TCPD and its employees or contractors engaged in provision of services covered by this Agreement.

15. No Third-Party Benefits.

This agreement is entered into for the benefit of the parties to the Agreement only and shall confer no benefits, direct or implied, on any third-party persons.

16. No Waiver.

Failure or delay of either Party to declare any breach or default immediately upon occurrence shall not waive such breach or default.

17. Written Notice.

All communications regarding this Agreement shall be sent to the parties at the addresses listed below, unless notified to the contrary. Any written notice hereunder shall become effective three (3) business days after the date of mailing by registered or certified mail and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

City of Tumwater:
Attn: Finance Director
555 Israel Road SW
Tumwater, WA 98501

Thurston County:
Attn: TCPD Director
3000 Pacific Avenue SE
Olympia, WA 98501

18. Equal Opportunity to Draft.

The parties have participated and had equal opportunity to participate in the drafting of this Agreement. No ambiguity shall be construed against either party upon a claim that the party drafted ambiguous language.

19. Recording.

Prior to its entry, this Agreement shall be filed with the Thurston County Auditor's Office or posted on the websites as required by 39.34.040 RCW.

20. Counterparts.

This agreement may be executed in any number of counterparts, each of which shall constitute an original, and all of which will together constitute this one Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates listed below.

City of Tumwater:
555 Israel Road SW
Tumwater, WA 98501

Thurston County:
3000 Pacific Avenue SE
Olympia, WA 98501

_____
Leatta Dahlhoff, Mayor

Date:_____

ATTEST:

_____
Melody Valiant, City Clerk

APPROVED AS TO FORM:

_____
Karen Kirkpatrick, City Attorney

_____
Patrick O'Connor, Director TCPD

Date:_____

ATTEST:

_____
Clerk of the Board

APPROVED AS TO FORM:
Jon Tunheim, Prosecuting Attorney

_____
By: Deputy Prosecutor

TO: City Council

FROM: Karen Kirkpatrick, City Attorney

DATE: October 20, 2026

SUBJECT: Interlocal Agreement with Thurston County Prosecuting Attorney's Office for Prosecution Services

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1) Recommended Action:

Approve and authorize the Mayor to sign the Interlocal Agreement with the Thurston County Prosecuting Attorney's Office for Prosecution Services.

The Public Health and Safety Committee recommended the approval of this Interlocal Agreement during their October 7, 2026, committee meeting.

---

2) Background:

The City has a long-standing relationship with the Thurston County Prosecuting Attorney's Office. The current contract for prosecution services expires December 31, 2026. Staff recommends renewing the contract for a period of two years. The Prosecutor's Office updated their figures based on the services previously provided and projected trends. They have proposed a 3% increase, bringing our annual amount to $244,007 ($20,333.92 per month) for the calendar years of 2027 and 2028. The proposed contract also includes civil support at $145 per hour, not to exceed $32,000 per year. The total not-to-exceed of the proposed contract is $552,014.

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3) Policy Support:

2026-2032 Strategic Priorities & Goals:
Health & Safety: Provide and sustain quality public safety services.

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4) Alternatives:

N/A

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5) Fiscal Notes:

Proposed contract amount: $244,007 per year for 2027 and 2028, plus civil support at $145 per hour, not to exceed $32,000 per year. Total two-year not-to-exceed amount is $552,014.

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6) Attachments:

A - Proposed Contract and Scope 2027-2028

A

INTERLOCAL AGREEMENT
BETWEEN THE CITY OF TUMWATER AND
THE THURSTON COUNTY PROSECUTING ATTORNEY'S OFFICE
FOR PROSECUTION SERVICES

THIS INTERLOCAL AGREEMENT, is made and entered into pursuant to RCW 39.34 in duplicate this _____day of _____, 2026, by and between the CITY OF TUMWATER, a Washington municipal corporation, hereinafter referred to as the "CITY" and THURSTON COUNTY PROSECUTING ATTORNEY'S OFFICE, hereinafter referred to as the "PAO."

In consideration of the terms, conditions, covenants, and performance contained herein, the parties hereto agree as follows:

1. SCOPE OF SERVICES.

The PAO shall perform the following services and accomplish the following tasks, including the furnishing of all materials and equipment necessary for full performance thereof:

The PAO shall perform all necessary prosecution services for the City of Tumwater as more particularly described and detailed in Attachment "A" incorporated herein by reference.

In the provision of services under this Agreement, the PAO will endeavor to perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

2. TERM.

This Agreement shall be in full force and effect beginning January 1, 2027, and shall remain in effect until December 31, 2028, unless sooner terminated according to the provisions herein. This Agreement may be extended for additional periods of time upon mutual written agreement of the parties.

3. COMPENSATION AND METHOD OF PAYMENT.

A. Payments for services provided hereunder shall be made following the performance of such services, unless otherwise permitted by law and approved in writing by the CITY.

B. No payment shall be made for any service rendered by the PAO except for services identified and set forth in this Agreement.

C. The CITY shall pay the PAO for work performed under this Agreement a sum of Two Hundred Forty-Four Thousand Seven Dollars and no cents ($244,007.00) per year as follows: Twenty Thousand Three Hundred Thirty-Three Dollars and Ninety-Two cents ($20,333.92) per month payable on or about the first Wednesday of the following month. In addition, on an as-needed basis, civil support will be billed at One Hundred Forty-Five Dollars ($145.00) per hour not to exceed Thirty-Two Thousand Dollars ($32,000.00) per year, for a total not to exceed the amount of Five Hundred Fifty-Two Thousand Fourteen Dollars and no cents ($552,014.00). The cost of all infrastructure, administrative support, and services, as well as standard overhead services necessary to comply with established standards, is included in this payment.

4. INSURANCE.

Thurston County is a member of the Washington Counties Risk Pool and the liability coverage through the Risk Pool is acceptable to the CITY.

5. INDEPENDENT CONTRACTOR RELATIONSHIP.

A. The parties intend that an independent contractor relationship will be created by this Agreement. The CITY will not exercise control and direction over the work of the PAO and is interested primarily in the results to be achieved. Subject to paragraphs herein, the implementation of services pursuant to this Agreement will lie solely within the discretion of the PAO. No agent, employee, servant or representative of the PAO shall be deemed to be an employee, agent, servant or representative of the CITY for any purpose, and the employees of the PAO are not entitled to any of the benefits the CITY provides for its employees. The PAO will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants, subcontractors or representatives during the performance of this Agreement.

B. In the performance of the services herein contemplated the PAO is an independent contractor with the authority to control and direct the performance of the details of the work; however, the results of the work contemplated herein must meet the approval of the CITY and shall be subject to the CITY'S general rights of inspection and review to secure the satisfactory completion thereof.

6. HOLD HARMLESS INDEMNIFICATION.

The PAO shall indemnify and hold the CITY and its agents, employees, and/or officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages,

or costs, of whatsoever kind or nature, brought against the CITY resulting from the PAO's performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of the CITY, its agents, employees, and/or officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the PAO; and provided further, that nothing herein shall require the PAO to hold harmless or defend the CITY, its agents, employees and/or officers from any claims arising from the sole negligence of the CITY, its agents, employees, and/or officers.

7. COMPLIANCE WITH LAWS.

The PAO, in the performance of this Agreement, shall comply with all applicable federal, state or local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in this Agreement to assure quality of services.

8. ASSIGNMENT.

The PAO shall not assign its performance under this Agreement unless the PAO determines that a conflict of interest exists. The PAO shall notify City if a case is being assigned to an attorney outside the PAO.

9. TERMINATION.

Either party may terminate this Agreement, in whole or in part, at any time, by giving at least sixty (60) days written notice.

10. NOTICE.

Notice provided for in this Agreement shall be sent by certified mail to the addresses designated for the parties on the last page of this Agreement.

11. ADMINISTRATION.

This Agreement will be jointly administered by Administration Chief Prosecuting Attorney and the Tumwater City Attorney. This Agreement does not create any separate legal or administrative entity.

12. FINANCING BUDGET.

This Agreement does not contemplate joint financing of the activities within its scope, nor does it contemplate a joint budget.

13. PROPERTY ACQUISTION AND DISPOSITION.

This Agreement does not contemplate the joint acquisition of property by the parties. At termination, each party will remain the sole owner of its own property. Any property acquired by the PAO in connection with this Agreement will be, and remain, solely owned by the PAO, even if the property is acquired by the County using payments made by the CITY under this Agreement.

14. ATTORNEYS FEES AND COSTS.

If any legal proceeding is brought for the enforcement of this Agreement, or because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party shall be entitled to recover from the other party, in addition to any other relief to which such party may be entitled, reasonable attorney's fees and other costs incurred in that action or proceeding.

15. JURISDICTION AND VENUE.

A. This Agreement has been and shall be construed as having been made and delivered with the State of Washington, and it is agreed by each party hereto that this Agreement shall be governed by laws of the State of Washington, both as to interpretation and performance.

B. Any action of law, suit in equity, or judicial proceeding for the enforcement of this Agreement or any provisions thereof, shall be instituted and maintained only in any of the courts of competent jurisdiction in Thurston County, Washington.

16. SEVERABILITY.

A. If, for any reason, any part, term or provision of this Agreement is held by a court of the United States to be illegal, void or unenforceable, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

B. If it should appear that any provision hereof is in conflict with any statute of the State of Washington, said provision that may conflict therewith shall be deemed inoperative and null and void insofar as it may be in conflict therewith, and shall be deemed modified to conform to such statutory provisions.

17. ENTIRE AGREEMENT.

The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Any amendment or extension of this Agreement shall be in writing and signed by both parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. Both parties recognize time is of the essence in the performance of the provisions of this Agreement. It is also agreed by the parties that the forgiveness of the nonperformance of any provision of this Agreement does not constitute a waiver of the provisions of this Agreement.

18. FILING. This Agreement will be filed with the Thurston County Auditor or listed on the PAO's web site prior to entry into force, in accordance with RCW 39.34.040.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed the day and year first hereinabove written.

CITY:
CITY OF TUMWATER

555 Israel Road SW
Tumwater, WA 98501

LEATTA DAHLHOFF
Mayor

ATTEST:

Melody Valiant , City Clerk

APPROVED AS TO FORM:

Karen Kirkpatrick, City Attorney

PAO:
THURSTON COUNTY
PROSECUTING ATTORNEY'S
OFFICE
2000 Lakeridge Drive SW
Olympia, WA 98502

JON TUNHEIM
Thurston County Prosecuting Attorney

ATTACHMENT "A"

PROSECUTION SERVICES

Duties

A. The Thurston County Prosecuting Attorney's Office (PAO) will be responsible to assign an employee who is qualified and able to provide the services needed to represent the City of Tumwater (CITY) as the CITY'S primary prosecutor in matters before the Thurston County District Court. This includes representation for all stages of criminal proceedings for criminal misdemeanors and gross misdemeanors, criminal traffic misdemeanors and gross misdemeanors, and contested traffic infractions. The PAO will be present at all stages of criminal proceedings including in-custody bail hearings, arraignments, pre-trial conferences, motion hearings, bench trials, jury confirmation hearings, jury trials, and post-conviction/post-trial motions and appeals. The PAO will also represent the CITY at contested traffic hearings when the defendant is represented by counsel, or when witnesses have been called to testify.

B. The PAO will be responsible for providing all of the legal support work necessary to support the prosecution of the CITY'S cases.

C. Represent the CITY in matters on appeal before the Thurston County Superior Court, Washington State Court of Appeals and the Washington State Supreme Court. These are very infrequent, but would include the writing of a brief in response to the appellant's brief, and appearance at all appellate proceedings. The PAO will timely inform the Tumwater City Attorney of all matters set for trial and all appeals.

D. Review Tumwater police reports referred for charging sufficiency. Respond timely with the necessary communication back to the police department. Meet with the police department on a regular basis; communicate regularly and timely with the police department in order to assist with case investigation, to prepare officers as witnesses for evidentiary motions and for trial, and to provide feedback to officers and their superiors on matters relating to charges filed. Provide periodic training sessions for the benefit of the police department. CITY will reimburse the PAO for all training materials provided to police department employees. Regularly communicate with and provide feedback to the Police Chief or Police Commander on criminal matters relating to police investigation and charging decisions.

E. The PAO agrees to be available by telephone for communication with witnesses, police, and CITY staff, and provide timely responses to messages during times of unavailability. The PAO will provide a telephone number to the CITY for regular business contacts as well as a telephone number (whether the same or different number) for purposes of police investigation /advice during non - business hours (between 5:00 p.m. and 8:00 a.m.). This number is expected to be used infrequently, and only for emergent legal issues.

F. The PAO shall have the right to determine which PAO employees will provide prosecution services under this Agreement. If the PAO has a conflict of interest on a case, the PAO will arrange for alternative service.

G. Due to scheduling conflicts outside the control of the PAO, primarily the Monday in-custody arraignment calendar, the PAO shall have the right to make arrangements with the City of Lacey Prosecutor to represent the CITY for such purposes as may be necessary (i.e., arraignment/probable cause statements, bail hearings, conditions of release, no contact orders).

H. The PAO agrees to timely inform the City Attorney of issues that will cause liability for the CITY or have the potential to expose the CITY to liability.

I. In addition to the prosecution services described above, the PAO may provide the CITY with civil case support related to code enforcement matters depending on the capacity of the PAO civil division to provide these services. These services, if provided, will be billed separately at an hourly rate of $145.00.

TO: City Council

FROM: Kelly Adams, Assistant City Administrator

DATE: October 20, 2026

SUBJECT: Advisory Board Appointment of Scott Bradley and Carol Campbell to the Tree Board

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1) Recommended Action:

Approve Mayor Dahlhoff's appointment of Scott Bradley and Carol Campbell to the Tree Board.

---

2) Background:

The Tumwater Tree Board consists of five to seven members; serving three-year terms, appointed by the Mayor and approved by the City Council. Tree Board (TMC 2.66.020) members shall be residents of the City, with the exception to assure at least two representatives are from the professional disciplines specified in the ordinances and one person may qualify for membership by residing in the Tumwater urban growth area.

Scott and Carol have both met with Mayor Dahlhoff and would like to fill vacancies on the Tree Board. Upon Council confirmation, Scott and Carol's terms will be effective immediately through March 1, 2027.

---

3) Policy Support:

Vision | Mission | Beliefs - Our Vision:

Tumwater of the future will be people-oriented and highly livable, with a strong economy, dynamic places, vibrant neighborhoods, a healthy natural environment, diverse and engaged citizens, and living connection to its history.

We Believe in PEOPLE:

Partnership | We work collaboratively with citizens, businesses, and community organizations.

---

4) Alternatives:

- ❑ Approve the appointment
- ❑ Do not approve the appointment

---

5) Fiscal Notes:

There is no fiscal impact associated with this report.

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6) Attachments:

A. Application and supplemental applicant information.

A

Submission #	4634639
IP Address	2601:603:5485:ee20:e42d:801a:a94a:f222
Submission Recorded On	02/13/2026 3:08 p.m.
Time to Take Survey	2 days, 11 minutes, 54 seconds

Page 1

Advisory Board, Commission, and Committee Application

Complete the below application fields and use the upload feature to attach a letter of interest, resume, or any other documents showing your current qualifications and interests.

*** 1. Name**

Scott A. Bradley

*** 2. Address**

[redacted]
Tumwater WA 98501
United States

*** 3. Phone**

([redacted]

*** 4. Email**

[redacted]

5. Select the option(s) you are interested in serving:

Tree Board

*** 6. Use this field to upload a cover letter, resume, or any additional documents to share qualifications and interests:**

Tree Board -Urban Forestry.docx

To Whom It May Concern:

My name is Scott Bradley, and I'm very interested in applying for the open seat on the Tumwater Tree Advisory Board (Urban Forestry).

My wife and I recently moved to Tumwater and bought a home here in October of 2025. We moved up from Oakland, California, to retire, and we both wish to be active in the community.

I lived in the Bay Area for 32 years and was an avid hiker and admitted "tree hugger." I was a member of the East Bay Regional Parks for over 20 years. When I moved to the Bay Area, it was important to me to learn about the land, its environment, and its flora and fauna to truly belong there. I feel the same need for connection for the South Puget Sound area.

While in Oakland, I made it a point to learn as many trails as possible in EBRPD's 73-park system, tending to them by removing trash and debris, reporting obstacles or terrain damage. I even lead hikes on lesser-traveled trails for small groups and clubs.

I fell in love with the sequoias, the bay laurels, the madrones, the manzanitas, the Monterey and Coulter pines (with the "widowmaker" pinecones), and the many different species of oak trees (live oak, blue oak, Palmer oak, valley, coast, and canyon oak).

I saw many changes to the region and the climate, with a decade of drought turning a Mediterranean climate into a wildfire-prone area. During that time, I removed my lawn to create a native, drought-tolerant garden landscape that was designated a certified wildlife habitat by the National Wildlife Federation (nwf.org/garden).

I'd love to find ways to make a difference and to help the community keep a healthy canopy and keep the city beautiful. I hope to bring a newcomer's perspective to discussions around tree protection, tree planting, or necessary tree removals. This will also help me learn how to prevent negative environmental changes, what can be done to improve the city's environmental and mental health, and help educate me about the land of my newfound "forever" home, one tree at a time.

I am also a USAF Veteran, a former Crash Firefighter who spent 4 years on flightlines, and I'd be interested in learning how the airport and military mutual aid affect the ecology and the trees here.

Thank you for your consideration!

Scott Bradley

[redacted]

Tumwater, Wa. 98501

Submission #	4801077
IP Address	2601:603:4f01:a850:515c:b7be:4fbe:252e
Submission Recorded On	05/03/2026 12:25 p.m.
Time to Take Survey	24 minutes, 9 seconds

Page 1

Advisory Board, Commission, and Committee Application

Complete the below application fields and use the upload feature to attach a letter of interest, resume, or any other documents showing your current qualifications and interests.

*** 1. Name**

Carol S. Campbell

*** 2. Address**

[redacted]
Tumwater WA 98512-7391
United States

*** 3. Phone**

([redacted]

*** 4. Email**

[redacted]

5. Select the option(s) you are interested in serving:

Tree Board

*** 6. Use this field to upload a cover letter, resume, or any additional documents to share qualifications and interests:**

Tree board rtf.rtf

Carol Campbell

[redacted]
Tumwater, WA 98512
[redacted]

May 3, 2026

Dear City of Tumwater

I am writing to express my interest in joining the Tumwater Tree Board.

I have lived in Tumwater for over 20 years. The trees in our city add to its beauty, health, and fresh air. Protecting the trees in our city corridors and neighborhoods is something all residents should do.

I am a retired federal employee. I have twenty years as a volunteer with the National Park Service at Mt Rainier National Park and four years as a volunteer mountain steward at Mt St Helens. I am also a certified Volcano Naturist. Most of my environmental experience is in wilderness areas. My responsibilities at both Parks is to protect the environment and to educate the public about the parks to include talking about the trees, flora, geology, and animals.

I would appreciate your consideration for a vacancy on the tree board.

Sincerely yours,

Carol S. Campbell

CAROL S. CAMPBELL, MA, LMHC, BCPC
[redacted]
Tumwater, WA 98512
[redacted]
Home: [redacted]
mobile: [redacted]

VITAE

EDUCATION

M.A. in Psychology with an emphasis in Guidance and Counseling, University of Northern Colorado, Greeley, Co., December 1984

B.S. in Psychology, University of Oregon, Eugene, Or., December 1981

45 credits towards PhD in Clinical Psychology, Fielding Graduate University, Santa Barbara, CA; 3.8 GPA

CPR/AED/First Aid Instructor, American Red Cross 2025

Wilderness First Responder, Base Medical 2024

Certified Volcano Naturalist, Mt St Helens Institute, 2022

VOLUNTEER SERVICE

Mt St Helens Institute in coordination with **Washington State Parks** and **United States Forest Service,** 2023 to present
Mountain Steward and Volcano Ambassador serving the North Side of Mt St Helenes, Science Learning Center, and The Mt St Helens Monument Visiter Center in Castle Rock (Washington State Parks). Provide volcano interpretation and education of the 1980 eruption, assist and educate visitors regarding the monument and hiking trails.

Mt Rainier National Park, National Park Service, 2008 to present
Provide visitors with education and interpretation relating the National Park, wildlife, flowers and trees.

EMPLOYMENT

Madigan Army Medical Center., Joint Base Lewis McChord, WA - December 1999-2019 (retired)

BEHAVIORAL HEALTH PRACTITIONER (GS-180-11) – DEPARTMENT of BEHAVIORAL HEALTH (Denali Behavioral Health Home) and Intensive Outpatient Clinic): Provide psychotherapy to active duty soldiers, triage emergency patients and evaluate for suicidal/homicidal risk. Assess and treat soldiers with post- traumatic stress using various evidenced based therapies, to include EMDR, Prolonged Exposure, Cognitive Processing Therapy, Virtual Reality Exposure Therapy. Provide DBT skills group therapy and individual DBT to soldiers.

Madigan Army Medical Center., Ft Lewis, WA - July 1997- December 1999

ADMINISTRATOR (GS- 671-9) - CANCER INSTITUTE/BREAST CANCER INITIATIVE: Served as Administrator for the Breast Cancer Initiative (BCI) providing administrative and management support to the Medical Director for BCI. Duties include planning, directing, analyzing, and coordinating the administrative activities of the Initiative; serves as Contracting Officer's Representative for personal service contracts, Administrative and Quality Assurance Liaison to the Cancer Committee, and participant in the Data Quality Workgroup. Coordinate centrally funded DoD programs, regional activities, and data collection. Prepare annual budget and quarterly estimates. Develop yearly budget projections. Analyze workload data. Write and submit reports to Health Affairs. Write position descriptions and develop classifications. Supervise administrative staff, complete annual appraisals; ensure TB compliance and monitor BMAR participation. Prepare briefings; slide presentations, information papers, executive summaries, abstracts and posters for executive level meetings, to include the Surgeon General of the Army, the Assistant Secretary of Defense for Health Affairs, and other congressional staffers. Knowledge of organizational mission, programs, credentialing and requirements for health care delivery systems.

RESEARCH

Madigan Army Medical Center., Ft Lewis, WA - April 1996 to May 1997

MEDICAL RESEARCH PROJECT MANAGER / INDEPENDENT CONTRACTOR: One-year grant-funded contract (Department of Physical Medicine). Oversee all aspects of research protocol investigating the Female Athlete Triad/ eating disorders in military women and its effect on bone density; collect data; schedule, assist and conduct large group educational sessions; perform dual energy x-ray absorptiometry (DEXA-Lunar

DPXL) scans, to include femoral neck, AP and lateral spine, and total body scans; analyze bone density scans; maintain database files with numerous sub-files; create new database files as needed; sort and analyze data; maintain budget; prepare senior executive presentations regarding the protocol; perform literature searches and review articles; prepare letter of intent. Computer software skills include database (DBase, Access), spreadsheets (Excel), word processing (MS Word, WordPerfect), Medline, and PowerPoint.

COUNSELING

Independent Network of Consultants, Tacoma, WA - October 1993 to March 1996

REHABILITATION CONSULTANT: Provide rehabilitation services to a diverse population, to include the industrially injured, physically challenged, transitioning military, disabled veterans, and neurologically impaired children. Services include initial assessments; individual counseling regarding adjustment, grief and loss, anxiety, chronic pain, depression, and substance misuse; consultation with physicians, physical therapists, and employers regarding return to work and medical issues; and plan development and implementation. Experienced in administration and interpretation of various assessment tools, to include general intellectual functioning, academic skills, motor skills, aptitudes, and interests. GATB/NATB certified. Provide expert testimony.

CorVel Corporation (formerly FORTIS), Olympia, WA - February 1990 to October 1993

SENIOR COUNSELOR/SUPERVISOR: Provide rehabilitation services to industrially injured workers, veterans, and other persons with disabilities. Complete initial assessments, provide individual counseling, develop rehabilitation plans, and consult with medical providers. Develop life care plans for the US. Department of Justice and petitioners with regard to the National Vaccine Act. These multi-million dollars cases involve assessment of a neurologically impaired child, review of medical documentation and determination of causal relationship, determination of medical, psychological and education needs over life span, evaluate economical impact, and provide expert testimony in federal court. Provide work evaluation and psychological testing services. Developed comprehensive assessment program serving the Puget Sound and Southwest Washington areas. Supervise counselors and counselor interns.

VOCATIONAL REHABILITATION COUNSELOR/EVALUATOR: 1985 to 1990

Five years' experience providing rehabilitation services and assessment in the State of Colorado. Provided mental status evaluations and administration of MMPI as part of a comprehensive chronic pain evaluation for a local Pain Clinic.

OTHER WORK HISTORY

Colorado Springs Police Department, Colorado Springs, CO: 1990. Volunteer, Crime Analysis Unit.

U.S. ARMY: Medical Service Corps Officer
Responsible for the evaluation, selection, and procurement of nine million dollars of medical supplies and equipment for a new military hospital. Responsible for the training of 2000 Division Support Command Soldiers. Responsible for coordinating training with off post schools. Responsible for a field hospital and ambulance platoon.

SACRED HEART GENERAL HOSPITAL, Eugene, OR: Emergency Medical Technician/Nurses Aide

OTHER TRAINING

The Core Competencies of Trauma, PTSD, Grief and Loss, Eric Gentry, Ph.D, PESI, December 2013

Eye Movement Desensitization and Reprocessing (EMDR) Level 1, Ft Lewis, WA, January 12-13, 2005; refresher training July 2013

Dialectical Behavioral Therapy (DBT), University of Washington, Seattle, WA Psychiatry Residency Program, June 2011 – December 2011

Prolonged Exposure Therapy (PE) Training, Ft Lewis, WA

Cognitive Processing Therapy (CPT) Training, Ft Lewis, WA

Virtual Reality Exposure Therapy (VRET), Ft Lewis, WA

Chronic Disease Self Management, Facilitator Training, Seattle, WA, May 2004

Applied Suicide Intervention Skills Training, Facilitator Training (T4), Ft Lewis, WA, March 15-19, 2004

Basic Critical Incident Stress Management, Madigan Army Medical Center, Tacoma, WA., 2000. 16-hour course.

DEXA Training (LUNAR DPXL), Ft. Lewis, WA., 1996-1997. Observation, hands-on, and text training provided by on-site trainer. I have completed over 700 scans on over 200 patients (not to include training scans). Experience includes routine and extended analyses.

Claims Basic II, Washington Self-Insurers Association, Washington, 1996

Drug and Alcohol Counselor Training, 55 hours in Client Record Management and Basic Counseling Skills, Colorado Springs, Co., 1987

AFFILIATIONS/REGISTRATIONS

Licensed Mental Health Counselor: Washington - LH00008129

Board Certified PTSD Clinician, October 2014

Board Certified Professional Counselor

Certified Clinical Trauma Professional, International Association of Trauma Professionals, January 2014

Member in good standing, American Psychotherapy Association

BIBLIOGRAPHY

Peer-Reviewed Publications

1. Lauder TD, Dixit S, Pezzin LE, William MV, Campbell, CS, Davis GD. The Relationship Between Stress Fractures and Bone Mineral Density: Evidence from Active Duty Army Women. Archives of Physical Medicine and Rehabilitation 2000, Jan; 81(1):73-79.

2. Lauder TD, Williams MV, Campbell C, Davis G, Sherman R: Abnormal Eating Behaviors in Military Women. Medicine Science Sports and Exercise, September 1999

3. Lauder TD, Williams MV, Campbell C, Davis G, Sherman R: The Female Athlete Triad: Prevalence in Military Women. Military Medicine 1999;164,9:630-635

4. Gussenhoven E, Dotson CR, Hume R, Perez RP, Campbell CS: Woman's Healthcare Research Initiative Center. The U.S. Army Medical Department Journal, July-Sept 1998:39-40.

Abstracts

1. Lauder TD, Dixit S, Pezzin LE, William MV, Campbell, CS, Davis GD. The Relationship Between Stress Fractures and Bone Mineral Density: Evidence from Active Duty Army Women. Med Sci Sports Exerc. 1999;31(5):S260

2. Lauder TD, Williams MV, Campbell CS, Davis GD, Sherman RA: The Female Athlete Triad: Prevalence in Military Women. Med Sci Sports Exerc 1998;30(5):S109.

3. Lauder TD, Williams MV, Campbell CS, Davis GD, Sherman RA: Abnormal Eating Behaviors in Military Women. Med Sci Sports Exerc 1997;29(5):S292.

Poster Presentations:

1. Lauder TD, Dixit S, Pezzin LE, William MV, Campbell, CS, Davis GD. The Relationship Between Stress Fractures and Bone Mineral Density: Evidence from Active Duty Army Women. (Accepted to American College of Sports Medicine Annual Meeting in Seattle, WA June 4, 1999)

2. Madigan Breast Cancer Advisory Quality Action Team: Best Practices: Breast Cancer Initiative. (9th Annual USAMEDCOM MTF Senior Leadership Conference in Salt Lake City, UT , 25-30 April 1999)

3. Lauder TD, Williams MV, Campbell CS, Davis G, Sherman R: The Female Athlete Triad: Prevalence in Military Women. (American College of Sports Medicine Annual Meeting in Orlando, FL June 4, 1998)

4. Lauder TD, Williams MV, Campbell CS: Abnormal Eating Behaviors in Military Women. (American College of Sports Medicine Annual Meeting in Denver, CO; 31 May 1997)

TO: City Council

FROM: Kelly Adams, Assistant City Administrator

DATE: October 20, 2026

SUBJECT: Reappointment of Gina Kotek and Matthew Rounsley to the Planning Commission; Kathy Peterson, Sharie McCafferty, Carissa Parvin and Matthew Brownell to the Barnes Lake Management District Steering Committee and Dave Shipley to the Historic Preservation Commission.

---

1) Recommended Action:

Approve Mayor Dahlhoff's reappointment of Gina Kotek and Matthew Rounsley to the Planning Commission; Kathy Peterson, Sharie McCafferty, Carissa Parvin and Matthew Brownell to the Barnes Lake Management District Steering Committee and Dave Shipley to the Historic Preservation Commission.

---

2) Background:

Gina Kotek and Matthew Rounsley have volunteered to serve an additional 4-year term on the Planning Commission. Upon Council confirmation, their terms will expire November 1, 2030.

Kathy Peterson, Sharie McCafferty, Carissa Parvin and Matthew Brownell have volunteered to serve an additional 2-year term on the Barnes Lake Management District Steering Committee. Upon Council confirmation, their terms will expire September 30, 2028.

---

3) Policy Support:

Vision | Mission | Beliefs - Our Vision:

Tumwater of the future will be people-oriented and highly livable, with a strong economy, dynamic places, vibrant neighborhoods, a healthy natural environment, diverse and engage residents, and living connection to its history.

We Believe in PEOPLE:

Partnership | We work collaboratively with residents, businesses, and community organizations.

---

4) Alternatives:

- ❑ Confirm some of the reappointments
- ❑ Do not confirm the reappointments

---

5) Fiscal Notes:

There is no fiscal impact associated with this report.

---

6) Attachments:

A. Applications and supplemental information.

Application

Complete the application, attach a letter of interest, a resume, or any other documents showing your current qualifications and interests.

Name: Gina Kotek

Address [redacted]

Tumwater, WA 98512

Telephone: (Home)_____ (Mobile [redacted]

(Work) [redacted]

Date: 05/20/2024 Email: [redacted]

Review the Advisory Board, Commission, and Committee descriptions and rank your preferred assignments with #1 indicating first choice, #2 second choice, etc.

Board, Committee, or Commission	Preference Number
Barnes Lake Management District Steering Committee Eleven members; Mayoral appointment; two-year terms; active	
Board of Parks and Recreation Commissioners Seven members; Mayoral appointment with Council confirmation; three-year terms; active	1
Civil Service Commission Three members; Mayoral appointment; six-year terms; active	
Historic Preservation Commission Seven members; Mayoral appointment with Council confirmation; three-year terms; active	
Lodging Tax Advisory Committee Five to seven members; Mayoral appointment with Council confirmation; annual term; active	
Planning Commission Nine members; Mayoral appointment with Council confirmation; four-year terms; active	2
Tree Board Five to seven members; Mayoral appointment with Council confirmation; three-year terms; active	

To Whom It May Concern:

As a long-time resident of Tumwater, I have had the privilege of working, raising my children, and now, I am ready to give back to this wonderful community. Currently, I am actively serving on the Tumwater Chamber and the Tumwater Education Foundation. When I heard about the City of Tumwater's need for volunteers for their Boards, Commissions, and Committees, I was immediately interested. I believe this would be a valuable opportunity for me to further support and contribute to my local community.

I am eager and ready to give back to the Tumwater Area in any way I can. I am deeply committed to this community and am excited about the opportunity to make a difference. Thank you for considering my application.

Gina R. Kotek

Application

Complete the application, attach a letter of interest, a resume, or any other documents showing your current qualifications and interests.

Name: Matthew Rounsley

Address: [redacted]

Telephone: (Home) _____ (Mobile) [redacted]

(Work) _____

Date: 8/5/25 Email: [redacted]

Review the Advisory Board, Commission, and Committee descriptions and rank your preferred assignments with #1 indicating first choice, #2 second choice, etc.

Board, Committee, or Commission	Preference Number
Barnes Lake Management District Steering Committee Eleven members; Mayoral appointment; two-year terms; active	
Board of Parks and Recreation Commissioners Seven members; Mayoral appointment with Council confirmation; three-year terms; active	
Civil Service Commission Three members; Mayoral appointment; six-year terms; active	
Historic Preservation Commission Seven members; Mayoral appointment with Council confirmation; three-year terms; active	
Lodging Tax Advisory Committee Five to seven members; Mayoral appointment with Council confirmation; annual term; active	
Planning Commission Nine members; Mayoral appointment with Council confirmation; four-year terms; active	1
Tree Board Five to seven members; Mayoral appointment with Council confirmation; three-year terms; active	

Matthew Rounsley

Tumwater, WA [redacted] [redacted] LinkedIn

August 5, 2025

Mayor Debbie Sullivan
Tumwater City Council
City of Tumwater
555 Israel Road SW
Tumwater, WA 98501

Dear Mayor Sullivan and Councilmembers,

I am writing to express my interest in serving on the Tumwater Planning Commission. As a dedicated public servant and current Planning Commissioner for the City of Tenino, I bring hands-on experience with comprehensive planning, zoning, and land use review. I would be honored to contribute my skills and regional perspective to Tumwater's growth and long-term planning efforts.

In my current role as Executive Assistant to Thurston County Commissioner Wayne Fournier, I support county-level policy development, public engagement, and intergovernmental coordination on issues ranging from infrastructure to growth management. I also represent the Commissioner in regional policy forums and advise on legislative matters—work that has deepened my understanding of how city planning intersects with broader county and state initiatives.

I have lived in Thurston County my entire life and reside within the city limits of Tumwater and also have a strong professional and civic connection to the city. I believe that Tumwater is at a pivotal moment, with real opportunities to lead on housing, sustainable development, and transportation planning. I have served as a member of the Tenino Planning Commission since 2023 and co-led the Tenino Climate Policy Advisory Team. Through these appointments I've worked on Tenino's comprehensive plan, the climate element, and strategic planning for the city's land use for economic vitality. I would bring a thoughtful, community-focused, sustainable growth approach to Tumwater's Planning Commission.

I understand the importance of public transparency, balanced development, and preserving community character. I'm also prepared to commit to the Commission's regular evening meeting schedule and to contribute meaningfully to its advisory role.

Thank you for considering my application. I would welcome the opportunity to serve Tumwater and support the City Council's vision through this important appointment.

Sincerely,

Matthew Rounsley

Matthew Rounsley
Tumwater, WA | [redacted] | LinkedIn

Experienced communications and legislative professional with a track record of crafting messaging, managing media, and developing outreach strategy for elected officials and private organizations.

AREAS EXPERTISE:

- Administrative Operations
- Social Media Management
- Public Relations
- Strategic Communications
- Strategic Planning
- Training & Mentorship
- Policy Development
- Program Management
- Process Improvement

EDUCATION:

Bachelor of Arts in Public Affairs; Minor in Sociology
Washington State University – Vancouver, WA, 2022 (Cum Laude, GPA 3.66)
Associates in Arts; Emphasis in Political Science
Centralia College – Centralia, WA, 2020 (High Honors, GPA 3.84) Phi Theta Kappa; Chapter & Regional President

CAREER EXPERIENCE:

Commissioner Executive Assistant / Executive Aide - Thurston County - Olympia, WA *Dec 2023 - Current*

- Manage public relations responsibilities, including drafting speeches, press releases, and social media content; coordinate media interviews and develop talking points for meetings.
- Provide high-level administrative and confidential support to an elected County Commissioner, managing complex scheduling, communications, constituent relations, and leading multiple simultaneous projects.
- Led development and launch of the Thurston County Art Contest, the only county-wide, all-ages art competition; oversaw the 2024 inaugural program and drove 100% overall growth and increased rural participation in 2025.
- Represent the Commissioner at local and regional policy development meetings.
- Advise Commissioner on policy positions by conducting legislative analysis and drafting; prepare reports, briefings, and recommendations.
- Develop strategic plans for analysis, optimization, and reorganization of Thurston County department operations, including county communications.

Staff Assistant & Grants Team Manager - US Congresswoman Strickland - Olympia, WA *Apr 2023 - Dec 2023*

- Implemented four targeted process improvements that boosted internal communication and increased tracking metrics.
- Produced and delivered daily briefing books, enabling the member to prepare efficiently for all meetings and events.
- Recruited, hired, and mentored interns, guiding project execution to align with strategic organizational goals.
- Managed office operations by overseeing technology setup and vendor relationships, ensuring seamless daily functions.
- Directed grants team and oversaw public relations projects including drafting letters of support, grant research, and workshop development and administration.
- Led drafting of constituent responses for state referral casework on behalf of Congresswoman

Committee Assistant (Session) - Washington State Senate - Olympia, WA *Dec 2022 - April 2023*

- Managed confidential legislative information to support Senators and staff in developing weekly agendas and information packets for the Senate Agriculture, Water, Natural Resources, & Parks Committee.
- Analyzed gubernatorial appointment documents to create floor notes for senate confirmation hearings and operated multiple technology platforms for public-facing updates.

Candidate Services Recruiter (Contract) - Amazon Student Programs – Seattle, WA *Apr 2022 - Dec 2022*

- Managed high-volume email correspondence, consistently surpassing service level agreements by over 50% to enhance candidate experience.
- Developed resources, including process outlines and 90 templated responses, to standardize communication and streamline operations for a 50-member team.
- Developed training materials and trained 7+ new employees across multiple time zones and two continents.

Client Success Coordinator - Anderson Business Advisors – Remote Washington *Oct 2021 – April 2022*

- Managed a portfolio of 300+ clients, serving as the primary liaison to ensure timely resolution of complex inquiries and maintain high client satisfaction.
- Designed and implemented personalized communication strategies that strengthened client relationships and improved retention rates.
- Re-engaged lapsed or dissatisfied clients through targeted outreach and issue resolution, successfully restoring trust and increasing account retention.

Legislative Intern - State Board for Community & Technical Colleges - Olympia, WA *Nov 2019 - Apr 2020*

- Advocated for the organization's policy positions, effectively communicating with legislators and stakeholders on key issues, including the Washington College Grant and Open Education Resource requirements.
- Composed newsletter articles to update stakeholders about legislative efforts, fostering transparency and encouraging active engagement.
- Scheduled meetings with legislators to discuss funding corrections for higher education initiatives and organized advocacy efforts.

Customer Service Supervisor - Kiperts Korner Feed – Tumwater, WA *May 2018 – March 2021*

- Led a team of eight employees, fostering collaboration and driving operational efficiency to improve customer satisfaction.
- Co-led social media strategy and implemented process improvements that enhanced service delivery and optimized inventory management during COVID-19.
- Managed crisis situations and de-escalated customer conflicts, preserving client relationships under high-stress conditions.

State Sentinel/ Elected Representative - Washington FFA Association *June 2017 - June 2018*

- Coordinated advocacy meetings with 17 legislators to effectively present youth agricultural issues and influence policy decisions.
- Created and facilitated leadership and lifestyle workshops for middle and high school students, enhancing their skills through interactive learning.
- Developed and maintained social media content for Facebook and Instagram, reaching over 10,000 followers and promoting organizational initiatives.

COMMUNITY INVOLVEMENT & APPOINTMENTS:

- Leadership Thurston County, Thurston County Chamber of Commerce, Class of 2025
- Mayor-Appointed Commissioner, City of Tenino Planning Commission (Term through 2028)
- Member, City of Tenino Climate Policy Advisory Team
- Public Speaking and Employment Skills Coach & Volunteer Judge, Tenino FFA
- Workshop Facilitator for Tenino FFA, Leadership Thurston County, and other community groups
- Former Committee Member, Thurston County Youth Market Sale Committee (2018-2021)
- State Convention Delegate Coordinator, Washington FFA (2019–2021)

City of Tumwater
MAY - 5 2005
Administration Dept.

Statement of Interest

Barnes Lake Management District Steering Committee

Name: Kathy Peterson

Address: [redacted]

Reasons why I am interested in participating as a member of the Steering Committee:

Barnes Lake is an important resource to the homeowners around the lake and a haven for fish and wildlife. I have lived on Barnes Lake for 26 years and have watched the quality of the lake deteriorate significantly. I supported the lake clean-up efforts of 1993 and was a founding member of the Barnes Lake Conservancy and currently serve as secretary. I am recently retired from the State of Washington, where I managed an $8 million federal grant and wrote administrative rules for the Mental Health Division. I look forward to the opportunity to work cooperatively in support of the Barnes Lake Management District.

Kathy Peterson
Signature

5/5/05
Date

Home Phone Number: [redacted]

Work Phone number:

Email address: [redacted]

RECEIVED
MAY - 6 2005
TUMWATER PUBLIC W

Application

Complete the application, attach a letter of interest, a resume, or any other documents showing your current qualifications and interests.

Name: Sharie McCafferty

Address: [redacted]
Tumwater, WA 98512

Telephone: (Home) _____ (Mobile) [redacted]

(Work) _____

Date: 10/22/24 Email: [redacted]

Review the Advisory Board, Commission, and Committee descriptions and rank your preferred assignments with #1 indicating first choice, #2 second choice, etc.

Board, Committee, or Commission	Preference Number
Barnes Lake Management District Steering Committee Eleven members; Mayoral appointment; two-year terms; active	1
Board of Parks and Recreation Commissioners Seven members; Mayoral appointment with Council confirmation; three-year terms; active	
Civil Service Commission Three members; Mayoral appointment; six-year terms; active	
Historic Preservation Commission Seven members; Mayoral appointment with Council confirmation; three-year terms; active	
Lodging Tax Advisory Committee Five to seven members; Mayoral appointment with Council confirmation; annual term; active	
Planning Commission Nine members; Mayoral appointment with Council confirmation; four-year terms; active	
Tree Board Five to seven members; Mayoral appointment with Council confirmation; three-year terms; active	

Carissa A. Parvin
[redacted] Tumwater, WA 98512 | [redacted]

May 23, 2023

RE: Advisory Boards, Commissions, and Committees -- Application to LMD

To Whom It May Concern:

My name is Carissa Parvin, and I am a Washingtonian. I was born at St. Peter's Hospital in Olympia, and I have lived in Thurston County my entire life. My first and current home is in Tumwater in the Barnes Lake Condominiums. I have resided there since March of 2017. I was introduced to the Barnes Lake Management District Steering Committee (LMD) through Tom Sparks. In an HOA meeting, he informed us that there are two volunteer positions and described in brief what volunteering on the LMD entailed. I expressed my interest because I advocate for being active in my community and preserving the habitat for wildlife. I see joining the LMD as a way to participate in my community and preserve the local habitat.

I enjoy the outdoor labors of maintaining the land. Ensuring noxious weeds noted by the county remained unrooted, such as tansy and thistle, and clearing away fallen debris after winter. I am a hard worker, enjoy participating in outdoor work, especially along with others.

I enjoy working in a team and problem solving together to find a mutual solution to a common or tricky problem. I believe everyone has a variety of strengths to offer in a team. My strengths may not be "breathing" biology, but I am compassionate, a good listener, and I try to think outside of the box to provide possible options. I would like to help improve and maintain the hard work and efforts done by the mission of this committee through contributing my time and efforts to support this committee's goals.

Through my diligent work, ability to work independently or with a team, and my passion for nature as well as seeing a thriving habitat at Barnes Lake, I hope to contribute as a member of the Barnes Lake Management District Steering Committee. I appreciate the time and consideration taken to review my application. I look forward to hearing from you regarding this opportunity. Please do not hesitate to contact me if you need additional information.

Sincerely,

Carissa Parvin

Application

Complete the application, attach a letter of interest, a resume, or any other documents showing your current qualifications and interests.

Name: Carissa Parvin

Address: [redacted]

Tumwater, WA 98512

Telephone: (Home) _____ (Mobile) [redacted]

(Work) _____

Date: 5/23/24 Email: [redacted]

Review the Advisory Board, Commission, and Committee descriptions and rank your preferred assignments with #1 indicating first choice, #2 second choice, etc.

Board, Committee, or Commission	Preference Number
Barnes Lake Management District Steering Committee Eleven members; Mayoral appointment; two-year terms; active	1
Board of Parks and Recreation Commissioners Seven members; Mayoral appointment with Council confirmation; three-year terms; active	
Civil Service Commission Three members; Mayoral appointment; six-year terms; active	
Historic Preservation Commission Seven members; Mayoral appointment with Council confirmation; three-year terms; active	
Lodging Tax Advisory Committee Five to seven members; Mayoral appointment with Council confirmation; annual term; active	
Planning Commission Nine members; Mayoral appointment with Council confirmation; four-year terms; active	
Tree Board Five to seven members; Mayoral appointment with Council confirmation; three-year terms; active	

Carissa A. Parvin

[redacted] Tumwater, WA 98512 | [redacted]

EDUCATION

Paralegal -Associate in Applied Science **June 2016**
South Puget Sound Community College, Olympia, WA

Bachelor of Arts in Sociology **June 2012**
Central Washington University, Ellensburg, WA

Paralegal degree – Associate of Arts Degree **June 2010**
South Puget Sound Community College, Olympia, WA

SKILLS

Computer: Microsoft Office (Word, Outlook, OneNote, etc.), WestLaw, BAIS, LawManager, Zoom, Jabber.

Personal: Social perceptiveness, works independently and collaboratively, comfortable with diverse groups, participates in diversity/equity/inclusion (DEI) initiatives, adaptive communication style, focuses on interpersonal relationship building with coworkers, learns new legal proceedings, familiar with statutes, and expanding research techniques.

EXPERIENCE

Paralegal 1 **August 2023 –Present**
Attorney General's Office – Labor and Industries division

- Directly assists two Assistant Attorney Generals (AAGs) with their assigned caseload.
- Create and file AAG notice of appearances to newly assigned cases.
- Directly contact the judge's scheduler to request resetting a blind set conference if necessary and work with parties based on attorney's availability, parties, and judge to reset the conference in a new case.
- Handle daily scanned in mail that are PDF documents for attorneys by logging it into LawManager, updating calendars as necessary, renaming and placing PDFs into associate cases, inform attorneys of their scanned mail for the day, and advise them if necessary to changes in their cases based on the received mail.
- Upon receiving final witness list from AAG, reach out to witnesses and begin scheduling their testimony by hearing or by perpetuation deposition. Schedule a pre-phone conference with the witness and AAG prior to the hearing/perpetuation deposition.
- Create and draft our witness confirmation letter, ensuring language within is approved or as needed added by AAG, then file with the court and mail to the parties.
- Create subpoenas or deposition notice packets for our scheduled witnesses to finalize and send out about a month prior to the event.
- Ensure medical records gathered by the AAG are sent securely to the intended witness in weeks prior to their testimony.
- Assist the AAG in discovery as needed. For interrogatories and requests for production: Ensure our answers/objections to a party requesting interrogatories and production created by the litigation team look sound and are dated and signed by the required people before sending to the requesting party. For discovery depositions,

Carissa A. Parvin

[redacted] Tumwater, WA 98512 | [redacted]

make sure witnesses we need to depose in this listed by the AAG are timely scheduled and subpoenas are created and sent out as soon as possible.
- Ensure our witnesses have all they need prior to their date to testify. Handle their voucher payment requests by processing them through the correct channels.
- Triage emails as they come in for the day, prioritize requests, and ensure assigned tasks or requests are completed in a timely manner.
- Bate stamp all proposed exhibits and file with the court, making sure parties have copies as well.
- Perform P1 closing role to cases when AAG informs me that their closing role has been completed and I have verified that their closing role steps have been properly completed.

Hearings Judicial Assistant (Legal Assistant 3) **September 2015 – August 2023**

Board of Industrial Insurance Appeals (BIIA)

- Reclassified from Legal Assistant 2 to Legal Assistant 3 in 2022 after hiring freeze was lifted.
- Directly assists three hearing judges with their assigned caseload, actively serves as a backup to three judges, and has worked directly with or backup to ten other judges previously.
- Prepare letters, requests, and orders for judges including Dismiss Orders, Order on Agreement of Parties (OAP), and Washington Industrial Safety Health Act (WISHA) OAPs.
- Review Proposed Decision and Order (PDO) written by judges for grammatical and/or punctual errors relating to formatting issues, footnote citations, RCW and WAC citations, and relevant case elements (transcript testimony, deposition testimony, exhibits, jurisdictional history).
- Review Litigation Orders produced by judges, adding reminders (TICKs) per Litigation Orders into BAIS software to track total TICKs. Ensure parties complete required items on forms, meet deadlines for submission, and follow up with parties that are not complying with judicial requests.
- Handle witness confirmation letters from parties, contact parties if the letters are not completed, and issue warning letters when required deadlines to filing dates are not met.
- Verify case items are accounted for prior to setting the case RPDO before setting the case to FTJ and providing Case View information extracted from the BAIS software system, alerting judges to the 60-day PDO due date.
- Triage automated messages relating to cases, prioritize requests, coordinates with team members or judges to address items.

Carissa A. Parvin

[redacted] Tumwater, WA 98512 | [redacted]

New Appeals Processor (Office Assistant 3) **December 2013 – September 2015**

Board of Industrial Insurance Appeals (BIIA)

- Process and mail orders daily for New Appeals, Grants, Denies, and Reassumes.
- Assemble physical file orders for incoming new appeals daily.
- Handle the return mail for New Appeals, including researching parties to find correct contact information with sources for Liniis, Department of Revenue, and Secretary of State.
- Assisted and participated with transition from physical filing system to paperless BAIS system, destroying physical records per proper agency guidelines once transition was finalized.
- Managed Returns and Reassumes orders coming in through the DLI Portal in BAIS, routing orders to their perspective judicial administrative assistants, and logging necessary changes in Case Detail records.
- Process Notice of Withdrawals mailed by party members per the new appeal judge's decision if party members withdrawal was Approved or Denied.
- Coordinate with other processing staff to divide workload and process New Appeals within required timeframes.
- Assisted judicial administrative assistants within the New Appeals Unit.

Teacher Aid **August 2012 – December 2013**

Capitol Campus Child Care Center

- Provided staffing coverage to assist teaching staff with morning and afternoon breaks.
- Discuss children's growth with parents and share concerns relating to their progress on a daily basis.
- Relieved preschool lead teacher in afternoons by monitoring playing, care, and teaching of up to twenty children ranging from three to four years old in one room.
- Assisted with maintaining classrooms, such as re-filling supplies, emptying trash and recycle bins, and locking up the property's gates at closing.

Office Assistant **June 2006 – September 2012**

Law Office of Thomas J. Westbrook, PLLC

- Answered phone calls, served as reception staff for the office, created new client files, and handled office banking deposits.
- Assisted staff with filing, copying, and mailing party correspondences and case files.
- Created a client conflict management database using Microsoft Excel, assisting with the maintenance and transition from the archived client list software.
- Set up a client file purging and retention maintenance system using Microsoft Excel that interfaced with attorney and office manager records to purge old client files and prepare retained files for archiving.

Application

Complete the application, attach a letter of interest, a resume, or any other documents showing your current qualifications and interests.

Name: Matthew Brownwell

Address: [redacted]

Tumwater, WA 98512

Telephone: (Home) n/a (Mobile) [redacted]

(Work) n/a

Date: 04/09/2025 Email: [redacted]

Review the Advisory Board, Commission, and Committee descriptions and rank your preferred assignments with #1 indicating first choice, #2 second choice, etc.

Board, Committee, or Commission	Preference Number
Barnes Lake Management District Steering Committee Eleven members; Mayoral appointment; two-year terms; active	1
Board of Parks and Recreation Commissioners Seven members; Mayoral appointment with Council confirmation; three-year terms; active	n/a
Civil Service Commission Three members; Mayoral appointment; six-year terms; active	n/a
Historic Preservation Commission Seven members; Mayoral appointment with Council confirmation; three-year terms; active	n/a
Lodging Tax Advisory Committee Five to seven members; Mayoral appointment with Council confirmation; annual term; active	n/a
Planning Commission Nine members; Mayoral appointment with Council confirmation; four-year terms; active	n/a
Tree Board Five to seven members; Mayoral appointment with Council confirmation; three-year terms; active	n/a

TO: City Council

FROM: Carlos Quiles, Chief of Police

DATE: October 20th, 2026

SUBJECT: Resolution No. R2026-020, Body Worn Camera (BWC) Redaction Fees

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1) Recommended Action:

Adopt Resolution R2026-020, Public Record Fees - Body Worn Cameras.

This resolution was recommended for adoption after holding a public hearing at the Council meeting by the Public Health & Safety Committee at their October 7, 2026, meeting.

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2) Background:

The Tumwater Police Department implemented its body-worn camera program in March 2026, creating recordings subject to disclosure under the Washington State Public Records Act. State law requires certain private or sensitive information to be redacted before release and allows law enforcement agencies to recover reasonable redaction costs from non-exempt requesters. Research and nearby agency studies estimate that redaction takes two to five minutes for each minute of video; TPD's experience averages 2.4 minutes. TPD therefore proposes charging $0.89 per minute of actual redaction time.

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3) Policy Support:

2026-2032 Strategic Priority: *"Provide and Sustain Quality Public Safety Services"*

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4) Alternatives:

- Reject Resolution R2026-020

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5) Fiscal Notes:

There is no cost to this for the city.

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6) Attachments:

A. Resolution R2026-020, Body Worn Camera (BWC) Redaction Fees
B. Memo from the Chief of Police

A

RESOLUTION NO. R2026-020

A RESOLUTION of the City Council of the City of Tumwater, Washington Adopting Fees for the Staff Time Associated with Redacting Tumwater Police Department Body Worn Video Footage Requested Pursuant to Public Records Requests.

WHEREAS, The Tumwater Police Department implemented a Body Worn Video Program in March 2026; and

WHEREAS, body camera recordings are public records subject to Chapter 42.56 RCW, the Washington State Public Records Act; and

WHEREAS, pursuant to RCW 42.56.240(14)(f), law enforcement agencies are permitted to charge certain requesters (not exempted under RCW 42.56.240(14)(e)) the reasonable costs of redacting videos prior to disclosure; and

WHEREAS, the Tumwater Police Department developed a cost study and formula using the minimum salary and benefits of a Police Records Specialist as well as the software licensing fee and average hours worked per month to calculate "reasonable costs" for such redactions; and

WHEREAS, the City Council held a duly noticed public hearing on October 7th, 2026; and

WHEREAS, the City Council wishes to adopt a Tumwater Police Department fee that will allow the City to recover the cost of actual staff time incurred by the City for redacting body worn video.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUMWATER AS FOLLOWS:

Section 1. **Fee Schedule.** The Tumwater Police Department shall charge requestors not exempt under RCW 42.56.240(14) for the actual staff time cost incurred for redacting body worn video at the rate of $0.89 per minute.

Section 2. **Ratification**. Any act consistent with the authority and prior to the effective date of this Resolution is hereby ratified and affirmed.

Section 3. **Severability**. The provisions of this Resolution are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this Resolution or the invalidity of the application

thereof to any person or circumstance, shall not affect the validity of the remainder of the Resolution, or the validity of its application to other persons or circumstances.

Section 4. **Effective Date**. This Resolution shall become effective immediately upon adoption and signature as provided by law.

RESOLVED this ___ day of _____, 20____.

CITY OF TUMWATER

_____
Leatta Dahlhoff, Mayor

ATTEST:

_____
Melody Valiant, City Clerk

APPROVED AS TO FORM:

_____
Karen Kirkpatrick, City Attorney

B

To: Public Health and Safety Committee

From: Carlos Quiles, Chief of Police (p.p.A.C.)

Date: 09/04/2026

Subject: Body Worn Camera Redaction Fee

Background

The Tumwater Police Department (TPD) implemented a Body Worn Camera program in March of 2026. All Officers are now equipped with body worn cameras which capture recordings of public interactions that are subject to the Washington State Public Records Act (PRA), RCW 42.56. The PRA allows a law enforcement agency, responding to requests for body worn camera footage, to charge certain requesters the reasonable costs of redacting, altering, distorting, pixelating, suppressing or otherwise obscuring any portion of the body worn camera recording prior to disclosure per RCW 42.56.240(14)(f). When a PRA request is received, videos from body worn cameras are reviewed and redacted consistent with statutory exemptions under Washington law:

Washington law allows local law enforcement agencies to charge reasonable costs for redacting videos (see RCW. 42.56.240(14) for detail) if the following exist, but not limited to:

- *Contains images of any area of a medical facility, counseling, or therapeutic program office;*
- *Contains information that meets the definition of protected health information;*
- *Contains images of the interior of a place of residence where a person has a reasonable expectation of privacy;*
- *Contains images defined in the RCW as "intimate," i.e., nudity, partial nudity, sexually explicit content;*
- *Contains images of an identifiable minor;*
- *Contains images of a deceased person;*
- *Contains the identity or communications from a victim or witness of an incident involving domestic violence or sexual assault; or*

• Contains images from an incident where a domestic violence or sexual assault victim or witness indicates a desire for non-disclosure of their recorded identity or communications.

Some requestors are exempt from these fees per RCW 42.56.240(14)(e):

- *A person directly involved in the incident recorded by the requested body worn camera recording.*
- *An attorney representing a person directly involved in an incident recorded by the requested body worn camera recording.*
- *A person or their attorney who requests a body worn camera recording relevant to a criminal case involving that person.*
- *The executive director from the Washington State Commission on African American Affairs, Asian Pacific American Affairs or Hispanic Affairs.*
- *If relevant to a cause of action, an attorney who represents a person regarding a potential or existing civil cause of action involving the denial of civil rights under the federal or state constitution, or a violation of a United State department of justice settlement.*

For those not included in one of the above groups, TPD is asking to charge requesters the actual redaction time at the rate of $0.89 per minute. The purpose of this document is to outline the costs associated with redaction and request approval to proceed.

Cost Analysis

Tumwater Police Department is asking to charge for actual staff time spent making redactions, as outlined in the PRA. This will compensate TPD for time spent redacting body worn camera footage, while passing along only reasonable costs to the requester. This charge formula factors in the minimum salary and benefits of a Police Records Specialist as well as the evidence.com pro-license fee. The actual calculation is outlined below:

Police Records Specialist - Salary Step 1

A. Monthly Salary:		$6259
B. Monthly Benefits:		$2994.25
C. Total Monthly Salary/Benefits	=	$9253.25

Axon/Evidence.com License Fees

D. Monthly Professional License	$53.48

Average Minutes worked by staff per month

E. 174 avg hours per month	=	10,440 minutes

Estimated Cost Per Minute (C+D) / E	=	$0.89

For each request that involves body worn camera footage, an estimated cost of redaction time will be calculated (an average of 2 minutes to review/redact per 1 minute of actual video) and a 10% deposit will be required before the video is redacted. Estimates may not reflect the final cost of production, however, TPD will only charge requestors redaction costs reflecting the actual time it takes to redact the requested video.

To generate a base fee schedule, we assessed the City of Olympia (attachment 1) and City of Lacey (attachment 2) fee studies from 2024 and 2025 respectively. The City of Olympia determined a $0.75 rate (5 minutes to review/redact per 1 minute of video), while City of Lacey determined a $0.90 rate (2 minutes to review/redact per 1 minute of video). We also referenced published academic research utilized by top national and state researchers (attachment 3 and 4). It was determined that the average time to redact body worn camera footage is between two and five times the length of the video.

We then compiled TPD's data of all BWC redaction completed since implementation of the program. This data was used to determine which employee had the most hours of experience and which had the least. With those datasets we calculated the average time taken to complete redactions. This formula resulted in redactions taking an average of 2.4 minutes per 1 minute of video. For ease of charging deposits, we are asking to round that number down to 2 minutes.

Recommendation

Tumwater Police Department recommends the City adopt a fee schedule of $0.89 per minute of video redaction time and authorize the Mayor to sign Resolution R2026-020, Adopting Fees for the Staff Time Associated with Redacting Tumwater Police Department Body Worn Video Footage Requested Pursuant to Public Records Requests.

TO: City Council

FROM: Kelly Adams, Assistant City Administrator

DATE: October 20, 2026

SUBJECT: Ordinance No. O2026-004 Residential Energy Performance Rating and Disclosure, Equity Commission Recommendation

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1) Recommended Action:

Adopt or modify Ordinance O2026-004 establishing a Residential Energy Performance Rating and Disclosure requirement.

---

2) Background:

At its July 21, 2026, meeting, the City Council asked the Equity Commission to review proposed Ordinance O2026-004 and provide feedback on its potential equity impacts, benefits, and concerns. Council requested the review be completed within 90 days. Attachment A contains the recommendation.

---

3) Policy Support:

City Council Strategic Plan 2026 - 2032

- Be a leader in environmental health and sustainability
  - Implement the Climate Element of the Tumwater Comprehensive Plan, inclusive of the Thurston Climate Mitigation plan. Thurston Climate Mitigation Plan (Resolution No. R2021-001)
- Action B1.1 Residential Energy Performance Ratings. Climate Element of the Tumwater Comprehensive Plan (Ordinance No. 2025-010)
- Action CL-4.2. Reduce energy use in existing residential buildings.

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4) Alternatives:

❑ N/A

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5) Fiscal Notes:

N/A

---

6) Attachments:

A. Memorandum: Equity Commission Recommendation
B. Draft Ordinance O2026-004 Residential Energy Performance Rating and Disclosure, Equity Commission Recommendation

Attachment A

MEMORANDUM

Date: October 20, 2026
To: City Council
From: Kelly Adams, Assistant City Administrator

Purpose

This memorandum contains the official recommendation of the Tumwater Equity Commission for the City Council regarding draft Ordinance O2026-004. As requested by Council, the Commission reviewed the ordinance language, received analysis from staff, received public comment, and created a unified recommendation.

Timeline of Recommendation Development

- **July 21, 2026** - the City Council asked the Equity Commission to review proposed Ordinance O2026-004 and provide feedback on its potential equity impacts.
- **August 10, 2026** - the Equity Commission met and staff provided a presentation about the draft ordinance where Equity Commissioners posed initial questions. The Commission requested more information from staff.
- **September 17, 2026** - the Equity Commission moved to develop recommendations for making the proposed Home Energy Score Ordinance more equitable. The Commission agreed to send staff individual recommendations for synthesis into a report.
- **October 12, 2026** - the Equity Commission finalized the recommendation for Council.

Recommendation Themes

Six common themes emerged from the Commissioner's work:

1. Make the assessment affordable
2. Guard against investor purchases and loss of home equity
3. Connect scores to improvement assistance
4. Monitor equity outcomes and adjust the program
5. Language access and accessibility

6. Include renters

Recommendation to City Council

At their October 12, 2026, meeting, the Tumwater Equity Commission recommended that Ordinance O2026-004 include the following equity safeguards:

A. Ordinance amendments (for immediate recommendation to Council)

1. **Mitigate negative impacts of assessment cost on vulnerable sellers.**
    - Sellers at or below 80% of Area Median Income (AMI), including those selling an estate or under hardship, receive a fully subsidized assessment.
    - If subsidy funds run out, qualifying sellers may receive a hardship waiver. Waivers remain the exception, not a substitute for the assessment.
    - Adequately fund the needs created for vulnerable sellers.
2. **Publish an annual equity report.**

    Staff reports annually to the Equity Commission and Council, beginning one year after the effective date. The report covers subsidy and waiver use by income level, wait times and costs, complaints, scores by neighborhood, and purchases of low-scoring homes by corporate or investor buyers using County Assessor data.
3. **Improve accessibility of program materials before the effective date.** Ensure that program materials are written in plain language and translated into the languages most commonly spoken in Tumwater. Subsidy, deferral, and waiver applications are available online, on printed paper, by phone, and in person.

B. Implementation commitments (for future consideration, if Ordinance is adopted)

4. **Ensure that every score comes with a path to help.** Each scorecard lists the assistance programs that may apply, the steps to apply, and, where data allow, the estimated cost of improvements after available incentives. Homes scoring 1 through 4 are referred to Community Action Council weatherization, Puget Sound Energy programs, and the local Home Electrification and Appliance Rebates (HEAR) rebate administrator. The City favors programs that pay contractors directly so low-income owners do not front costs.
5. **Measure success by improvements, not scores issued.** The annual report tracks improvements completed, assistance used, and where measurable, changes in energy costs for income-qualified households, if the data is available. The City also explores using aggregated score data with Energize Thurston to negotiate group pricing on common improvements.

C. Further Council direction (for future programmatic consideration)

6. **Renters.** Direct staff to develop a separate renter strategy that shares energy-cost information with the 43% of households who rent, with protections against improvement costs being passed through as higher rent.

B

ORDINANCE NO. O2026-004

AN ORDINANCE of the City Council of the City of Tumwater, Washington, adopting a Residential Energy Performance Rating and Disclosure Policy and adding a new chapter 15.22 entitled *Residential Energy Performance Rating and Disclosure* to Tumwater Municipal Code Title 15 *Buildings and Construction,* as more particularly described herein.

WHEREAS, climate change has become a crisis posing a serious threat to the survival of the earth and humanity; and

WHEREAS, in 2018 the City Council adopted Resolution No. R2018-015, agreeing to common targets to reduce communitywide greenhouse gas emissions 45 percent below 2015 levels by 2030 and 85 percent below 2015 levels by 2050 to ensure that local communities do their part to keep the global average temperature from rising more than 2 degrees Celsius above pre-industrial levels; and

WHEREAS, in 2021 the City Council adopted Resolution No. 2021-001 accepting the *Thurston Climate Mitigation Plan (2020)* as a framework to guide future action addressing local sources of greenhouse gas emissions that contribute to global climate change; and

WHEREAS, in 2021 the City Council adopted Resolution No 2021-002 declaring a climate emergency and support for mobilization of community and region wide efforts to mitigate climate change in order to provide a safe environment for future generations; and

WHEREAS, at the 2023 Thurston Climate Mitigation Collaborative (TCMC) Annual Retreat and subsequent Executive Committee meeting on June 26, 2023, the TCMC agreed to advance two regional initiatives for focused regional coordination in 2024: (1) design a Residential Energy Efficiency and Electrification Campaign and (2) develop a Home Energy Score Model Ordinance; and

WHEREAS, in 2023 the City Council approved an Interlocal Agreement among Thurston County and the cities of Lacey, Olympia, and Tumwater to support the implementation of the 2024 TCMC Regional Initiatives; and

WHEREAS, the TCMC has engaged the TCMC Community Advisory Workgroup, members of the public, and held four focus group discussions with key stakeholders to develop this proposed Ordinance; and

WHEREAS, the TCMC finds that for a home energy disclosure policy to be effective at reducing emissions, incentivizing a more climate resilient housing stock, and informing prospective homebuyers, Tumwater's Code should be amended to include this requirement; and

WHEREAS, amending the code to include a home energy disclosure policy is in the best interests of city and its residents and supports the health, safety and welfare of the community.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUMWATER, STATE OF WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. A new chapter 15.22, *Residential Energy Performance Rating and Disclosure*, is hereby added to Title 15, *Buildings and Construction*, of the Tumwater Municipal Code to read as follows:

Chapter 15.22
RESIDENTIAL ENERGY PERFORMANCE RATING AND DISCLOSURE

15.22.010 Purpose.

The purpose of the Residential Energy Performance Rating and Disclosure is to require that homebuyers be provided with information about residential building energy performance prior to the time of property purchase to enable more informed decisions about the full costs of operating dwelling units and to encourage investments in improvements that lower utility bills, reduce carbon emissions, and increase the comfort, safety, and health of building occupants. This disclosure is in addition to the minimum disclosures described in RCW 64.06.

15.22.020 Definitions.

Certain terms, words, and phrases shall, whenever used in this chapter, have the meanings defined in this section.

A. "Director" means the director of the Water Resources and Sustainability Department of the city or their designee.

B. “Dwelling Unit” means a building or a portion thereof designed for occupancy by one family for residential purposes, having kitchen and bathroom facilities, and on a permanent foundation and for the purposes of this chapter may be contained in a single-family detached dwelling, duplex, triplex, quadplex, cottage housing, townhouse, and accessory dwelling unit.

C. "Energy" means electricity, natural gas, propane, heating oil, wood, or other fuel used for purposes of providing heating, cooling, lighting, water heating, or powering other end-uses in the building and related facilities.

D. "Home energy performance report" means the report prepared by a registered home energy score assessor utilizing the reporting template provided by the director. The report must include the following information:

1. The home energy performance score, using methods developed by the United States Department of Energy, and an explanation of the score;
2. An estimate of the total annual energy used in the dwelling unit in retail units of energy by fuel type;
3. An estimate of the total annual energy generated by onsite solar electric, wind electric, hydroelectric, and/or solar water heating systems in retail units of energy, by type of fuel displaced by the onsite generation;
4. An estimate of the total monthly or annual cost of energy purchased for use in the dwelling unit in dollars by fuel type, based on the current average annual retail residential energy price of the utility serving the dwelling unit at the time of the report and the average annual energy prices of nonregulated fuels by fuel type;
5. The current average annual utility retail residential energy price in dollars by fuel type and the average annual energy price by fuel type;
6. At least one comparison home energy performance score that provides context for the range of potential scores. Examples of comparison dwelling units include, but are not limited to, a similar dwelling unit with Washington’s average energy consumption, the same type of dwelling unit built to Washington energy code, or the same type of dwelling unit with certain energy efficiency upgrades;
7. The identification of efficiency measures that may be installed directly by consumers;

8. The date when the building energy assessment was performed;

9. The name, contact information, and business license number for the registered home energy score assessor who completed the scoring; and

10. Such other information as specified by the director.

E. "Home energy score" means the U.S. Department of Energy's Home Energy Score which is an asset rating based on physical inspection of the dwelling unit or review of the design documents used for the dwelling unit's construction.

F. "Real estate listing" means any real estate listed publicly for sale in the city by a property owner, representative of a property owner, or a Washington state licensed real estate broker, agent, or firm. Real estate listings include any printed advertisement, internet posting, publicly displayed sign, and other third-party listing services.

G. "Registered home energy score assessor" means a person who has a valid and up-to-date certification from the U.S. Department of Energy as a home energy score assessor and who is registered with the city to provide a home energy performance report. To be registered with the city, a person must meet all registration requirements established by the director.

H. "Seller" means any individual or entity possessing title to real property that includes a dwelling unit, including an association of unit owners responsible for overall management in the case of a condominium, or other representative body of a jointly owned building with authority to make decisions about building assessments and alterations.

I. "Subsidy criteria" means any resident of the City of Tumwater earning 150% or less than 150% of the Area Median Income as defined by the U.S. Department of Housing and Urban Development, or any household that has been deemed eligible to participate in any and all low-income federal, state, or local assistance programs.

15.22.030 Authority of the Director.

A. The director shall administer and enforce this chapter's provisions.

B. The director shall adopt rules and regulations, procedures, and forms to implement this chapter's provisions.

15.22.040 Home Energy Score Rating and Disclosure for Dwelling Units.
Prior to publicly listing any dwelling unit(s) for sale, the seller of the dwelling unit, or the seller's designated representative, shall:

A. Obtain a home energy performance report for the dwelling unit from a certified home energy score assessor;

B. Include the home energy score and the home energy performance report in all real estate listings;

C. Append the home energy performance report when attachments are accepted by the listing service; and

D. Provide a copy of the home energy performance report to all licensed real estate brokers, agents, or firms working on the seller's behalf.

15.22.050 New Construction of Dwelling Units.
At the time of first sale, sellers of a newly constructed dwelling unit or the seller's designated representative, may:

A. Provide a home energy score that was generated from either design specifications or an on-site inspection.

B. Replicate home energy performance reports for dwelling unit(s) constructed within the same land division using identical design specifications with identical features including, but not limited to, floorplan, type and amount of insulation, windows, attic fans, heating and cooling systems, hot water heaters, and appliances.

15.22.060 Exemptions.

A. Dwelling units on federal land or tribal land shall be exempt from the requirements outlined in TMC 15.22.
B. Transfers of real property defined by RCW 64.06.010, as is in effect of the date of this ordinance and as amended, are exempt from the requirements of this chapter.

C. The director may exempt a seller from the requirements of this chapter after confirming that compliance would cause undue hardship for the seller under the following circumstances:

1. The dwelling unit qualifies for sale at public auction or acquisition by a public agency due to arrears for property taxes;
2. A court-appointed receiver is in control of the dwelling unit due to financial distress; or
3. The senior mortgage on the dwelling unit is subject to a notice of default.

15.22.070 Duration of Validity.
The home energy score is valid for ten years provided that no changes to mechanical systems, building envelope, or square footage in the home have occurred.

15.22.080 Violation.
It is a violation for any person to fail to comply with the requirements of this chapter or to misrepresent any material fact in a document required to be prepared or disclosed by this chapter. Civil enforcement of the provisions of this chapter shall be governed by TMC Chapter 1.10 Civil Enforcement of Code.

15.22.090 Subsidy.
The city shall fully subsidize home energy score assessments required by TMC 15.22.040 for sellers whose households meet the subsidy criteria as defined in TMC 15.22.020 or may exempt households that meet the subsidy criteria if no subsidy funding is available.

Section 2. Corrections. The City Clerk and codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and affirmed.

Section 4. Severability. The provisions of this ordinance are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance or the invalidity of the application

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thereof to any person or circumstance, shall not affect the validity of the remainder of the ordinance, or the validity of its application to other persons or circumstances.

Section 5. Effective Date. This ordinance shall become effective on May 1, 2027, after passage, approval and publication as provided by law.

ADOPTED this _____day of _____, 20___.

CITY OF TUMWATER

_____
Leatta Dahlhoff, Mayor

ATTEST:

_____
Melody Valiant, City Clerk

APPROVED AS TO FORM:

_____
Karen Kirkpatrick, City Attorney

Published:_____

Effective Date:_____

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TO: City Council

FROM: Paul Simmons, City Administrator, and Sharon Lumbantobing, Deputy Community Development Director

DATE: October 20, 2026

SUBJECT: Purchase and Sale Agreement with Puget Western for Habitat Conservation Land

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1) Recommended Action:

Approve and authorize the Mayor to sign a purchase and sale contract with Puget Western, Inc. in substantially similar form as approved by the City Attorney; and further authorize the Mayor to complete the purchase and sign all necessary closing documents if all conditions are met.

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2) Background:

The intent of the purchase and sale contract with Puget Western, Inc. is for the City to acquire Olympia pocket gopher conservation credits from a U.S. Fish and Wildlife Service (USFWS) approved Habitat Conservation Plan (HCP) to be used either for covered activities under the Bush Prairie HCP, for projects that would require a separate take approval from USFWS, or for sale to City partners for their projects.

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3) Policy Support:

Comprehensive Plan Conservation Element Goal C-1: Support active measures to protect and enhance Tumwater's natural environment.

Comprehensive Plan Conservation Element Policy C-15.2: Protect, preserve, and restore habitats for species identified as endangered, threatened, or sensitive by the State or federal government, giving special consideration to measures necessary to preserve or enhance suitable habitat.

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4) Alternatives:

- ❑ None.

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5) Fiscal Notes:

The purchase and sale will be funded through the sale of bonds, with the annual debt payments estimated to be $754,516 over 30 years. The total cost of the purchase is $12 million which includes the land, endowment, and the Habitat Conservation Plan (HCP). By purchasing the entire HCP, we have immediate access to the mitigation credits that can be used internally or sold to developers. If the City sells credits, the proceeds would be used to help make the debt payments.

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6) Attachments:

A. Staff Report
B. Puget Western Purchase and Sale Contract
C. Presentation

STAFF REPORT

Date: October 20, 2026
To: City Council
From: Paul Simmons, City Administrator, and Brad Medrud, Community Development Director

Puget Western, Inc. Purchase and Sale Contract

1. Recommended Action

Authorize the Mayor to sign a purchase and sale contract with Puget Western, Inc. for 67.5 gross acres of property and the remaining conservation credits associated with the Tumwater East Distribution and Commercial Center and Tumwater West Conservation Site Habitat Conservation Plan (Puget Western HCP).

The property is located west of Interstate 5 and south of 93rd Avenue SW on Thurston County parcel numbers 12721220000, 12721210300, 12721210100, 12721240300, and 12721230300. The property is known as the Puget Western Conservation West Site (see map next page).

2. Background

Since 2014, the City has been working to respond to the federal listing of the Olympia subspecies of the Mazama pocket gopher, which is listed as threatened under the Endangered Species Act of 1973. The City has been preparing the Bush Prairie HCP developed with the Port of Olympia and U.S. Fish and Wildlife Service (USFWS) to support a request for an incidental take permit (ITP) from USFWS. An ITP authorizes take that is incidental to otherwise lawful activities and provides ESA compliance.

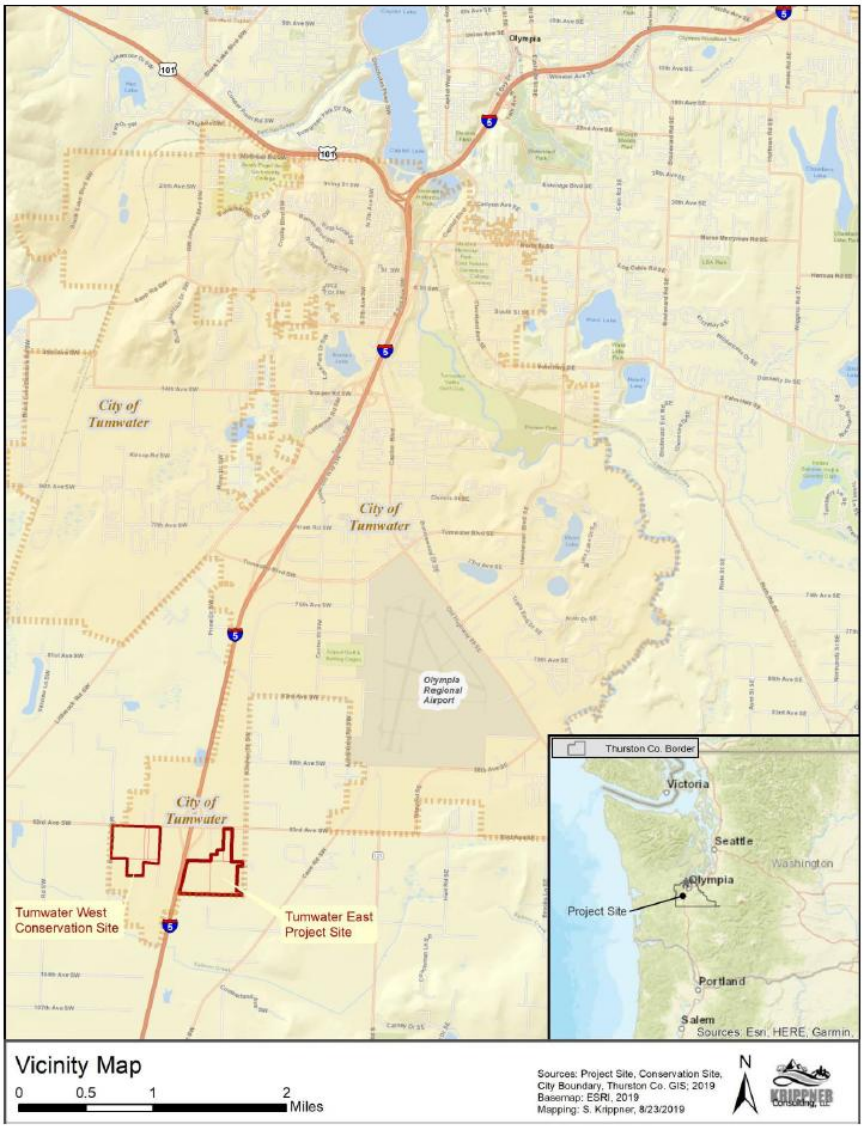
It is anticipated that activities such as City operations and maintenance and development permits approved by the City will require mitigation for their impact on the Olympia subspecies. Such mitigation would be in the form of setting aside occupied Maza Olympia subspecies habitat lands for conservation purposes through the Bush Prairie HCP.

In February 2021, Puget Western, Inc. worked with the USFWS to prepare the Puget Western HCP as part of their ITP for the development of land with the threatened Olympia subspecies of the Mazama pocket gopher.

The Puget Western HCP covered the development of the Olympia subspecies occupied 79-acre Tumwater East property south of 93rd Avenue east of Interstate 5 as the Costco warehouse distribution center while providing mitigation which fully offsets the impacts to the Olympia subspecies at the 67.5-acre Tumwater West property south of 93rd Avenue west of Interstate 5. Tumwater East and Tumwater West were owned by Puget Western, Inc. and known to be occupied by the Olympia subspecies.

Puget Western could not completely avoid all adverse effects to this species and its habitat while the new warehouse distribution center was constructed, so it prepared an HCP in fulfillment of requirements for an ITP from USFWS in accordance with Section 10(a)(1)(B) of the Endangered Species Act (ESA).

Figure 1. Puget Western Tumwater East Project and Tumwater West Conservation Sites.



3. Purchase and Sale Contract

The intent of the purchase and sale contract with Puget Western, Inc. is for the City to acquire the remaining Olympia pocket gopher conservation credits from a USFWS approved HCP to be used either for mitigation for covered activities under the Bush Prairie HCP, for projects that would require a separate take approval from USFWS, or for sale to City partners for their projects.

The table below summarizes what the City is acquiring as part of the purchase and sale contract.

Item	Number
Purchase Price	$12,000,000, of which $10,000,000 is for the HCP credits and $2,000,000 for the actual land
Total Actual Acres Purchased	67.5 acres
Total Puget Western HCP Credits Purchased	109.4 Puget Western HCP Credits – Total Remaining Credits
Total Puget Western HCP Credits Purchased Translated into Bush Prairie HCP Credits	72.90 Bush Prairie HCP Credits
Estimated Current Value of the HCP Endowment	~$930,000

Attachment B

PURCHASE AND SALE CONTRACT ("Contract")
(Tumwater West Conservation Site, Thurston County, WA)

This Contract is entered into on _____, 2026 (the "**Effective Date**") by PUGET WESTERN, INC., a Washington corporation ("**Seller**"), and the CITY OF TUMWATER, a Washington municipal corporation ("**Purchaser**").

IN CONSIDERATION of the promises and mutual covenants herein set forth, Seller and Purchaser agree to the purchase and sale of the Property (defined below), in accordance with the following terms and conditions:

1. Property. The property will be comprised of the following (the "**Property**"):

Land totaling approximately 67.5 gross acres located in Thurston County, WA (Parcel Nos. 12721220000; 12721210300; 12721210100; 12721240300; 12721230300) (the "**Land**"), as more particularly described on **Exhibit "A"**; and all right, title and interest of Seller, if any, in and to any and all appurtenances, strips or gores, roads, easements, and rights-of-way bounding the Land, water rights, licenses, permits (including without limitation Incidental Take Permit No. ESPER0010780 (the "**ITP**"), all remaining wildlife mitigation credits under the ITP (the "**Remaining Credits**"), and the Habitat Conservation Plan (the "**HCP**") approved as part of the ITP), entitlements and bonds, if any and to the extent transferable and assignable, other rights and benefits attributable to the Land and all rights of ingress and egress thereto (collectively, all of the foregoing other than the Land, the "**Additional Interests**"); to the extent assignable and transferable, Seller's interest in that certain Services Agreement by and between Seller and the Center for Natural Lands Management dated August 18, 2025 (the "**CNLM Agreement**"); and that certain endowment managed by U.S. Bank [INSERT ACCOUNT CITATION] (the "**Endowment**") established solely to operate, maintain, repair, and restore the Land in accordance with the ITP and HCP and managed by the Center for Natural Lands Management.

2. Purchase Price.

(a) Purchase Price. The purchase price for the Property will be $12,000,000.00 (the "**Purchase Price**"), subject to any prorations set forth in Section 12 below. The Purchase Price will be payable to Seller in cash or by wire transfer of immediately available funds to Title Company for payment to Seller at Closing (defined below). $2,000,000.00 of the Purchase Price shall be allocated to the Land and $10,000,000.00 of the Purchase Price shall be allocated to the remaining components of the Property other than the Land (the "**Intangibles Purchase Price**").

(b) Remaining Credits. The Purchase Price shall include all Remaining Credits, which Seller estimates to be 109.4 as of the Effective Date ("**Estimated Remaining Credits**"). If, at Closing, the Remaining Credits exceed the Estimated Remaining Credits, then all such Remaining Credits shall be conveyed to Purchaser without any adjustment to the Purchase Price. If, at Closing, the Remaining Credits are less than the Estimated Remaining Credits, then the Intangibles Purchase Price shall be reduced by an amount equal to the Intangibles Purchase Price multiplied by a fraction having (a) as its numerator, the difference between the Estimated Remaining Credits and the Remaining Credits, and (b) as its denominator, the Estimated Remaining Credits.

3. Earnest Money and Independent Consideration.

(a) Earnest Money. Within three (3) business days after the Effective Date, Purchaser will deposit with First American Title Insurance Company, 920 Fifth Avenue, Suite 1200, Seattle, WA 98104, Attention: Amanda Johnson, Email: amjohnson@firstam.com ("**Title Company**"), the sum of $250,000.00 as earnest money hereunder (the "**Earnest Money**"). The Earnest Money will be deposited by Title Company in an interest-bearing account, with the interest credited to Purchaser and as part of the Earnest Money, unless Seller shall be entitled to the Earnest Money pursuant to the terms of this Contract, in which case such interest shall be paid to Seller. The

entire Earnest Money will be applied towards the Purchase Price at Closing, or will be otherwise held and disbursed as herein provided.

(b) Independent Consideration. As independent consideration for the rights granted to Purchaser, Purchaser has paid to Seller the sum of $100.00 as part of the Earnest Money, the receipt and sufficiency of which are hereby acknowledged (the "**Independent Consideration**"). The Independent Consideration is non-refundable and will not be applied against the Purchase Price at Closing.

4. Due Diligence Documents. The following documents will be delivered to Purchaser:

(a) Title Commitment. Within five (5) business days after the Effective Date, Purchaser will, at Purchaser's expense, order a current commitment (the "**Title Commitment**") from Title Company to issue at Closing an ALTA owner's policy of title insurance insuring fee simple title to the Property in Purchaser (the "**Title Policy**").

(b) Survey. Within five (5) business days after the Effective Date, Seller will deliver to Purchaser and Title Company a copy of Seller's most recent survey of the Property, if any (the "**Existing Survey**"). Purchaser may, at Purchaser's option and expense, commission a new ALTA survey or updated Existing Survey conforming with ALTA standards (the "**Survey**"). For purposes of the property description to be included in the Deed (defined below), Title Policy and other documents to be delivered pursuant to Sections 10 and 11, the legal description in Seller's vesting deed will control to the extent of any conflicts or inconsistencies with the Survey and will be included as the property description in the Deed and the Title Policy. In the event of any such conflicts or inconsistencies, Seller shall execute a quitclaim deed conveying all of its interest in any portion of the Property described in the Survey that is not included in the legal description in Seller's vesting deed.

(c) Documents. Within ten (10) days after the Effective Date, Seller will deliver to Purchaser (electronically, via email, or by uploading to a file sharing site accessible by Seller and Purchaser), copies of the following documents, but only to the extent such items are in Seller's possession or control and only to the extent related to the Property (collectively, the "**Documents**"): a copy of the CNLM Agreement; copy of Seller's current Owner's Policy of title insurance for the Land; copies of any final property condition reports prepared for Seller within the two (2) year period prior to the Effective Date; copies of any final Phase I or Phase II Environmental Site Assessment reports prepared for Seller; copies of environmental reports prepared in connection with or required under the ITP or HCP; copies of real and personal property tax bills for the Property for the prior two (2) years and year-to-date; copies of operating statements related to the Endowment for the prior two (2) years; and copies or a schedule of land use approvals.

Neither Seller nor any of Seller's respective agents, employees, consultants or any other party has made any warranty or representation, express or implied, regarding the truth, accuracy or completeness of the Documents, the information, data or conclusions contained therein or the source(s) thereof, and Seller has not undertaken any independent investigation as to any of the foregoing matters. In the event this Contract is terminated, Purchaser shall promptly destroy or return all Documents and photocopies thereof to Seller except that Purchaser may retain copies if required by applicable law.

(d) Review of Title and Survey. Purchaser will have until 11:59 p.m., Pacific Time, on that date which is forty-five (45) days after the Effective Date ("**Title Review Period**"), to review and approve the matters reflected in the Title Commitment and Survey. If Purchaser determines that the Title Commitment and/or Survey reflect or disclose any defect, exception, or other matter affecting the Property that is unacceptable to Purchaser in its sole and absolute discretion, then Purchaser will notify Seller in writing of Purchaser's objections prior to the expiration of the Title Review Period ("**Objection Notice**"). Notwithstanding the foregoing, Purchaser shall be deemed to have accepted and may not object to any defects in or objections to title to the Property or title exceptions or encumbrances arising by, through or under Purchaser; real estate taxes or other assessments not yet due and payable

(collectively, the "**Pre-Approved Exceptions**"). All matters contained in the Title Commitment and, if obtained, the Survey which are not listed as objections in Purchaser's Objection Notice shall be deemed to be accepted by Purchaser and considered to be Permitted Exceptions. The term "**Permitted Exceptions**" shall mean and refer to the Pre-Approved Exceptions, any matters affecting title to the Property that are approved or that are deemed to be approved by Purchaser in accordance with the terms hereof, and the matters affecting title to the Property which Seller elects not to cure or remove. If Purchaser timely delivers an Objection Notice, Seller shall have the option, in its sole discretion, to satisfy some or all of Purchaser's objections identified in the Objection Notice prior to the Closing Date. Seller shall notify Purchaser in writing within ten (10) days after receipt of Purchaser's Objection Notice ("**Seller's Title Response**") which of the matters contained in the Objection Notice, if any, that Seller will, on or prior to the Closing Date, cure or remove or cause Title Company to provide an endorsement insuring over such objections. At Seller's option, the Closing Date shall be extended as necessary for a period not to exceed thirty (30) days to allow Seller to take such actions as may be necessary to satisfy, remove or endorse over any objections specified in Seller's Title Response. Seller's failure to timely deliver Seller's Title Response shall be deemed Seller's election not to cure or remove any of Purchaser's objections or to cause Title Company to provide an endorsement insuring over such objections. If Seller elects not to cure or remove any objections or obtain a title endorsement insuring over such objections, then Seller shall have no liability to Purchaser therefor, and Purchaser shall notify Seller in writing within five (5) business days after receipt of Seller's Title Response of Purchaser's election to either (i) terminate this Contract, whereupon this Contract will terminate, Seller will retain the Independent Consideration, Title Company will refund the Earnest Money to Purchaser, and thereafter neither Seller nor Purchaser will have any continuing rights or obligations other than those obligations which expressly survive termination of this Contract, or (ii) waive such objections and proceed to Closing, in which event Purchaser shall be deemed to have agreed to take title to the Property subject to those matters contained in the Objection Notice which Seller elected not to cure or remove, with no reduction in the Purchase Price, and all such matters shall be deemed Permitted Exceptions. Notwithstanding anything to the contrary set forth above, if Seller elects to satisfy any of Purchaser's objections specified in Purchaser's Objection Notice but is unable to do so within the extended timeframe for Closing set forth above, Seller shall not be in default of its obligations hereunder, and Purchaser may elect to either (i) accept such title to the Property as Seller can convey notwithstanding the existence of any such objections, and with no reduction in the Purchase Price, or (ii) terminate this Contract by giving Seller written notice thereof within three (3) business days after expiration of such extended timeframe for Closing set forth above. If this Contract is terminated pursuant to the immediately preceding sentence, then Title Company shall refund the Earnest Money to Purchaser, Seller will retain the Independent Consideration, and thereafter neither Seller nor Purchaser will have any continuing rights or obligations other than those obligations which expressly survive termination of this Contract. Notwithstanding any provision of this Contract to the contrary, at or prior to Closing, Seller shall, at Seller's sole cost and expense, remove, cure, or cause Title Company to insure over, all (A) mechanics' or materialmen's liens, judgment liens, and other liens or encumbrances evidencing monetary obligations (other than non-delinquent real estate taxes and assessments), in each case, which were caused or created by Seller and which are removable by payment of liquidated and ascertainable amounts, (B) mortgages, deeds of trust, and other security instruments securing indebtedness, (C) delinquent real estate taxes and assessments, and (D) any other monetary encumbrances or liens voluntarily placed on the Property by Seller (collectively, "**Mandatory Cure Items**"). Mandatory Cure Items shall not be Permitted Exceptions and Seller's failure to remove or cause Title Company to insure over all Mandatory Cure Items at or prior to Closing shall constitute a default by Seller hereunder.

If Title Company issues a supplement or amendment to the Title Commitment ("**Amended Report**") after the expiration of the Title Review Period disclosing an additional title exception which was not contained in the Title Commitment or otherwise known by Purchaser prior to the expiration of the Title Review Period, and which is not a Permitted Exception, then Purchaser shall have the right to notify Seller in writing specifying Purchaser's final objection to such additional title matter ("**Supplemental Title Notice**") no later than the earlier of (i) five (5) days after receipt of the Amended Report, and (ii) the Closing Date. Seller may (but shall not be obligated to) elect, upon written notice to Purchaser, to remove or otherwise satisfy such final title objection set forth in any Supplemental Title Notice (either by payment, by causing Title Company to insure over such final title objection

or by posting a bond in an amount to cover the estimated cost of removing the same or otherwise), and Seller shall be entitled, for such purpose, to postpone the Closing Date for a reasonable period of time, not to exceed sixty (60) days from the then scheduled Closing Date. If Seller elects not to remove such final title objection set forth in any Supplemental Title Notice, Seller shall so notify Purchaser, whereupon Purchaser shall either (i) accept such title to the Property as Seller can convey notwithstanding the existence of any such final title objections, and with no reduction in the Purchase Price, or (ii) terminate this Contract by giving Seller written notice thereof within three (3) business days after receipt of Seller's notice. If Purchaser fails to deliver written notice of termination within such three (3) business day period, then Purchaser shall be deemed to have elected the foregoing clause (i). If Seller elects to remove such final title objections set forth in any Supplemental Title Notice but is unable to do so within the timeframe set forth above, Seller shall not be in default of its obligations hereunder, and Purchaser may elect to either (x) accept such title to the Property as Seller can convey notwithstanding the existence of any such final title objections, and with no reduction in the Purchase Price, or (y) terminate this Contract by giving Seller written notice thereof within three (3) business days after expiration of the timeframe set forth above. If Purchaser fails to deliver written notice of termination within such three (3) business day period, then Purchaser shall be deemed to have elected the foregoing clause (x). If this Contract is terminated pursuant to either of the immediately preceding sentences, then Title Company shall refund the Earnest Money to Purchaser, Seller will retain the Independent Consideration, and thereafter neither Seller nor Purchaser will have any continuing rights or obligations other than those obligations which expressly survive termination of this Contract. Notwithstanding the foregoing, with respect to all final title objections set forth in any Supplemental Title Notice, Seller agrees to remove, cure or insure over all Mandatory Cure Items and mortgage financing documentation at Closing and acknowledges that the same will not be Permitted Exceptions. Any title or survey matter waived or deemed accepted by Purchaser pursuant to this paragraph shall be deemed a Permitted Exception.

5. Inspections.

(a) Inspection Period. Purchaser shall have until 11:59 p.m., Pacific Time, on November 17, 2026 (the "**Inspection Period**") within which to conduct its due diligence review of the Property and, in Purchaser's sole and absolute discretion, to determine whether the Property is acceptable to Purchaser. During the Inspection Period, Purchaser may terminate this Contract for any reason or no reason by delivering written notice of termination to Seller, whereupon this Contract shall terminate, Title Company shall promptly return the Earnest Money to Purchaser, Seller shall retain the Independent Consideration, and thereafter neither Seller nor Purchaser shall have any continuing rights or obligations other than those obligations which expressly survive termination of this Contract. If Purchaser elects to proceed with the purchase of the Property, Purchaser shall deliver written notice thereof to Seller prior to the expiration of the Inspection Period (the "**Inspection Period Approval Notice**"). If Purchaser fails to deliver the Inspection Period Approval Notice prior to expiration of the Inspection Period, this Contract shall automatically terminate as of the expiration of the Inspection Period, Title Company shall promptly return the Earnest Money to Purchaser, Seller shall retain the Independent Consideration, and thereafter neither Seller nor Purchaser shall have any continuing rights or obligations other than those obligations which expressly survive termination of this Contract.

(b) Right to Inspect. Subject to the terms of this Contract, Purchaser may perform such non-invasive inspections of the Property at Purchaser's discretion, risk, and sole expense (collectively, "**Inspections**") on and after the Effective Date and before the earlier to occur of the Closing Date (defined below) or the date of termination of this Contract. Subject to Seller's prior written consent (which consent shall not be unreasonably withheld, conditioned, or delayed), Purchaser may file applications or notices with applicable governing authorities in connection with the requirements to transfer the ITP and HCP, provided, however, that in no event shall any such transfer or assignment occur or otherwise be enforceable upon the Property or Seller until from and after Closing. Purchaser may not otherwise file any applications with any governing authorities in connection with any commitments, entitlements, permits, or approvals in connection with the Property or the land use thereof without Seller's prior written consent (which consent shall not be unreasonably withheld, conditioned, or delayed). Notwithstanding the foregoing, Purchaser may, without Seller's prior consent, (i) make inquiries of and

communicate with any governmental authority or agency (including without limitation USFWS) regarding the status, terms, conditions, or transferability of any permit, license, or approval affecting the Property (including the ITP, HCP, and Remaining Credits), and (ii) communicate with any land trust, conservation organization, or endowment manager (including the Center for Natural Lands Management and U.S. Bank) (each, a "**Private Organization**") regarding the status, terms, conditions, or assignability of the CNLM Agreement, Endowment, or conservation obligations affecting the Property. Purchaser shall not meet or schedule meetings with USFWS or any other agency (or representative thereof) or any Private Organization in connection with any proposed action under, transfer, assignment, modification, amendment, or termination of the ITP, HCP, Endowment, or conservation obligations affecting the Property without Seller's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Upon Purchaser's request, Seller agrees to reasonably cooperate with Purchaser, at no cost or expense to Seller, to the extent reasonably required in connection with Purchaser's pursuit of any conditional transfer or assignment of the ITP and/or HCP.

(c) Insurance. Prior to any entry upon the Property by Purchaser, or its contractor, agent, employee, consultant or other third party at Purchaser's direction (each, a "**Purchaser Consultant**", and collectively "**Purchaser Consultants**"), Purchaser and any Purchaser Consultant entering the Property will deliver to Seller evidence that Seller is included as an additional insured on a primary and noncontributory basis on Purchaser's and such Purchaser Consultant's liability insurance coverage issued with combined single limits of not less than $2,000,000.00 per occurrence. Without limiting any of the requirements set forth in this Section 5, any Purchaser Consultant that seeks to perform invasive testing or collect samples from the Property shall maintain pollution liability insurance with limits of not less than $2,000,000.00, and shall provide evidence that Seller is named as an additional insured on such policy prior to entering the Property.

(d) Inspections. Subject to and in accordance with applicable law, Purchaser and Purchaser Consultants may enter upon the Property at all reasonable times during normal business hours, during the term of this Contract if Purchaser has not terminated this Contract pursuant to Section 4(d) or Section 5(a), to conduct, at its sole cost and expense, a Phase I Environmental Site Assessment ("**Phase I ESA**") and visual inspections; provided, however, in the event that Purchaser desires to conduct any physically intrusive or invasive Inspections, such as sampling of soils, groundwater, soil vapor, other media, building materials, or the like, Purchaser shall specify in writing the activities Purchaser desires to perform, provide to Seller a copy of a Phase I ESA report that recommends such environmental sampling (if Purchaser desires to conduct environmental sampling), and obtain Seller's express, prior written consent (which may be granted or withheld in Seller's sole and absolute discretion). Seller shall have the right to require that a representative of Seller be present during any visits to or inspections of the Property by Purchaser or any Purchaser Consultant, including, without limitation, in the event of any physically intrusive or invasive Inspections consented to by Seller. If requested by Seller, Purchaser shall provide Seller with true and complete copies of all reports, studies, inspections, tests or other investigation materials obtained by or on behalf of Purchaser or any Purchaser Consultant and relating to the Property. In performing its Inspections, Purchaser and all Purchaser Consultants shall comply with Seller's procedures in connection with the ITP and HCP, and with any and all applicable laws, including without limitation, any Environmental Requirements applicable thereto. Without limiting any of the foregoing requirements, Purchaser shall provide two (2) business days' prior written notice to Seller prior to any proposed entry on the Property by Purchaser or any Purchaser Consultant. Such notice shall generally describe the scope of the Inspections Purchaser intends to conduct during Purchaser's access to the Property. Purchaser shall keep the Property free and clear of any liens which may arise as a result of any Inspections. Purchaser will indemnify, defend and hold harmless Seller from and against any and all claims, losses, costs, damages or liabilities asserted against or incurred by Seller and arising out of Purchaser or any Purchaser Consultant's entry on the Property, including, without limitation, any lien asserted against the Property by a Purchaser Consultant, and if Closing does not occur, Purchaser will restore any damage to the Property caused by Purchaser and Purchaser Consultants to its pre-inspection condition. Notwithstanding the foregoing, Purchaser shall not be obligated to indemnify, defend or hold harmless Seller from any losses, costs, damages, claims or liabilities to the extent arising out of or relating to (i) the acts, omissions, negligence, or willful misconduct of Seller, its agents, employees, contractors, or representatives; (ii) any pre-existing condition at the

Property, including without limitation any Hazardous Materials not first placed on the Property by Purchaser or Purchaser Consultants, except to the extent such pre-existing condition is exacerbated by the activities of Purchaser or Purchaser Consultants; (iii) the mere discovery of conditions, facts, or circumstances that adversely affect (or may adversely affect) the value or marketability of the Property, except to the extent existing conditions are exacerbated by the activities of Purchaser or Purchaser Consultants; or (iv) any report, filing, disclosure, or communication made to any governmental authority that is required by applicable law, regulation, or court order. Except to the extent required by law, regulation or court order, Purchaser shall, and shall cause Purchaser Consultant to, keep confidential and not disclose to Seller or to any third party any data or information generated from the Inspections without Seller's prior written request or consent, which consent shall not be unreasonably withheld, conditioned or delayed. Purchaser's obligations under this subsection (d) shall survive termination of this Contract. Purchaser expressly waives, as to Seller only, its immunity under Title 51 of the Revised Code of Washington (Industrial Insurance Act) to the extent necessary to allow Seller to enforce the indemnification obligations set forth in this Section. This waiver has been mutually negotiated by the parties. This waiver shall not be construed as a waiver of Purchaser's immunity as to any other party or for any other purpose.

(e) Functional Acre Credit Confirmation. The parties acknowledge that, pursuant to the HCP, functional-acre habitat credits at the Tumwater West Conservation Site are subject to ongoing annual (and, in later years, biennial) monitoring surveys, and that additional functional-acres are released upon confirmation that applicable native prairie and/or high-quality native prairie performance targets and gopher occupancy criteria have been sustained for two consecutive years, as more particularly described in the HCP. Prior to the end of the Inspection Period, Seller shall use commercially reasonable efforts to obtain and deliver to Purchaser (a) written confirmation from USFWS (to the extent USFWS is willing to do so) of the number of functional-acre credits released and/or available for use as advanced mitigation pursuant to the most recent determination available as of the Effective Date, and (b) a true and complete copy of the most recent monitoring survey or other report submitted to or approved by USFWS under the HCP substantiating such functional-acre credit determination.

6. Representations, Warranties and Covenants of Seller.

(a) Representations and Warranties of Seller. Except, in all cases, for any fact, information or condition disclosed in the Documents, Title Commitment, Existing Survey or which is otherwise disclosed to Purchaser in writing (email is sufficient), prior to Closing, Seller hereby represents and warrants to Purchaser as follows, which representations and warranties are true and correct, in all material respects, as of the Effective Date and, except as otherwise set forth herein or disclosed to Purchaser in writing (email is sufficient), shall be true and correct, in all material respects, at and as of the Closing Date, and will survive Closing for a period of twelve (12) months thereafter:

(i) Formation; Existence. Seller is a corporation duly formed, validly existing and in good standing under the laws of the State of Washington, and is qualified to do business in the jurisdiction where the Property is located, to the extent as may be required by applicable law.

(ii) No Actions. To Seller's knowledge, Seller has not received written notice of any actions, suits or proceedings pending or threatened before or by any federal, state, municipal or other governmental court, department, commission, board, bureau, agency or instrumentality, domestic or foreign, wherein an unfavorable injunction, order, decree, ruling or charge would: (A) prevent consummation of this Contract; (B) cause this Contract to be rescinded following consummation; or (C) materially and adversely affect the right of Purchaser after the Closing Date to own and control the Property.

(iii) Authority. The execution by Seller of this Contract and the consummation by Seller of the sale contemplated hereby have been duly authorized, and do not, and, at the Closing Date, will not, result in a breach of any of the terms or conditions of, or constitute a default under any indenture, agreement, instrument or obligation to which Seller is a party or by which any portion of the Property is bound. This Contract and all

documents executed by Seller that are to be delivered to Purchaser at Closing are, or at the time of Closing will be, duly authorized, executed and delivered by Seller.

(iv) Leases. Seller has not entered into any Leases affecting the Property. No Leases affect the Property as of the Effective Date, and except as otherwise entered into, required or approved by Purchaser, none will affect the Property at Closing.

(v) Notices from Governmental Authorities. To Seller's knowledge, Seller has not received written notice from any governmental authority of any material violation of applicable laws at the Property which remains uncured.

(vi) Environmental.

(A) "**Environmental Requirements**" means any and all applicable federal, state, regional, local ordinances, codes, rules, regulations, common law or other requirements of any governmental entities or legislative authorities in effect as of the date of this Contract relating to the protection of human health or the environment or natural resources or exposure to Hazardous Materials, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 *et seq*.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq*.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*; the Clean Air Act, 42 U.S.C. § 7401 *et seq.*; and the Toxic Substances Control Act, 15 U.S.C. § 2601 *et seq*. "**Hazardous Materials**" means any hazardous or toxic substance, material, waste, pollutant or contaminant, whether in solid, semisolid, liquid or gaseous form, including without limitation, asbestos, polychlorinated biphenyls, petroleum, petroleum distillate, petroleum by-products, lead-based paint and any material or substance listed or defined as "hazardous substance," "hazardous waste," "hazardous material," "toxic waste," or "toxic substance" under any Environmental Requirements. Except as provided by Seller to Purchaser or in the Documents, (A) Seller has received no written notice from any governmental authority of any material violation of any Environmental Requirement or release of Hazardous Materials at the Property that remains uncured, and (B) to Seller's knowledge, no Hazardous Materials are present on the Property in violation of, or that could require treatment, remediation or disposal under, any Environmental Requirements.

(vii) Condemnation. Seller has received no written notice of any pending or threatened condemnation or similar proceedings affecting the Property.

(viii) OFAC Compliance. Seller has not been and will not be a person or entity described by Sec. 1 of the Executive Order (No. 13,224) Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, 66 Fed. Reg. 49,079 (Sept. 24, 2001) and has not been and will not be a person or entity with whom a citizen of the United States is prohibited from engaging in transactions by any trade embargo, economic sanction or other prohibition of United States law, regulation or executive order of the President of the United States, and to its knowledge, Seller has not and will not engage in any dealings or transactions, at any time otherwise associate, with any such persons or entities.

(ix) CNLM Agreement. (A) A true, correct and complete copy of the CNLM Agreement will have been delivered to Purchaser in accordance with this Contract, and (B) Seller has not received any written notice of any uncured material default under the CNLM Agreement that will not be terminated on the Closing Date.

(x) Legal Compliance. To Seller's knowledge, the Property is in compliance in all material respects with all applicable laws, rules, regulations, ordinances, orders, and requirements of any governmental authority having jurisdiction over the Property.

(xi) ITP and HCP Status. To Seller's knowledge, (A) the ITP and HCP are in full force and effect and have not been amended, modified, suspended, revoked, or terminated, (B) Seller is not in material default under the ITP or HCP, (C) no event has occurred that, with the giving of notice or the passage of time, would constitute a material default under the ITP or HCP, and (D) Seller has not received any written notice from USFWS or any other governmental authority of any violation, default, proposed modification, suspension, revocation, or termination of the ITP or HCP.

(xii) No Unpaid Work or Lien Exposure. To Seller's knowledge, there is no unpaid or outstanding labor, services, materials, supplies, or equipment furnished to the Property that could give rise to a mechanic's lien, materialman's lien, or other lien or encumbrance against the Property, and no claim has been asserted or threatened against the Property for any such lien.

(xiii) No Undisclosed Assessments. To Seller's knowledge, Seller has not received any written notice of any pending or proposed special assessments, impact fees, or other governmental charges affecting the Property, other than those disclosed in the Documents or Title Commitment.

(xiv) No Undisclosed Agreements. Other than the CNLM Agreement, the ITP, the HCP, and the Permitted Exceptions, to Seller's knowledge, there are no leases, licenses, occupancy agreements, service contracts, management agreements, or other agreements affecting the Property that will be binding on the Property or Purchaser after Closing, and Seller has not granted any person or entity any right to occupy, use, or possess any portion of the Property that will survive Closing.

For purposes of this Contract, the term "**Seller's knowledge**," or any derivations thereof, means the current, actual knowledge of Seller, without any duty of investigation or inquiry. The term "Seller's knowledge" does not include constructive knowledge, imputed knowledge or knowledge Seller or such persons do not actually have but could have obtained through further investigation or inquiry. No broker, agent or party other than Seller is authorized to make any representation or warranty for or on behalf of Seller.

(b) Covenants of Seller.

(i) Continued Maintenance; Compliance with Law and Conservation Obligations. From the Effective Date through the Closing Date, Seller shall: (A) continue to maintain the physical condition of the Property in substantially its current condition and in accordance with past practices, reasonable wear and tear and damage by fire or other casualty excepted; (B) maintain its existing insurance policies, if any, for the Property; (C) maintain and manage the Property in compliance with all applicable laws, rules, regulations, ordinances, and governmental requirements; (D) comply in all material respects with the terms and conditions of the ITP, HCP, CNLM Agreement, and any other conservation obligations affecting the Property; and (E) not commit or permit any waste, neglect, or deterioration of the Property beyond ordinary wear and tear.

(ii) New Leases; New Agreements. From the Effective Date through the earlier of the Closing Date or the termination of this Contract in accordance with the terms hereof, Seller shall not enter into (A) any lease or other agreement affecting any portion of the Property, or (B) any amendment, modification, renewal or extension of any existing agreement affecting the Property, which, in either case, would be binding on the Property after Closing and cannot be terminated upon no more than thirty (30) days' prior notice without charge or penalty, without first obtaining Purchaser's written consent, which consent shall not be unreasonably withheld or delayed.

(iii) No Liens or Encumbrances. From the Effective Date through the earlier of the Closing Date or the termination of this Contract in accordance with the terms hereof, Seller will not create or permit to exist any lien, security interest or monetary encumbrance affecting the Property (other than the Permitted Exceptions or as requested or approved by Purchaser or otherwise permitted hereby) without promptly discharging the same prior to Closing.

7. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants to Seller as follows, which representations and warranties are true and correct as of the Effective Date and shall be true and correct, in all material respects, at and as of the Closing Date as though such representations and warranties were made both at and as of the Effective Date and the Closing Date, and will survive Closing for a period of six (6) months thereafter:

(a) Formation; Existence. Purchaser is a municipal corporation duly formed, validly existing and in good standing under the laws of the State of Washington, and is qualified to do business in the jurisdiction where the Property is located, to the extent as may be required by applicable law.

(b) Authority. The execution by Purchaser of this Contract and the consummation by Purchaser of the purchase contemplated hereby have been duly authorized, and do not, and, at the Closing Date, will not, result in a breach of any of the terms or conditions of, or constitute a default under any indenture, agreement, instrument or obligation to which Purchaser is a party. This Contract and all documents executed by Purchaser that are to be delivered to Seller at Closing are, or at the time of Closing will be, duly authorized, executed and delivered by Purchaser.

(c) Bankruptcy. There is no bankruptcy, insolvency, rearrangement or similar action or proceeding, whether voluntary or involuntary, pending or, to Purchaser's knowledge, threatened against Purchaser.

(d) OFAC. Neither Purchaser nor any person or entity having an ownership interest in Purchaser of twenty-five percent (25%) or more is, has been, nor will they become, a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action, and has not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

8. Closing Conditions.

(a) Purchaser's Closing Conditions. Purchaser's obligation to close with respect to the conveyance of the Property is subject to the satisfaction (or waiver by Purchaser) of the following conditions precedent (collectively, the "**Purchaser Closing Conditions**"):

(i) Representations and Warranties. All representations and warranties of Seller contained herein will be true and correct in all material respects at the time of Closing as if made again at such time.

(ii) Seller Obligations. Seller will have performed all obligations to be performed by Seller hereunder on or before Closing (or, if earlier, on or before the date set forth in this Contract for such performance).

(iii) Condition of Property. At Closing, title to the Property will be in the condition required by this Contract.

(iv) Transfer of ITP and HCP. The transfer of the ITP and HCP will have occurred concurrently with Closing as supported by reasonable documentation from USFWS reasonably satisfactory to Purchaser.

(v) Transfer of Endowment. The transfer of the Endowment will have occurred concurrently with Closing as supported by reasonable documentation from U.S. Bank reasonably satisfactory to Purchaser.

(vi) Assignment of CNLM Agreement. CNLM will have (to the extent required) consented in writing to the assignment of the CNLM Agreement to Purchaser or Purchaser's designee, which consent shall be in form and substance reasonably satisfactory to Purchaser.

(vii) City Approvals. All required approvals, authorizations, and consents of the City of Tumwater City Council and any other municipal body, department, or official required for Purchaser to consummate the transactions contemplated by this Contract shall have been obtained.

(viii) Title Policy. Title Company shall be irrevocably committed to issue the Title Policy to Purchaser at Closing, insuring fee simple title to the Property in Purchaser, subject only to the Permitted Exceptions, in the amount of the Purchase Price, together with such endorsements as Purchaser may reasonably require.

(b) Failure of Purchaser Closing Condition. If any of the above Purchaser Closing Conditions cannot be satisfied prior to Closing, then Purchaser may terminate this Contract by written notice to Seller, whereupon this Contract will be terminated, Title Company shall promptly return the Earnest Money to Purchaser, Seller shall retain the Independent Consideration, and neither Seller nor Purchaser will have any continuing rights or obligations hereunder other than those which survive termination of this Contract as expressly set forth herein. In the event Purchaser terminates this Contract as a result of the conditions set forth in Sections 8(a)(i) or 8(a)(ii) above, or as a result of Seller's failure to remove Mandatory Cure Items as required under this Contract, such termination shall constitute a default by Seller hereunder and Purchaser, as its sole and exclusive remedy, shall be entitled to the remedies set forth in Section 16(a) below. In the event Purchaser terminates this Contract as a result of the conditions set forth in Sections 8(a)(iii) through 8(a)(viii) above, Purchaser, as its sole and exclusive remedy, shall be entitled to a refund of the Earnest Money (and Seller will retain the Independent Consideration). In any event, Purchaser's consent to Closing pursuant to this Contract shall waive any remaining unfulfilled conditions and any liability on the part of Seller for breaches of covenants, representations and warranties of which Purchaser had actual knowledge as of Closing.

(c) Seller's Closing Conditions. Without limiting any of the rights of Seller elsewhere provided for in this Contract, Seller's obligation to close with respect to the conveyance of the Property is subject to the satisfaction (or waiver by Seller) of the following conditions precedent prior to Closing (collectively, the "**Seller Closing Conditions**"):

(i) Representations and Warranties. All representations and warranties of Purchaser contained herein will be true and correct in all material respects at the time of Closing as if made again at such time.

(ii) Purchaser Obligations. Purchaser will have performed all obligations to be performed by Purchaser hereunder on or before Closing (or, if earlier, on or before the date set forth in this Contract for such performance).

(d) Failure of Seller Closing Condition. If any of the above Seller Closing Conditions cannot be met to Seller's satisfaction prior to Closing, then Seller may terminate this Contract by written notice to Purchaser, whereupon this Contract will be terminated, Seller will retain the Independent Consideration, the Earnest Money in accordance with Section 16(b) below, and thereafter neither Seller nor Purchaser will have any continuing rights or obligations hereunder other than those which survive termination of this Contract as expressly set forth herein.

9. Closing. The consummation of the purchase and sale of the Property ("**Closing**") shall occur on December 10, 2026, or on such earlier or later date as may be mutually agreed to in writing (email is sufficient) by the parties (the "**Closing Date**"), unless either party terminates this Contract prior to such date in accordance with this Contract. There shall be no requirement that Seller and Purchaser physically attend Closing, and all funds and

documents to be delivered at Closing shall be delivered to Title Company unless the parties hereto mutually agree otherwise.

10. Seller's Obligations at Closing. At Closing, Seller will execute and furnish or deliver, at Seller's expense, the following:

(a) Deed. A bargain and sale deed, in the form attached hereto as **Exhibit "B"**, conveying the Property subject only to the Permitted Exceptions (the "**Deed**"), duly executed and acknowledged by Seller.

(b) Non-Foreign Affidavit. A non-withholding statement in the form of **Exhibit "C"** attached hereto (the "**Non-Foreign Affidavit**").

(c) Evidence of Authority. Such certificates as may be reasonably required by Title Company evidencing the good standing and capacity of Seller and the authority of the person or persons who are executing the various documents on behalf of Seller in connection with the sale of the Property.

(d) Assignment and Assumption of CNLM Agreement, ITP and HCP, and Endowment. An Assignment and Assumption of CNLM Agreement, ITP and HCP, and Endowment in the form of **Exhibit "E"** attached hereto (the "**General Assignment**"), duly executed by Seller;

(e) Owner's Affidavit. An Owner's Affidavit and Gap Indemnity in the form attached hereto as **Exhibit "F"**.

(f) Settlement Statement. A settlement statement prepared by the Title Company, showing the application of the Earnest Money against the Purchase Price, the allocations to Seller and Purchaser of closing costs and other prorations and closing adjustments set forth in this Contract, all in accordance with the terms and conditions of this Contract (the "**Settlement Statement**"), duly executed by Seller.

(g) Real Estate Excise Tax Affidavit. A Washington state real estate excise tax affidavit ("**REETA**") on the form required by Thurston County and the Washington State Department of Revenue duly executed by Seller.

(h) Other Documents. Such other documents required by the county or state in connection with the conveyance of the Property and the recordation of the Deed or otherwise required to be delivered pursuant to the provisions of this Contract.

(i) Bring-Down Certificate. A certificate signed by an authorized officer of Seller, dated as of the Closing Date, confirming that (i) all representations and warranties of Seller contained in this Contract are true and correct in all material respects as of the Closing Date as if made on and as of the Closing Date, and (ii) Seller has performed and complied in all material respects with all covenants, agreements, and obligations required to be performed or complied with by Seller under this Contract at or prior to Closing.

(j) Possession. Possession of the Property shall be delivered at Closing, free of any rights of any person or entity to possession or use except for the Permitted Exceptions.

11. Purchaser's Obligations at Closing. At Closing, Purchaser will execute and deliver, at Purchaser's expense, the following:

(a) Purchase Price. The balance of the Purchase Price, plus any prorations and Purchaser's share of closing costs as set forth in Section 12 below, in immediately available funds.

(b) Evidence of Authority. Such certificates, affidavits, indemnities and other agreements as may be reasonably required by Title Company evidencing the good standing and capacity of Purchaser and the authority of the person or persons who are executing the various documents on behalf of Purchaser in connection with the purchase of the Property.

(c) Settlement Statement. A counterpart of the Settlement Statement duly executed by Purchaser.

(d) Assignment and Assumption of CNLM Agreement, ITP and HCP, and Endowment. A counterpart of the General Assignment duly executed by Purchaser.

(e) Real Estate Excise Tax Affidavit. A counterpart of the REETA duly executed by Purchaser.

(f) Other Documents. Such other documents as Title Company may reasonably require to consummate this transaction or as otherwise required to be delivered pursuant to the provisions of this Contract.

12. Costs and Adjustments.

(a) Taxes. All ad valorem taxes levied or assessed against the Property by applicable taxing authorities will be prorated at Closing between Purchaser and Seller on the basis of the latest available tax assessments. The apportionment of taxes will be upon the basis of the tax rate for the current year of Closing (or the preceding year if the current year's statements are not available) applied to the latest assessed valuation, and adjustments in the prorations will be made if necessary upon receipt of the tax statements for the year of Closing, and both parties agree that payment of the amount of such adjustments will be made within thirty (30) days of receipt of such tax statements for the year of Closing. If any assessments on the Property are payable in installments, then the installment allocable to the current period shall be prorated (with Purchaser being allocated the obligation to pay any installments due on or after the date of Closing). In no event shall Seller be charged with or be responsible for any increase in the taxes on the Property resulting from the sale of the Property contemplated by this Contract, any change in use of the Property on or after Closing, or from any improvements made or leases entered into on or after Closing. Prior to and after Closing, Seller shall retain the right to file and control the disposition of, without Purchaser's consent, a tax appeal or certiorari proceeding related to any tax period a portion of which precedes Closing, and any refunds received therefrom, net of any expenses incurred by Seller in connection therewith, shall be prorated between the parties on the basis of the portions accruing to the periods before and after Closing. The provisions of this Section 12(a) shall survive Closing.

(b) Closing Costs. Seller and Purchaser will each be responsible for the fees and expenses of their respective attorney fees. Purchaser will pay for the costs of all documentary, real estate excise tax, and other transfer taxes payable in connection with the recordation of the Deed. Purchaser will pay (i) any costs of Purchaser's Inspections, (ii) all title insurance costs and expenses, including without limitation, title search and exam, the premium for the title policy (both standard coverage and any extended coverage portion) and any endorsements Purchaser desires to obtain to the title policy, (iii) cost of the Survey, (iv) cost of recording the Deed, (v) all escrow fees due and payable to the Title Company, (vi) all costs, fees, recordation taxes and assessments with respect to any financing, and (vii) any fees or costs incurred in connection with the assignment or transfer of the CNLM Agreement, ITP, HCP, Remaining Credits, and Endowment. Any other expenses, charges and fees of Closing not otherwise specifically allocated herein shall be paid by the party who incurred such costs, or if neither party is charged with incurring any such costs, then by the party customarily assessed for such costs in the county where the Property is located or as otherwise agreed to by the parties.

(c) Other Income and Expenses. All other income and ordinary operating expenses for or pertaining to the Property, including public utility charges, maintenance and service charges, payments due under the CNLM Agreement, and all other normal operating charges of the Property, will be prorated as of the Closing Date.

(d) Adjustments. If any apportionments pursuant to this Section 12 are determined to be erroneous, then the party who is entitled to additional monies will invoice the other party for such additional amounts as may be owing, and such amounts will be paid within thirty (30) days from the receipt of any such invoice; provided that no amounts may be so billed more than one (1) year after the Closing Date, and either party may dispute any such claim. This provision shall expressly survive Closing.

13. Indemnification; Limitation on Liability; Waiver of Claims; Disclaimer.

(a) Indemnification for Breach of Representation or Warranty. If either party becomes aware of any fact or circumstance between the Effective Date and the Closing Date that would materially and adversely change one of its foregoing representations or warranties, then such party shall promptly give written notice of such changed fact or circumstance to the other party. Each party's rights to enforce the representations, warranties, and covenants contained in this Contract shall survive the Closing for a period of twelve (12) months (the "**Survival Period**"), and such rights to enforce shall not be merged into any documents delivered by the other party at Closing, and any claim for breach of a representation, warranty, or covenant must be commenced, if at all, within such Survival Period. Subject to the limitations contained in this Section 13, the representing party shall indemnify, defend, and hold the other party harmless from and against any cause, claim, loss, damage, or expense, including reasonable attorneys' fees, that the other party suffers as a result of a breach of the representations, warranties, and covenants contained in this Contract subject to the Claim Floor and Claim Cap (as each term is defined below). Upon Purchaser becoming aware (whether by notice from Seller or otherwise) of any fact that would materially and adversely change any of the representations or warranties contained herein or would otherwise constitute a material breach thereof by Seller, Purchaser shall have the option of: (i) waiving the breach of warranty or change, and proceeding with Closing, or (ii) terminating this Contract, in which event Title Company shall return the Earnest Money to Purchaser and Seller shall retain the Independent Consideration.

(b) Limitation on Liability. After Closing and during the Survival Period only, and subject to the other terms and conditions of this Contract (including, without limitation, Section 13(g) hereof), Seller shall be liable for a material breach of Seller's representations and warranties expressly set forth in Section 6 of this Contract, provided that (i) Seller's aggregate liability for claims arising out of a breach of such representations and warranties shall not exceed an amount equal to $360,000.00 (the "**Claim Cap**"), (ii) Seller's liability shall be limited to claims in excess of $25,000 in the aggregate (the "**Claim Floor**") (in which event the total amount of such valid claims which exceed the Claim Floor, and not just the amount in excess of the Claim Floor, shall be actionable against Seller up to, but not in excess of, the Claim Cap), and (iii) no action or proceeding based on a breach of the representations or warranties of Seller expressly set forth in Section 6 of this Contract shall be valid or enforceable, at law or in equity, if a legal proceeding is not commenced within the Survival Period. Purchaser shall provide written notice to Seller of any alleged breach by Seller of a representation or warranty expressly set forth in Section 6 of this Contract and shall allow Seller five (5) business days within which to cure such breach. If Seller fails to cure such breach within such five (5) business day period, Purchaser's sole and exclusive remedy against Seller during the Survival Period shall be an action at law for Purchaser's actual and reasonable damages as a consequence thereof (subject to the limitations on Seller's liability set forth above). This provision shall expressly survive Closing and recordation of the Deed, provided that Seller shall have no liability pursuant to this Section 13(b) after expiration of the Survival Period. Notwithstanding the foregoing, the limitations contained in this Section 13(b) shall not limit, modify or impair any of Purchaser's rights and remedies arising out of or relating to Seller's fraud, intentional misrepresentation, willful misconduct, or intentional concealment of a material fact.

(c) Waiver of Claims. If Purchaser becomes aware of any information, fact, condition or circumstances which would render untrue any of the representations or warranties made by Seller, Purchaser shall

immediately provide notice to Seller. If Purchaser has actual knowledge prior to Closing that any representation or warranty by Seller hereunder is untrue, or any covenant or condition to Closing has not been fulfilled or satisfied, and Purchaser nonetheless proceeds to close on the purchase of the Property, then Purchaser shall be deemed to have irrevocably and absolutely waived, relinquished and released all rights and claims against Seller for any damage or other loss arising out of or resulting from such untrue representation or warranty or such unfulfilled or unsatisfied covenant or condition. For purposes hereof, Purchaser will be deemed to have actual knowledge of any fact or circumstance set forth in the Documents or any environmental assessments or engineering reports received by Purchaser. Seller's representations and warranties set forth in Section 6 above will be deemed automatically modified to the extent that any information received by Purchaser in the documents described in the preceding sentence is inconsistent with the matters which are subject to such representations and warranties. The foregoing waiver by Purchaser shall survive Closing and shall not be deemed merged into the Deed upon its recordation.

(d) Disclaimers by Seller. Except for Seller's representations and warranties expressly set forth in this Contract and the Deed, Purchaser has not relied and will not rely on (and Seller and its property manager have not made, are not liable for or bound by and expressly negate and disclaim), any express or implied warranties, guarantees, statements, representations or information of any kind or character pertaining to the Property or relating thereto made or furnished by Seller, property manager, or any real estate broker, agent or third party representing or purporting to represent Seller, to whomever made or given, directly or indirectly, orally or in writing, including (but not limited to) warranties or representations as to (i) matters of title, (ii) environmental matters relating to the Property or any portion thereof, including the presence of Hazardous Materials in, on, under or in the vicinity of the Property, (iii) geological conditions, including subsidence, subsurface conditions, water table, underground water reservoirs, limitations regarding the withdrawal of water, and geologic faults and the resulting damage of past and/or future faulting, (iv) whether, and to the extent to which the Property or any portion thereof is affected by any stream (surface or underground), body of water, wetlands, flood prone area, flood plain, floodway or special flood hazard, (v) drainage, (vi) soil conditions, including the existence of instability, past soil repairs, soil additions or conditions of soil fill, or susceptibility to landslides, or the sufficiency of any undershoring, (vii) the presence of endangered species or any environmentally sensitive or protected areas, (viii) zoning or building entitlements to which the Property or any portion thereof may be subject, (ix) the availability of any utilities to the Property or any portion thereof including water, sewage, gas and electric, (x) usages of adjoining property, (xi) access to the Property or any portion thereof, (xii) the value, compliance with the plans and specifications, size, location, age, use, design, quality, description, suitability, structural integrity, operation, title to, or physical or financial condition of the Property or any portion thereof, or any income, expenses, charges, liens, encumbrances, rights or claims on or affecting or pertaining to the Property or any part thereof, (xiii) the condition or use of the Property or compliance of the Property with any or all past, present or future federal, state or local ordinances, rules, regulations or laws, building, fire or zoning ordinances, codes or other similar laws, (xiv) the existence or non-existence of underground storage tanks, surface impoundments, or landfills, (xv) the merchantability of the Property or fitness of the Property for any particular purpose, (xvi) the truth, accuracy or completeness of the Documents, brokers' sales memorandums, or other property information distributed with respect to the Property, (xvii) tax consequences or (xviii) any other matter or thing with respect to the Property. Notwithstanding the foregoing, the disclaimers in this Section 13(d) shall not limit, modify, or impair any of Purchaser's rights or remedies arising out of or relating to (A) Seller's representations, warranties, covenants, and indemnities expressly set forth in this Contract or any document delivered by Seller under Section 10 above, (B) Seller's express obligations under this Contract to be performed at or prior to Closing, (C) Seller's fraud, intentional misrepresentation, willful misconduct, or intentional concealment of a material fact, or (D) Mandatory Cure Items.

(e) Sale "As Is, Where Is". Purchaser acknowledges and agrees that upon Closing, Seller shall sell and convey to Purchaser, and Purchaser shall accept the Property, "AS IS, WHERE IS, WITH ALL FAULTS", in its present state and condition, without representation or warranty by Seller or any of its representatives or agents as to any matters whatsoever except as otherwise expressly set forth in this Contract or the Deed. Purchaser represents that it is a knowledgeable, experienced and sophisticated purchaser of real estate and that, except for Seller's express representations and warranties set forth in this Contract, it is relying solely on its own expertise

and that of Purchaser's consultants in purchasing the Property and shall make an independent verification of the accuracy of any documents and information provided by Seller. Upon Closing, and except for a material breach by Seller of the Seller's representations and warranties expressly set forth in this Contract, Purchaser shall assume the risk that adverse matters, including adverse physical or construction defects or adverse environmental, health or safety conditions, may not have been revealed by Purchaser's inspections and investigations.

(f) Release. Purchaser hereby irrevocably and unconditionally releases Seller and irrevocably and unconditionally waives all claims against Seller for any and all losses, costs, claims, liabilities, expenses, damages, demands or obligations of any kind or nature whatsoever, including under tort, contract, common law and statute (including Environmental Requirements), whether known or unknown and foreseen or unforeseen, attributable to the Property, whether arising or accruing before, on or after Closing and whether attributable to events or circumstances which have heretofore or may hereafter occur, including all losses, costs, claims, liabilities, expenses, damages, demands and obligations with respect to the structural, physical, or environmental condition of the Property, including, without limitation, present or future claims or liabilities relating to the presence, alleged presence, discovery or removal of any Hazardous Materials in, at, under or about the Property or any other matters addressed in this Section 13(f); provided, however, that the release and waiver set forth in this Section 13(f) is not intended and shall not be construed to affect or impair (i) any rights or remedies expressly set forth in Section 13(a) above and Section 16(a) below that Purchaser may have against Seller as a result of a breach of the representations, warranties, or covenants of Seller expressly contained in this Contract or any document delivered by Seller under Section 10, (ii) any claims arising out of or relating to Seller's fraud, intentional misrepresentation, willful misconduct, or intentional concealment of a material fact, (iii) Seller's express obligations under this Contract to be performed at or prior to Closing. The releases contained in this Contract include claims of which Purchaser is presently unaware or which Purchaser does not presently suspect to exist, which, if known by Purchaser, would materially affect Purchaser's release of Seller. Purchaser specifically waives the provisions of any law of any state, territory or jurisdiction the import of which is as follows: A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party. The terms and provisions of this paragraph shall survive Closing hereunder.

(g) Waiver of Right to Receive Seller Disclosure Statement and Waiver of Right to Rescind. Purchaser acknowledges the following:

(i) RCW 64.06.010(7) provides that Purchaser may waive its right to receive a Seller Disclosure Statement as defined in RCW 64.06.005; provided, however, if the answer to any of the questions in the section of the Seller Disclosure Statement entitled "Environmental" would be "yes," Purchaser may not waive the receipt of the "Environmental" section of the Seller Disclosure Statement. By executing this Contract, Purchaser acknowledges that it has received the "Environmental" section of the Seller Disclosure Statement attached hereto as **Exhibit "D"**. Pursuant to Revised Code of Washington 64.06.010, Purchaser hereby waives its right to receive the balance of the completed seller disclosure statement.

(ii) Purchaser further agrees that any information discovered by Purchaser concerning the Property shall not obligate Seller to prepare and deliver to Purchaser a revised or updated seller disclosure statement. Purchaser further warrants that it is a sophisticated Purchaser who is familiar with the ownership and development of real estate projects similar to the Property and Purchaser has or will have adequate opportunity to complete such independent inspections of the Property it deems necessary, and will acquire the Property solely on the basis of and in reliance upon such examinations and not on any information provided in any Seller Disclosure Statement or, except for the representations and warranties contained herein, otherwise provided or to be provided by Seller.

(iii) PURCHASER HEREBY WAIVES, TO THE FULLEST EXTENT PERMISSIBLE BY LAW, THE RIGHT TO RESCIND THIS CONTRACT PURSUANT TO ANY PROVISION OF RCW 64.06. IT IS THE INTENT OF PURCHASER THAT ANY SELLER DISCLOSURE STATEMENT PROVIDED BY SELLER WILL NOT BE RELIED UPON BY PURCHASER, AND SHALL GIVE PURCHASER NO RIGHTS WITH RESPECT TO SELLER OR UNDER THIS CONTRACT. THIS WAIVER OF THE RIGHT TO RESCIND APPLIES TO THE SELLER DISCLOSURE STATEMENT PROVIDED BEFORE, ON, OR AFTER THE DATE OF THIS CONTRACT AND APPLIES PROSPECTIVELY TO ANY UPDATED OR REVISED SELLER DISCLOSURE STATEMENTS THAT MAY BE PROVIDED BY SELLER TO PURCHASER. THIS WAIVER DOES NOT, HOWEVER, REMOVE PURCHASER'S RIGHT TO TERMINATE THIS CONTRACT IN CONNECTION WITH ITS DUE DILIGENCE INVESTIGATION OR AS OTHERWISE PROVIDED IN THIS CONTRACT.

(h) No Personal Liability. Notwithstanding anything to the contrary contained herein, Seller's and Purchaser's shareholders, partners, members, the partners or members of such partners or members, the shareholders of such partners or members, and the trustees, officers, directors, employees, agents and security holders of Seller and Purchaser and the partners or members of Seller and Purchaser assume no personal liability for any obligations entered into on behalf of Seller or Purchaser, as applicable, and its individual assets shall not be subject to any claims of any person relating to such obligations. This provision shall expressly survive Closing and recordation of the Deed or termination of this Contract.

14. Destruction/Condemnation of Property. If all or any portion of the Property is damaged or destroyed by any casualty or is the subject of a taking or condemnation under eminent domain law ("**Taking**") after the Effective Date but prior to the Closing Date, Seller shall give prompt notice thereof to Purchaser. If such casualty or Taking is a Material Event (defined below), then Purchaser may elect to terminate this Contract by written notice to Seller within ten (10) business days after Purchaser's receipt of Seller's notice, and upon such termination, Title Company will return the Earnest Money to Purchaser and the parties will have no further liability or obligation hereunder, except for obligations which expressly survive the termination of this Contract. As used in this Section 14, a "**Material Event**" means any of the following: (a) a casualty resulting in damage or destruction to the Property, if the cost to restore the Property to its condition immediately prior to such casualty is reasonably estimated to exceed $500,000.00, or (b) a casualty or Taking which would have a material adverse effect on the means of access to the Property, materially reduce available parking below that required by laws or any applicable agreements affecting the Property, or (c) a casualty or Taking that reduces the number of Remaining Credits, as determined by USFWS. If Purchaser does not, or has no right to, terminate this Contract, Seller will have no obligation to repair or replace any damage or destruction caused by the foregoing (and Purchaser shall accept the Property as damaged or destroyed at Closing), but the following will apply at Closing, without in any manner affecting the Purchase Price: (i) in the event of a casualty, Seller shall assign to Purchaser the rights of Seller to the proceeds under Seller's insurance policies covering the Property with respect to such damage or destruction, if any, or pay to Purchaser any such proceeds received prior to Closing; and (ii) in the event of a Taking, Seller will assign to Purchaser its rights to any condemnation proceeds resulting from such Taking.

15. Notices.

(a) Method of Delivery. All notices, approvals, consents, requests, or demands (each, a "**Notice**") required or permitted to be given by either party will be delivered via email only, properly addressed to the email addresses set forth on **Addendum 1**, except where physical delivery is required by Legal Requirements ("**Required Notice**"). For a Required Notice, Notice shall be given: (i) personally; (ii) by depositing with the United States Postal Service, postage prepaid, by registered or certified mail, return receipt requested; (iii) by a nationally-recognized delivery service providing proof of delivery; or (iv) by email, provided that, for Required Notices given by email pursuant to this clause (iv), a copy is also sent pursuant to either clause (i), (ii), or (iii) above within two (2) business days. Email Notices shall not exceed a file size limit of 10 megabytes.

(b) Timing of Delivery. When a Notice must be given by a deadline set forth in this Contract, Notice must be given by 11:59 p.m., Pacific Time, on the deadline date. A Notice shall be deemed given (i) on the day and at the time of actual delivery to the intended recipient, (ii) on the day and at the time delivery is refused, rejected or returned as undeliverable for any reason (other than an email file size in excess of 10 megabytes), including a changed physical address or email address of which no Notice was properly given, or (iii) with respect to Required Notices sent by registered or certified mail as provided in paragraph (a) above, on the earlier of (1) the day and time of actual delivery to the intended receipt or (2) 5:00 p.m., Pacific Time, on the day which is three (3) days following the date of deposit with the United States Postal Service.

(c) Confirmation of Receipt for Email Notices. Each party agrees to promptly deliver confirmation of receipt of email Notice to the other party, except that failure by a party to acknowledge receipt of email Notice shall not constitute a default hereunder, nor impact the validity of the Notice or the timing of delivery. Additionally, each party agrees to send the other party a courtesy copy of any rejected or undeliverable email Notice by a physical delivery method specified in paragraph (a) above within two (2) business days after the failed delivery attempt.

(d) Notice Addresses; Attorneys. Either party may change its Notice address by giving Notice in the manner set forth above. Each party agrees that Notices sent to the address(es) shown on **Addendum 1**, Notice Addresses, are all of the parties who comprise such party who are entitled to Notice under this Contract. The attorneys for any party hereto shall be entitled to provide any Notice that a party desires to provide or is required to provide hereunder.

16. Remedies.

(a) SELLER DEFAULT. IF SELLER, WITHOUT THE RIGHT TO DO SO AND IN DEFAULT OF ITS OBLIGATIONS UNDER THIS CONTRACT, FAILS TO COMPLETE CLOSING OR OTHERWISE DEFAULTS UNDER OR MATERIALLY BREACHES THIS CONTRACT PRIOR TO CLOSING AND FAILS TO REMEDY SUCH DEFAULT OR BREACH WITHIN FIVE (5) BUSINESS DAYS AFTER RECEIPT OF NOTICE THEREOF FROM PURCHASER, PURCHASER SHALL, AS ITS SOLE AND EXCLUSIVE REMEDY, HAVE THE RIGHT TO EITHER (I) TERMINATE THIS CONTRACT UPON WRITTEN NOTICE OF SUCH TERMINATION TO SELLER, IN WHICH EVENT SELLER WILL RETAIN THE INDEPENDENT CONSIDERATION, PURCHASER WILL BE ENTITLED TO A RETURN OF THE EARNEST MONEY, AND THEREAFTER NEITHER SELLER NOR PURCHASER WILL HAVE ANY CONTINUING RIGHTS OR OBLIGATIONS OTHER THAN THOSE THAT EXPRESSLY SURVIVE TERMINATION HEREUNDER; OR (II) INSTITUTE A CIVIL COURT ACTION FOR SPECIFIC PERFORMANCE (BUT NOT DAMAGES) SOLELY WITH RESPECT TO SELLER'S OBLIGATION TO CONVEY THE PROPERTY; PROVIDED THAT PURCHASER SHALL COMMENCE ITS ACTION OF SPECIFIC PERFORMANCE AGAINST SELLER WITHIN THIRTY (30) DAYS FOLLOWING THE SCHEDULED CLOSING DATE. IN ADDITION TO PURCHASER'S REMEDIES UNDER CLAUSES (I) AND (II) ABOVE, UPON ANY SELLER DEFAULT HEREUNDER, PURCHASER SHALL BE ENTITLED TO RECOVER FROM SELLER (A) PURCHASER'S REASONABLE OUT-OF-POCKET COSTS AND EXPENSES INCURRED IN CONNECTION WITH ITS DUE DILIGENCE INVESTIGATIONS AND INSPECTIONS OF THE PROPERTY AND IN CONNECTION WITH OBTAINING ANY GOVERNMENTAL OR THIRD-PARTY APPROVALS, CONSENTS, OR PERMITS RELATED TO THE TRANSACTION CONTEMPLATED HEREBY, IN AN AGGREGATE AMOUNT NOT TO EXCEED FIFTY THOUSAND DOLLARS ($50,000). PURCHASER SPECIFICALLY WAIVES THE RIGHT TO FILE ANY LIS PENDENS OR ANY LIEN AGAINST ANY PROPERTY UNLESS AND UNTIL IT HAS FILED AN ACTION SEEKING SPECIFIC PERFORMANCE. THE REQUIREMENTS OF THIS SECTION 16(A) SHALL SURVIVE TERMINATION OF THIS CONTRACT.

(b) PURCHASER DEFAULT. IF PURCHASER, WITHOUT THE RIGHT TO DO SO AND IN DEFAULT OF ITS OBLIGATIONS UNDER THIS CONTRACT, FAILS TO COMPLETE CLOSING OR OTHERWISE DEFAULTS UNDER OR BREACHES THIS CONTRACT PRIOR TO CLOSING AND FAILS

TO REMEDY SUCH DEFAULT OR BREACH (OTHER THAN A FAILURE TO COMPLETE CLOSING) WITHIN FIVE (5) BUSINESS DAYS AFTER RECEIPT OF NOTICE THEREOF FROM SELLER, SUCH FAILURE WILL BE AN EVENT OF DEFAULT BY PURCHASER ("**PURCHASER DEFAULT**"), AND SELLER, AS ITS SOLE AND EXCLUSIVE REMEDY, MAY TERMINATE THIS CONTRACT AND RECEIVE FROM TITLE COMPANY THE EARNEST MONEY AS LIQUIDATED DAMAGES. THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES IN THE EVENT OF A PURCHASER DEFAULT WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS CONTRACT, THE AMOUNT OF THE EARNEST MONEY IS A REASONABLE ESTIMATE OF THE DAMAGES THAT SELLER WOULD INCUR IN SUCH EVENT. EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS CONTRACT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION. SELLER'S RIGHT TO TERMINATE THIS CONTRACT AND BE PAID THE EARNEST MONEY SHALL BE SELLER'S SOLE AND EXCLUSIVE REMEDY FOR PURCHASER'S FAILURE TO PURCHASE THE PROPERTY OR BREACH OF REPRESENTATION OR WARRANTY. THE FOREGOING LIMITATIONS WILL NOT APPLY TO (I) PURCHASER'S INDEMNITIES PURSUANT TO SECTION 5(D), (II) ACTIONS BY SELLER AGAINST PURCHASER TO CLEAR TITLE TO THE PROPERTY OR EXPUNGE A LIS PENDENS, OR (III) CLAIMS TO RECOVER ATTORNEYS' FEES PURSUANT TO SECTION 21(C). THIS SECTION 16(B) SHALL SURVIVE TERMINATION OF THIS CONTRACT.

Seller's Initials: _____ **Purchaser's Initials: _____**

17. Intentionally Deleted.

18. Exclusivity. Between the Effective Date and the Closing Date (or earlier termination of this Contract as provided herein), Seller will not negotiate, or enter into, any agreement with any third party other than Purchaser relating to the sale or acquisition of all or any portion of the Property. Seller's obligations pursuant to this Section 18 shall terminate immediately upon the expiration or termination of this Contract.

19. Assignment. Purchaser shall not have the right to assign its interest in this Contract without Seller's prior written consent, which consent may be withheld in Seller's sole and absolute discretion. Notwithstanding the foregoing, Purchaser may, at its option and at any time during the term of this Contract, assign this Contract to an entity affiliated with Purchaser without the consent of Seller, provided that Purchaser shall notify Seller at least ten (10) business days prior to the date of Closing in the event of any such transfer. Purchaser agrees that any assignment by Purchaser shall not relieve Purchaser of its obligations and liabilities hereunder. Additionally, it shall be a condition of any such assignment, whether or not Seller's consent is required, that the assignee assumes, in a written instrument delivered to Seller (in form and content reasonably acceptable to Seller), all obligations of Purchaser hereunder.

20. Escrow Instructions. The terms of this Contract shall serve as instructions to Title Company, and Title Company agrees to deposit the Earnest Money in an interest-bearing account and to hold and disburse the Earnest Money, and any interest earned thereon, as provided herein. Seller and Purchaser shall execute and deliver to Title Company any additional or supplementary instructions as may be necessary to implement the terms of this Contract and close the transactions contemplated hereby, provided such instructions are consistent with and merely supplement this Contract and shall not in any way modify, amend or supersede this Contract. Such supplementary instructions, together with the escrow instructions set forth in this Contract, as they may be amended from time to time by the parties, shall collectively be referred to as the "**Escrow Instructions**." The Escrow Instructions may be amended and supplemented by such standard terms and provisions as the Title Company, as escrow holder, may request the parties hereto to execute; provided, however, that the parties hereto and Title Company

acknowledge and agree that in the event of a conflict between any provision of such standard terms and provisions supplied by the Title Company and the Escrow Instructions, the Escrow Instructions shall prevail. After the expiration of the Title Review Period, if either party makes a written demand upon Title Company for payment of the Earnest Money, Title Company shall give written notice to the other party of such demand. If Title Company does not receive a written objection from the other party to the proposed payment within five (5) business days after the giving of such notice, Title Company is hereby authorized to make such payment. If Title Company does receive such written objection within such five (5) business day period, Title Company shall continue to hold such amount until otherwise directed by mutually agreed upon written instructions from the parties to this Contract or from an order of a court of competent jurisdiction. However, Title Company shall have the right at any time to deposit the Earnest Money with a court of competent jurisdiction in the state in which the Property is located. Title Company shall give written notice of such deposit to Seller and Purchaser. Upon such deposit, Title Company shall be relieved and discharged of all further obligations and responsibilities hereunder.

21. Miscellaneous.

(a) Interpretation and Applicable Law. This Contract will be construed and interpreted in accordance with the laws of the state where the Property is located, and the jurisdiction and venue with respect to any disputes arising hereunder will be proper only in the city or county in which the Property is located. Where required for proper interpretation, words in the singular will include the plural; the masculine gender will include the neuter and the feminine, and vice versa. The terms "successors and assigns" will include the heirs, administrators, executors, successors and permitted assigns, as applicable, of any party hereto. **TIME IS OF THE ESSENCE IN THIS CONTRACT IN ALL RESPECTS.**

(b) Amendment. This Contract may not be modified or amended, except by an agreement in writing signed by Seller and Purchaser. Each party may waive any of the Contract's conditions or obligations of the other party, but any such waiver will be effective only if in writing and signed by the party waiving such conditions and obligations.

(c) Attorneys' Fees. If it becomes necessary for either party to file a suit to enforce this Contract or any terms contained herein, the prevailing party may recover, in addition to all other remedies or damages, reasonable attorneys' fees and costs of court incurred in such suit.

(d) Construction. Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Contract. The words "include" and "including", and words of similar import, shall be deemed to be followed by the words "without limitation." This Contract shall not be construed as if it had been prepared by one of the parties, but rather as if both parties had prepared the same. Unless otherwise indicated, all references to paragraphs and subparagraphs are to this Contract. All exhibits, schedules and addenda referred to in this Contract are attached and incorporated by this reference. Unless otherwise specified, in computing any period of time, date of performance or deadline date described herein, the day of the act or event upon which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is not a business day, in which event the last day of the period so computed shall be the next succeeding business day. For purposes of this Contract, the term "business day" shall mean any day other than Saturday, Sunday, or any day upon which banks in the state where the Property is located are required or permitted to be closed.

(e) Entire Agreement. This Contract (and the items to be furnished in accordance herewith) constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings of the parties in connection therewith. No representation, warranty, covenant, agreement, or condition not expressed in this Contract will be binding upon the parties hereto or will affect or be effective to interpret, change or restrict this Contract.

(f) Multiple Originals and Counterparts; Electronic Documents. This Contract may be executed in any number of copies and counterparts, each of which will be deemed an original and all of which counterparts together will constitute one agreement with the same effect as if the parties had signed the same signature page. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

(g) Real Estate Commission. Except for CBRE to whom Seller will pay a commission (the "**Commission**") at Closing pursuant to separate written agreement(s), each party represents and warrants to the other party that no other broker or finder is connected with or has been engaged by it in connection with any of the transactions contemplated by this Contract. In the event of a claim for any other broker's or finder's fee or commissions in connection with this Contract, each party will indemnify the other against any such claims made based upon any act, statement, or agreement made or alleged to have been made by the indemnifying party.

(h) No Recording of Contract. Neither Seller nor Purchaser shall cause or permit this Contract to be filed of record in any office or place of public record and, if Purchaser or Seller shall fail to comply with the terms hereof by recording or attempting to record the same, such act shall not operate to bind or cloud title to the Property.

(i) Binding Effect. This Contract will be binding upon and will inure to the benefit of the parties hereto and their successors and assigns.

(j) Waiver of Consequential Damages. Notwithstanding any provision in this Contract to the contrary, neither party will be liable to the other party for consequential damages, such as lost profits or interruption of the other party's business, except that this sentence will not apply to Purchaser's breach of its confidentiality obligations under this Contract.

(k) Waiver of Jury Trial. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, EACH OF SELLER AND PURCHASER WAIVE ANY RIGHT TO TRIAL BY JURY OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY CLAIM, DEMAND, ACTION, CAUSE OF ACTION OR DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, EQUITY OR OTHERWISE, BETWEEN SELLER AND PURCHASER ARISING OUT OF THIS CONTRACT OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED HERETO.

(l) Anti-Corruption. Purchaser will not knowingly permit anyone to pay bribes to anyone for any reason, whether in dealings with governments or the private sector, or otherwise violate any applicable anti-corruption laws in performing under this Contract. Purchaser will maintain true, accurate and complete books and records concerning any payments made to another party by Purchaser under this Contract, including on behalf of Seller. Seller and its designated representative may inspect Purchaser's books and records to verify such payments and for compliance with this Section 21(l). For avoidance of any doubt and notwithstanding the foregoing, Purchaser's dealings with any governmental entity remain subject to the provisions set forth in Section 5(b) above, including, without limitation, the requirement that Purchaser obtain Seller's consent prior to any meetings.

(m) Effective Date. All references in this Contract to the "**Effective Date**" will mean the later of the dates upon which Seller and Purchaser execute this Contract as set forth on the signature page below.

(n) Tax Deferred Exchange. Purchaser and Seller agree to cooperate with each other in effecting for the benefit of either party a tax deferred exchange pursuant to Section 1031 of the Code and similar provisions of applicable state law; provided that: (i) neither party shall be obligated to delay Closing; and (ii) neither party shall be obligated to execute any note, contract, deed or other document, except a reasonable and customary

acknowledgment of the other party's assignment of its rights under this Contract to a qualified intermediary, nor shall either party be obligated to take title to any property other than the Property as otherwise contemplated in this Contract or incur additional expense for the benefit of the other party. Each party shall indemnify and hold the other harmless against any liability arising or alleged to have arisen on account of any exchange proceeding which is initiated on behalf of the indemnifying party. The terms of this Section 21(n) shall survive Closing and the transfer of title.

(o) Acceptance of Deed. The acceptance of the Deed by Purchaser shall be deemed full compliance by Seller of all of Seller's obligations under this Contract except for those obligations of Seller which are specifically stated to survive Closing hereunder.

(p) No Waiver. Notwithstanding any law, usage, or custom to the contrary, each party may enforce this Contract in strict accordance with its terms; and the failure to do so will not create a custom contrary to the specific terms, provisions and covenants of this Contract or modify the same, and a waiver by either party to enforce its rights pursuant to this Contract will not be a waiver of such party's rights in connection with any subsequent default. No waiver by either party will be deemed to have been made unless expressed in writing and signed by such party.

[Signature Page to Follow]

EXECUTED to be effective as of the Effective Date.

SELLER:

PUGET WESTERN, INC.,
a Washington corporation

By: _____
Name: _____
Title: _____
Date Signed: _____

PURCHASER:

CITY OF TUMWATER,
a Washington municipal corporation

By: _____
Name: _____
Title: _____
Date Signed: _____

RECEIPT OF ONE (1) EXECUTED COUNTERPART OF THIS CONTRACT IS HEREBY ACKNOWLEDGED:

TITLE COMPANY:

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____
Name: _____
Title: _____
Date Signed: _____

ADDENDUM 1 TO CONTRACT

NOTICE ADDRESSES

SELLER'S NOTICE ADDRESS:

Email Notice:

Kurt Krebs (kurt.krebs@pse.com)
Sam Osborne (Samuel.osborne@pse.com)

With copies to:

Ian Sutton (isutton@seyfarth.com)
Teresa Patton (teresa.patton@cbre.com)

Required Notice:

Puget Western, Inc.
c/o Puget Sound Energy
20000 North Creek Parkway, Building H
Bothell, WA 98011

PURCHASER'S NOTICE ADDRESS:

Email Notice:

Paul Simmons (psimmons@ci.tumwater.wa.us)
Karen Kirkpatrick (kkirkpatrick@ci.tumwater.wa.us)
Brad Medrud (bmedrud@ci.tumwater.wa.us)
Thain Simon (thain.simon@foster.com)

Required Notice:

Address:
Paul Simmons
City Administrator
City of Tumwater
555 Israel Rd SW
Tumwater, WA 98501

With copy to:
Thain Simon
Foster Garvey P.C.
618 West Riverside Avenue
Suite 300
Spokane, WA 99201

EXHIBIT "A" TO CONTRACT

LEGAL DESCRIPTION

EXHIBIT "B" TO CONTRACT

FORM OF DEED

When Recorded Return to:

[INSERT CONTACT INFO]

BARGAIN AND SALE DEED

Reference Number(s) of Documents assigned or released: None

Grantor: Puget Western, Inc.

Grantee: City of Tumwater

Abbreviated Legal:

Situate in the County of Thurston, State of Washington.

Full legal description attached hereto as Exhibit A.

Tax Parcel No.:

The Grantor, PUGET WESTERN, INC., a Washington corporation, for and in consideration of $10.00 in hand paid, bargains, sells, and conveys to the CITY OF TUMWATER, a Washington municipal corporation ("**Grantee**"), the following described real estate, situated in the County of Thurston, State of Washington:

See legal description attached hereto as Exhibit A.

SUBJECT TO Those matters set forth on Exhibit B attached hereto and incorporated herein by this reference.

[Remainder of page left blank. Signature and Acknowledgement page follows.]

Signature page to Bargain and Sale Deed

This Bargain and Sale Deed is executed as of the ____ day of _____, 2026.

GRANTOR:

Puget Western, Inc.,
a Washington corporation

By: _____

Name: _____

Its: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____ of Puget Western, Inc., a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this ____ day of _____, 2026.

_____

(Print name of notary)
Notary Public in and for the State of Washington.
My commission expires _____

EXHIBIT A

Legal Description

EXHIBIT B

Permitted Encumbrances

EXHIBIT "C" TO CONTRACT

**FORM OF CERTIFICATE OF TRANSFEROR
OTHER THAN AN INDIVIDUAL
(FIRPTA Affidavit)**

Section 1445 of the Internal Revenue Code of 1986 (the "**Code**") provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445 of the Code), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. **Puget Western, Inc.**, a Washington corporation is a disregarded entity whose sole owner is **Puget Sound Energy, Inc.**, a Washington corporation ("**Transferor**"). To inform _____, a _____, the transferee of certain real property located in Thurston County, Washington that withholding of tax is not required upon the disposition of such U.S. real property interest by Puget Western, Inc., a Washington corporation, whose sole owner is Transferor, the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Code and the regulations promulgated thereunder);

2. Transferor's U.S. employer identification number is [INSERT NUMBER];

3. Transferor's office address is: [INSERT ADDRESS] ; and

4. Transferor is not a disregarded entity as defined in §1.1445-2(b)(2)(iii).

Transferor understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalty of perjury, I declare that I have examined this certificate and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

Date: _____, 20___

Puget Western, Inc.,
a Washington corporation

By: _____
Name: _____
Title: _____

EXHIBIT "D"

THE ENVIRONMENTAL SECTION OF THE SELLER DISCLOSURE STATEMENT

NOTICE TO PURCHASER:
THE FOLLOWING DISCLOSURES ARE MADE BY SELLER ABOUT THE CONDITION OF THE PROPERTY LEGALLY DESCRIBED ON EXHIBIT A ATTACHED HERETO.

SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO PURCHASER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN PURCHASER AND SELLER.

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE PURCHASER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES.
SELLER IS NOT OCCUPYING THE PROPERTY.

SELLER'S ENVIRONMENTAL DISCLOSURES

*If you answer "Yes" to a question with an asterisk (*), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet.

		YES	NO	DON'T KNOW
*A	Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?			
*B	Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?			
*C	Are there any shorelines, wetlands, floodplains, or critical areas on the property?			
*D	Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos,			

	formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?			
*E	Is there any soil or groundwater contamination?			
*F	Has the property been used as a legal or illegal dumping site?			
*G	Has the property been used as an illegal drug manufacturing site?			

VERIFICATION

The foregoing answers and attached explanations (if any) are complete and correct to the best of Seller's knowledge. Seller authorizes all of its real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective Purchasers of the Property.

EXECUTED on _____

SELLER:

PUGET WESTERN, INC.
a Washington corporation

_____
Name:
Title:

EXHIBIT "E" TO CONTRACT

FORM OF ASSIGNMENT AND ASSUMPTION OF CNLM AGREEMENT, ITP AND HCP, AND ENDOWMENT

THIS ASSIGNMENT AND ASSUMPTION OF CNLM AGREEMENT, ITP AND HCP, AND ENDOWMENT (this "**Assignment**") is made and entered into as of this _____ day of _____, 20___ (the "**Effective Date"**) by _____, a _____ ("**Assignor"**), and _____, a _____ ("**Assignee"**) who agree as follows.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged by Assignor and Assignee, effective as of the Effective Date, Assignor, to the extent assignable and transferable, hereby assigns and transfers unto Assignee all of its right, title, claim and interest, if any, in and under: [MODIFY AS APPROPRIATE]

(A) The "CNLM Agreement" (as defined in that certain Purchase and Sale Contract dated as of _____, 20__ between Assignor and [Assignee] (the "**Purchase Agreement"**)) listed in Schedule 1 attached hereto;

(B) The ITP and HCP as defined under the Purchase Agreement; and

(C) The Endowment as defined under the Purchase Agreement.

ASSIGNOR AND ASSIGNEE FURTHER HEREBY AGREE AS FOLLOWS:

1. As of the Effective Date, Assignee hereby assumes and agrees to perform all of Assignor's obligations under the CNLM Agreement, ITP and HCP, and Endowment to the extent the same arise and accrue on or after the Effective Date. Assignor shall continue to be responsible for all obligations under the CNLM Agreement, ITP and HCP, and Endowment arising or accruing prior to the Effective Date.

2. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.

3. This Assignment shall be governed by and construed in accordance with the laws of the State of [_____].

4. Indemnification.

(a) Seller agrees to indemnify, defend and hold Purchaser harmless of and from any and all liabilities, claims, demands and expenses of any kind or nature, including court costs and attorneys' fees, arising during the period prior to the Closing Date and which are related to Seller's breach of its obligations under the CNLM Agreement, ITP and HCP, and Endowment.

(b) Purchaser agrees to indemnify, defend and hold Seller harmless of and from any and all liabilities, claims, demands and expenses of any kind or nature, including court costs and attorneys' fees, arising during the period on or subsequent to the Closing Date and which are in any way related to Purchaser's breach of its obligations under the CNLM Agreement, ITP and HCP, and Endowment.

5. This Assignment may be executed in any number of copies and counterparts, each of which will be deemed an original and all of which counterparts together will constitute one agreement with the same effect

as if the parties had signed the same signature page. This Assignment and related documents may be executed by electronic copy, including DocuSign, unless otherwise specifically provided for herein or if an original is required by local custom or law.

[Signature page follows]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment the Effective Date.

ASSIGNOR:

_____,
a _____

By: _____
Name: _____
Title: _____

ASSIGNEE:

_____,
a _____

By: _____
Name: _____
Title: _____

Schedule of Approved CNLM Agreement

Name of Vendor	Service Provided

Attachment C

Puget Western Purchase and Sale Contract

City Council, October 20, 2026

Background

- The City is preparing the Bush Prairie Habitat Conservation Plan with the Port of Olympia to support an incidental take permit from USFWS for the Olympia subspecies of the Mazama pocket gopher
- Under the HCP, activities such as City operations and maintenance and development permits will require mitigation for their impact on the Olympia subspecies
- Mitigation would include setting aside lands occupied by the Olympia subspecies for conservation purposes

Background

- In February 2021, Puget Western, Inc. prepared an HCP for development of land occupied by the Olympia subspecies
- The Puget Western HCP covered development of the 79-acre Tumwater East property as the Costco warehouse distribution center while providing required mitigation at the 67.5-acre Tumwater West property

Puget Western HCP Properties



Purchase and Sale Contract

The intent of the purchase and sale contract with Puget Western, Inc. is for the City to acquire:

- 67.5 gross acres of property (Tumwater West property);
- The Puget Western HCP and endowment; and
- The remaining Olympia subspecies conservation credits from the Puget Western HCP

Purchase and Sale Contract

The credits from the Puget Western HCP would be used for:

- Mitigation for covered activities under the Bush Prairie HCP;
- Projects that would require a separate take approval from USFWS; or
- Sale to City partners for their projects

Purchase and Sale Contract

Item	Number
Purchase Price	$12,000,000, of which $10,000,000 is for the HCP credits and $2,000,000 for the actual land
Total Actual Acres Purchased	67.5 acres
Total Puget Western HCP Credits Purchased	109.4 Puget Western HCP Credits – Total Remaining Credits
Total Puget Western HCP Credits Purchased Translated into Bush Prairie HCP Credits	72.90 Bush Prairie HCP Credits
Estimated Current Value of the HCP Endowment	~$930,000

Requested City Council Action

- Approve and authorize the Mayor to sign the purchase and sale contract with Puget Western, Inc., in substantially similar form as approved by the City Attorney; and further authorize the Mayor to complete the purchase and sign all necessary closing documents if all conditions are met.

TO: City Council

FROM: Paul Simmons, City Administrator

DATE: October 20th, 2026

SUBJECT: Purchase and Sale Option Agreement with Vine Street Investors—Conduit Two, LLC for 310 Israel Road Amendment No. 1

---

1) Recommended Action:

Approve and authorize the Mayor to sign the First Amendment to the Purchase and Sale Agreement for 310 Israel Road SW; and further authorize the Mayor to complete the purchase and sign all necessary closing documents if all conditions are met.

---

2) Background:

City Hall is the operational heart of our community, but its limited space hinders efficient and safe service to residents. The City now has its largest workforce ever and continues to grow to meet the needs of the growing city population, increasing demands on staff, public services, and community engagement.

Due to limitations in functional space, many offices are shared by two or more employees. The Parks and Recreation Department and the Water Resources and Sustainability Department have been forced to acquire off-site locations due to space limitations. Inadequate meeting space and limited parking constrain opportunities for collaboration and can limit public participation, making it more difficult to host community forums, manage crowd flow, and foster safe and inclusive civic engagement. Additionally, there is not adequate space for cubical working spaces to meet ADA standards, and the building needs safety and security upgrades. City Hall lacks space for lactation rooms or employee wellness activities.

On March 24th, the City Council toured City Hall to see how current working conditions hinder daily operations and limit future growth. To address this, the City hired Artisans Group Architecture and Planning for space planning services and to evaluate future options for City Hall.

On May 27th, the Artisans Group presented a summary of the findings of their space planning analysis. This analysis focused on current and future needs of the City and based on those needs developed four different scenarios for the City to consider.

On June 2nd, the City Council authorized the Mayor to secure a Purchase and Sale Option Agreement on the 310 Israel Road property. The cost of the option agreement is $100,000, and it gave the City exclusive rights to purchase the property for 6 months, which included a full acquisition price of $15,580,000. The option was executed on June 10th, 2026, and has an expiration date of December 10th, 2026.

The City has continued work with the Artisans Group on advancing preliminary concept design work to better define the building's scope, functionality, and long-term potential. Concurrently, detailed cost estimates have been developed for both construction and ongoing operations and maintenance to provide a clear understanding of the project's financial implications. Additional analysis has occurred to estimate potential debt service requirements associated with project financing and to evaluate funding scenarios. The project team has also investigated lease opportunities within the building to assess potential

revenue generation, occupancy needs, and strategies to offset operational costs while maximizing the building's long-term value to the community.

As a component of that work, the City identified that in order to meet state energy codes, the HVAC and mechanical systems will need to be replaced as part of the building retro fit. This was an unanticipated cost, and following further negotiations with the property owners, they agreed to lower the purchase price of the building by $1,500,000. This has resulted in a revised acquisition price of $14,080,000 and would require an Amended Purchase and Sale Agreement should the City Council choose to move forward.

On September 15th, the City Council approved a Bond Delegation Authority Ordinance, which provides the City the authority to procure the necessary debt required to execute the amended Purchase and Sale Agreement to acquire 310 Israel Road. While this action did not approve purchasing the building, it does give the City the authority to secure debt prior to the December 10th, 2026, closing deadline outlined in the option agreement.

On October 13th, the City Council Work Session highlighted phasing options, and the estimated costs of debt, construction retrofits, and ongoing operations. Following this discussion, Council direction was to bring back the Amendment to the Purchase and Sale Agreement for final consideration at the October 20th City Council meeting.

---

3) Policy Support:

Vision, Mission, & Values

People:
We embrace the diversity of people in our community and strive to ensure everyone feels valued and included. We recognize the vital contributions of our staff and foster a supportive environment that promotes growth, celebrates achievements, and retains talent to serve our community with excellence.

Learning:
We learn from experience, embrace innovation, and seek new ways to enhance City services and strengthen our community.

---

4) Alternatives:

- ❑ Direct staff to withdraw from the Purchase and Sale Agreement and seek other alternatives for addressing our City Hall space issues. This would require forfeiting the initial $100,000 option agreement payment.

---

5) Fiscal Notes:

Should the City choose to move forward with the Amended Purchase and Sale Agreement, the City will pursue selling General Obligation Bonds to fund both the acquisition and retrofit costs of the building. This debt capacity and ongoing operational expenses have been built into the proposed 2027-2028 budget that is currently being considered by the City Council. All cost estimates will be presented at the work session for Council Consideration.

---

6) Attachments:

A. First Amendment to 310 Israel Road – Purchase and Sale Agreement
B. 310 Israel Road – Purchase and Sale Agreement

"A"

FIRST AMENDMENT
TO
PURCHASE AND SALE AGREEMENT
FOR
310 ISRAEL ROAD SW, TUMWATER, WASHINGTON

This FIRST AMENDMENT ("Amendment") is dated effective this _____day of _____, 2026, and is entered into by and between Vine Street Investors – Conduit Two, LLC, a Washington limited liability company (“Seller”), and the City of Tumwater, a Washington municipal corporation ("Purchaser").

The Seller and Purchaser entered into a Purchase and Sale Agreement dated effective June 10, 2026, whereby the Seller agreed to sell to the Purchaser and the Purchaser agreed to purchase from the Seller the Property commonly known as 310 Israel Road SW, Tumwater, Washington ("Agreement").

Section 18.8 of the Agreement provided that the Agreement may only be amended by written agreement signed by the parties.

The Purchaser and Seller desire to amend the Agreement to adjust the purchase price described in Section 3.1 of the Agreement to provide an offset for unanticipated costs associated with replacing the HVAC mechanical system.

The parties mutually agree to amend the Purchase and Sale Agreement as follows:

3.1 Purchase Price. The total purchase price for the Property is Fourteen Million Eighty Thousand & No/100 dollars ($14,080,000.00) (the “Purchase Price”).

All other terms and conditions of the Agreement not modified by this Amendment shall remain in full force and effect.

[signature page to follow]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Purchase and Sale Agreement effective as of the Effective Date written above.

SELLER
VINE STREET INVESTORS - CONDUIT TWO, LLC

_____
By: Connie K. McKinley
Its: Manager

PURCHASER
THE CITY OF TUMWATER

_____
By: Leatta Dahlhoff
Its: Mayor

Envelope ID: D98300F6-FE76-8D07-81F1-ECBF183C6715

"B"

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (the "Agreement") is entered into to be effective the 10 day of June, 2026 (the "Effective Date") by and between Vine Street Investors—Conduit Two, LLC, a Washington limited liability company ("Seller"), and the City of Tumwater, a Washington municipal corporation, ("Purchaser").

RECITALS

WHEREAS, Seller owns certain commercial real property located in Thurston County, Washington (the "Property"). The Property is commonly known as 310 Israel Road SW, Tumwater, Washington; and

WHEREAS, Seller desires to sell and the Purchaser desires to purchase the Property on the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Agreement to Purchase and Sell. Purchaser hereby agrees to purchase from Seller and Seller hereby agrees to sell to Purchaser the Property upon the terms and conditions hereinafter set forth. The Property is legally described in **Exhibit A** attached hereto. Escrow shall conform the legal description set forth in **Exhibit A** to the legal description contained in the title insurance policy to be issued pursuant to Section 4 below. The Property includes the structures and improvements thereupon, if any, and all rights and appurtenances pertaining to the Property, including, but not limited to, all easements, privileges, entitlements, rights of way and appurtenances benefitting the Property; all interest of Seller in any development rights, air rights, water rights, mineral, oil and gas and other subsurface rights; and all right, title, and interest of Seller in and to any streets, alleys, easements, and rights-of-way adjacent to the Property.

2. Closing. The transaction contemplated herein shall be closed on a date and time mutually agreed to by the parties no later than thirty (30) calendar days after Purchaser waives the Inspection Contingency (the "Closing Date"). The parties shall use the 105 8th Avenue SE, Olympia, Washington office of Thurston County Title as the escrow company for this transaction ("Escrow").

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3. Terms of Purchase.

3.1 Purchase Price. The total purchase price for the Property is Fifteen Million Five Hundred Eighty Thousand & No/100 Dollars ($15,580,000.00) (the "Purchase Price").

3.2 Payment of the Purchase Price. The Purchase Price for the Property is to be paid in full in cash or cash equivalent at closing.

3.3 Earnest Money. Purchaser shall deposit with Escrow earnest money in the amount of One Hundred Thousand & No/100 Dollars ($100,000.00). The earnest money shall be deposited with Escrow no later than 5:00 pm on the second (2nd) business day following the mutual execution of this Agreement. Upon Escrow's receipt of the earnest money, Escrow shall promptly release the earnest money to Seller. The earnest money shall be non-refundable unless the transaction fails to close solely due to Seller's material breach of the Agreement. In the event the transaction fails to close for any reason other than Seller's breach of this Agreement, Seller shall be entitled to retain the earnest money. For the avoidance of doubt, Seller shall be entitled to retain the earnest money in the event Purchaser terminates this Agreement by exercising any of the contingencies established in Section 5 below, including but not limited to the Inspection Contingency. The earnest money shall be applicable to the Purchase Price at closing.

3.4 No Leases. The parties acknowledge that no leases currently govern the Property.

3.5 Closing Costs. The parties shall pay the Closing Costs as follows:

(i) Seller's Closing Costs. Seller shall be responsible for the following Closing Costs:

(a) Half of the Escrow Fee;

(b) Real property taxes, personal property taxes, and utilities arising prior to the Closing Date;

(c) The cost of an ALTA standard form owner's title insurance policy;

(d) The real estate excise tax assessed on the conveyance of the Property; and

(e) Seller's own attorney's fees.

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(ii) Purchaser's Closing Costs. Purchaser shall be responsible for the following Closing Costs:

(a) Half of the Escrow Fee;

(b) Real property taxes, personal property taxes, and utilities arising on or after the Closing Date;

(c) The additional cost of an extended coverage owner's title policy (if Purchaser elects);

(d) The cost of recording the deed of conveyance; and

(e) Purchaser's own attorneys' fees.

4. Title Insurance; Property Documents; Condition of Property.

4.1 Title Report and Insurance. Within ten (10) business days after the Effective Date, Seller will cause Thurston County Title (the "Title Company") to deliver to Purchaser a current title insurance commitment, including copies of all recorded exceptions to title referred to therein (collectively, the "Title Commitment"), showing title to the Property to be vested in Seller and committing to insure title to the Property in Purchaser by issuance of its ALTA owner's policy of title insurance in the amount of the Purchase Price.

4.2 Exceptions. Purchaser shall notify Seller of any objectionable matters in the Title Commitment within fifteen (15) days of the later of (i) Purchaser's receipt of the Title Commitment or (ii) the Effective Date. In the event Purchaser provides written objections, this Agreement shall terminate unless within ten (10) days of Seller's receipt of Purchaser's notice of such objections (i) Seller agrees, in writing, to remove all objectionable provisions on or by the Closing Date or (ii) Purchaser notifies Seller in writing that Purchaser waives any objections which Seller does not agree in writing to remove. If any new title matters are disclosed in a supplemental title report, then the preceding termination, objection, and waiver provisions shall apply to the new title matters except that Purchaser's notice of objection must be delivered within five (5) days of delivery of the supplemental report and Seller's response or Purchaser's waiver must be delivered within three (3) business days of Purchaser's notice of objections. The parties agree to extend the Closing Date to the extent necessary to permit time for these notices. Purchaser shall have the right, but not the obligation, to object to matters in the Title Commitment or any supplemental report. Those matters not objected to or for which Purchaser waived its objections shall be referred to collectively as the "Permitted Exceptions." Seller shall cooperate with Purchaser and the Title Company to clear

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objectionable title matters but, except as otherwise provided herein, Seller shall not be required to incur any out-of-pocket expenses or liability, and Seller shall provide an owner's affidavit containing the information and reasonable covenants requested by the Title Company. The title policy shall contain the general exclusions and exceptions common to such form of policy.

4.3 Extended Title Insurance. Purchaser acknowledges that coverage afforded by an ALTA standard form owner's title insurance policy provides limited or no coverage for loss by reason of conflicts in boundary lines, shortage in area, encroachments, or other matters which an accurate survey would disclose. More extensive coverage through an extended policy of title insurance or additional endorsements may be available for an additional charge and subject to additional requirements imposed by the Title Company, including a survey. If Purchaser requires or desires extended title insurance or additional endorsements, then Purchaser agrees to pay all costs in excess of those charged for the ALTA standard form owner's title insurance policy, including, without limitation, increased premiums and survey costs. If a survey is required for an extended policy, Purchaser shall order the survey within five (5) days of receiving notice from the Title Company that a survey is required. Purchaser shall pay the estimated cost of the survey prior to the performance of any survey work or withdraw Purchaser's request for an extended policy.

5. Contingencies.

5.1 Inspection Contingency.

(i) Purchaser shall have the right to a one hundred eighty (180) day inspection period for the purpose of making any inquiries, examinations, and inspections or such other due diligence items as Purchaser may determine are necessary, including but not limited to the right to perform on-site investigation, invasive testing, boring, and sampling of soil and groundwater (provided that invasive testing shall require Seller's prior written consent). The inspection period shall commence upon the mutual acceptance of this Agreement. The inspection period shall expire at 5:00 pm on the one hundred eightieth (180th) day following the inspection period's commencement. Seller reserves the right to reasonably approve such inspections and to accompany Purchaser during any entry onto the Property. Purchaser shall notify Seller at least twenty-four (24) hours in advance of any entry onto the Property.

(ii) During the inspection period, Purchaser shall have the right to terminate the Agreement for any reason or no reason, in its sole discretion, by delivering written notice to Seller prior to the expiration of the inspection period. In the event Purchaser elects to terminate this Agreement prior to the expiration of the inspection period, all earnest money shall be released to Seller, and neither party shall have any further

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obligation hereunder except as otherwise expressly stated. In the event that Purchaser shall fail to so terminate this Agreement prior to the expiration of the inspection period, (i) Purchaser shall have no further right to terminate this Agreement pursuant to this Section 5.1, and (ii) the closing shall occur as otherwise contemplated by this Agreement without any reduction of or credit against the Purchase Price. By waiving this "Inspection Contingency" (i.e., failing to terminate this Agreement prior to the expiration of the inspection period), Purchaser represents and warrants that Purchaser performed a comprehensive and complete inspection of the Property to Purchaser's full satisfaction.

(iii) Purchaser shall not suffer or permit any lien, claim or charge of any kind whatsoever which arises out of activities of Purchaser to attach to the Property or any part thereof. To the extent that Purchaser damages or disturbs the Property, or any portion thereof, Purchaser shall return the same to substantially the same condition which existed immediately prior to such damage or disturbance. Purchaser shall indemnify, defend, protect, and hold harmless the Seller and its respective heirs, successors, personal representatives and assigns, from and against any and all claims, expenses, losses, damages, costs (including attorneys' fees), or any other liabilities of any kind arising from or relating to any act or omission of Purchaser or its representatives, agents or contractors in the exercise of Purchaser's rights hereunder. Purchaser's obligations under this paragraph shall survive closing or the earlier termination of this Agreement.

(iv) Purchaser shall maintain (and shall cause its representatives, agents or contractors to maintain) liability and property damage insurance insuring against all liability arising out of any inspections of the Property. Each such insurance policy shall be in an amount at least equal to Two Million Dollars ($2,000,000) combined single limit per occurrence for bodily injury, death, and property damage, and shall otherwise be in a form and substance reasonably satisfactory to Seller. Purchaser shall provide Seller with evidence of such insurance coverage prior to any entry onto or inspection of the Property by Purchaser or any representative, agent, or contractor of Purchaser.

5.2 Financing Contingency. Purchaser's obligation to purchase the Property is conditioned on Purchaser obtaining financing acceptable to Purchaser in Purchaser's sole discretion.

5.3 Council Contingency. Purchaser's obligation to purchase the Property is conditioned on approval by the Tumwater City Council.

6. Documents Required from Purchaser and Seller.

6.1 Seller. On or before the Closing Date, Seller shall deliver to Escrow (and Purchaser as provided below) the following documents:

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(i) An executed and recordable statutory warranty deed conveying fee title to the Property to Purchaser subject only to the Permitted Exceptions and an accompanying Real Estate Excise Tax Affidavit;

(ii) Any affidavits, certifications, or instruments, including any lien affidavits or mechanic's lien indemnifications, duly executed and acknowledged by Seller, as reasonably may be required by the Title Company in order to issue the title policy; and

(iii) Such other documents as are reasonably required or requested by Purchaser or Escrow to complete the transactions contemplated by this Agreement.

6.2 Purchaser. On or before the Closing Date, Purchaser shall deliver to Escrow the following documents:

(i) An executed Real Estate Excise Tax Affidavit; and

(ii) Such other documents as are reasonably required or requested by Seller or Escrow to complete the transactions contemplated by this Agreement.

7. Conditions to Close.

7.1 Conditions in Favor of Purchaser. Purchaser's obligation to close is conditioned upon the satisfaction by Seller or waiver by Purchaser of the following conditions:

(i) Seller has delivered each of the documents described in Section 6.1 above as and when required therein;

(ii) Seller has performed all of its obligations under this Agreement; and

(iii) All representations and warranties of Seller are true and correct in all material respects as of the Closing Date.

7.2 Conditions in Favor of Seller. Seller's obligation to close is conditioned upon the satisfaction by Purchaser or waiver by Seller of the following conditions:

(i) Purchaser has delivered documents to Seller as is required by Section 6.2 above as and when required therein;

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(ii) Purchaser has performed all of its obligations under this Agreement, including but not limited to delivering the Purchase Price; and

(iii) All representations and warranties of Purchaser are true and correct in all material respects as of the Closing Date.

7.3 Failure of Conditions. In the event any of the conditions set forth in Section 7.1 or Section 7.2 above are not satisfied or waived by the Closing Date, the party entitled to benefit of such condition shall have the right to terminate this Agreement by giving written notice of such termination to the other party. In the event of such termination, all documents delivered hereunder shall be returned to the delivering party.

8. Condition of the Property. The Property is being sold "AS IS, WHERE IS, AND WITH ALL FAULTS," and without representation or warranty, except as expressly provided herein. Seller expressly disclaims, which Purchaser hereby acknowledges and accepts, any implied warranty of condition, habitability, merchantability or fitness for a particular purpose or use. Purchaser acknowledges that the foregoing disclaimers include, but are not limited to, disclaimers of any representations or any express or implied warranties that the Property is suitable for development and that the Property has access to water, sewer, electricity, or gas service sufficient to enable the Property to be developed. Purchaser agrees that, to the extent Seller is required to provide documents or other Property-related information, Seller's obligation shall extend only to those documents (or other information) in Seller's possession and that Seller otherwise has knowledge and control of, and Seller shall not be obligated to obtain any documents not currently in Seller's possession or control. Purchaser acknowledges that (i) Purchaser is being given a reasonable opportunity to inspect and investigate the Property and all aspects relating thereto, either independently or through agents, contractors, engineers or consultants of Purchaser's choosing; (ii) Purchaser will inspect and investigate the Property and engage such qualified agents, contractors, engineers or consultants, including, without limitation, environmental consultants, as Purchaser deems necessary to make all appropriate inquiries regarding the condition of the Property and adjacent property, including, without limitation, the presence thereon, or the condition thereof with respect to, any hazardous materials; and (iii) if Purchaser does not terminate the PSA prior to the expiration of the inspection contingency, then at closing, Purchaser is acquiring and accepting the Property in its then-existing condition on an "AS IS, WHERE IS, AND WITH ALL FAULTS" basis, with no right of set-off or reduction in the Purchase Price other than as expressly set forth herein.

9. Effect of Termination. In the event this Agreement is terminated prior to the Closing Date for any reason, the parties shall have no further obligation to each other under this Agreement, except as otherwise provided herein.

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10. Possession. Purchaser shall be entitled to possession of the Property on the Closing Date.

11. Representations and Warranties of Seller and Purchaser.

11.1 Representations of Seller. Seller represents and warrants to Purchaser as follows:

(i) As of the Closing Date Seller will be the sole owner of fee title to the Property subject to the Permitted Exceptions;

(ii) Except as otherwise disclosed, Seller has not committed nor obligated itself in any manner whatsoever to sell, transfer, or convey the Property or any interest therein to any party other than Purchaser, and Seller shall not until termination of this Agreement accept any offer from third parties to lease or purchase the Property;

(iii) This Agreement and all instruments and documents to be executed pursuant to this Agreement are, and upon the Closing Date will be, duly executed and delivered by Seller;

(iv) No consent, approval or authorization by any individual or entity or any court, administrative agency or other governmental authority is required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated by this Agreement by Seller that will not be obtained by the Closing Date;

(v) Seller has all requisite power, authority, and legal right to execute, deliver and perform the terms of this Agreement. This Agreement has been duly authorized by all necessary acts of Seller and constitutes valid and legally binding obligations of Seller enforceable in accordance with its respective terms; and

(vi) Seller has not: (i) made a general assignment for the benefit of creditors; (ii) filed any voluntary petition or suffered the filing of any involuntary petition by Seller's creditors under Title 11 of the U.S. Code, as now constituted or hereafter amended, or under any other applicable federal or state bankruptcy law or other similar law; (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Seller's assets or the Property; (iv) suffered an attachment, execution or other judicial seizure of all, or substantially all, of Seller's assets or the Property; or (v) submitted to any action indicating an inability to meet its financial obligations as they accrue.

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These representations and warranties of Seller shall survive closing for a period of one year.

11.2 Representations of Purchaser. Purchaser represents and warrants to Seller as follows:

(i) Binding Obligation. This Agreement constitutes the legal, valid, and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms. Purchaser is duly organized and validly existing under the laws of the state of its formation. Purchaser has the right and authority subject to approval by its City Council to execute and enter into this Agreement and to perform the obligations herein. The execution and performance of this Agreement will not (i) violate or conflict with any law, regulation, statute, ordinance, code, or any order, judgment, writ, injunction, decree, or award of any court or other governmental authority; or (ii) violate or result in the breach of any contract or other agreement to which Purchaser is bound.

(ii) Third-Party Consents. No consent, approval or authorization by any individual or entity or any court, administrative agency or other governmental authority is required in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated by this Agreement by Purchaser that has not been obtained.

(iii) Sufficient Funds. Contingent on obtaining financing, Purchaser will have sufficient funds to close the transaction contemplated hereby. Moreover, Purchaser has sufficient assets to meet its obligations under this Agreement, including payment of the Purchase Price.

These representations and warranties of Purchaser shall survive closing for a period of one year.

12. Adjustments and Pro-rations. The following adjustments and pro-rations will be made at closing and reflected, where appropriate, on the settlement documents:

12.1 Taxes. All real estate and personal property taxes attributable to the Property will be prorated at closing.

12.2 Utilities. All utilities charged to the Property will be prorated at closing.

12.3 Insurance. Purchaser understands that Seller will cause all property and liability insurance currently being carried by Seller to be canceled at closing, and Purchaser will be solely responsible for obtaining new insurance coverage with respect to the Property as of closing.

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12.4 Survival. The parties' obligations under this Section 12, to the extent not fully discharged by or through closing, will survive closing and remain fully enforceable thereafter.

13. Brokerage Commission. Seller and Purchaser each represent and warrant to the other that they have not been represented by a broker in connection with this transaction. Seller agrees to indemnify, defend, and hold Purchaser harmless from any commission due from Seller as a result of any agreement entered into by Seller. Purchaser agrees to indemnify, defend, and hold Seller harmless from any commission due from Purchaser as a result of any agreement entered into by Purchaser.

14. Environmental Matters.

14.1 Operation before Closing Date. Seller agrees that, prior to the Closing Date, it will not negotiate or enter into any voluntary agreements or orders with any governmental authority, except as otherwise required by law or at the direction of environmental regulatory agencies, and then only with notice to Purchaser.

14.2 Seller Release. Purchaser hereby waives, releases, covenants not to sue, and forever discharges Seller, its officers, directors, contractors, employees, agents, and any other persons acting on behalf of Seller, of and from any and all claims, Losses, damages, expenses, costs, causes of actions, investigations, governmental action, judgments, orders, decrees, civil penalties, awards, or any other liabilities of any kind or character, known or unknown, foreseen or unforeseen, which Purchaser now has or which may arise in the future on account of or growing out of or in connection with any physical characteristics or existing condition of the Property, including without limitation subsurface conditions, solid and hazardous wastes, and the presence of Hazardous Substances upon, under, over, at, or emanating from or alleged to be emanating from the Property. Seller shall have no duty to defend or to indemnify Purchaser from any claims, causes of action or liabilities whatsoever asserted against Purchaser by a third party, including but not limited to claims by a private party or governmental entity alleging loss or seeking contribution or any other relief under any Environmental Law, statute, or common law.

14.3 Reservation. Upon the Closing Date, Seller reserves all its rights and defenses against any non-parties to this Agreement, including but not limited to the right to seek cost recovery or contribution under the Washington state Model Toxics Control Act, RCW 70.105D *et seq.*, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended 42 USC § 9601 *et seq.*, or any other Environmental Law, statute or common law, regarding the presence, investigation or cleanup of any Hazardous Substance on, at, under, around or migrating from the Property.

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14.4 Definitions. The following terms shall have the following meanings:

"Losses" shall include, without limitation: (a) damages for injury or death of any person caused by, arising out of, or relating to the Hazardous Substances; (b) governmental oversight costs, penalties, or fines relating to the Hazardous Substances; (c) the cost of any investigation, removal, remedial action or other response action with respect to Hazardous Substances that: (i) is required by Environmental Laws; (ii) is required by judicial order or by administrative order or agreement with any governmental authority; (iii) is conducted voluntarily by Purchaser or any third party; or (iv) is necessary or otherwise is reasonable under the circumstances; and (d) all attorneys' fees and costs incurred on account of or related to any of the foregoing.

"Hazardous Substances" means any waste, pollutant, contaminant, chemical, petroleum product, pesticide, fertilizer, substance or material that: (i) after release into the environment and upon exposure, ingestion, inhalation, or assimilation, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavior abnormalities, cancer, or genetic abnormalities; or (ii) is defined, classified, or designated as hazardous, toxic, radioactive, dangerous, or other comparable term or category under any Environmental Laws.

"Environmental Laws" means all federal, state, and local laws, statutes, rules, regulations, ordinances and codes, and any judicial or administrative interpretation thereof or requirement thereunder, including any judicial or administrative order, by any governmental authority, relating to the regulation or protection of human health, safety, the environment, and natural resources, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 *et seq.*), the Hazardous Materials Transportation Act (49 U.S.C. §§ 5101 *et seq.*), the Clean Air Act (42 U.S.C. §§ 7401 *et seq.*), the Clean Water Act (33 U.S.C. §§ 1251 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 *et seq.*), the Toxic Substances Control Act (15 U.S.C. §§ 2601 *et seq.*), the Occupational Safety and Health Act (29 U.S.C. §§ 651 *et seq.*), the Emergency Planning and Community Right-To-Know Act (42 U.S.C. §§ 11001 *et seq.*), and any similar or comparable state or local laws, including, without limitation, the Washington State Model Toxics Control Act (Chapter 70.105D RCW).

14.5 Environmental Documents. Within five (5) days following the Effective Date, Seller shall provide, without representation or warranty, Purchaser with any and all reports and written materials currently in Seller's possession or control prepared pursuant to any environmental investigations of the Property ("Environmental Documents").

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14.6 Survival; Enforcement. The provisions of this Section 14 shall survive closing.

15. Pre-Closing Covenants. The parties hereby make the following pre-closing covenants.

15.1 Maintenance of the Property. During the time between the Effective Date and the Closing Date, Seller shall continue to perform its obligations with respect to the Property as required under any applicable leases.

15.2 Leases. After the Effective Date of this Agreement, Seller agrees that it will not enter into any new lease, or modify any existing lease, for any portion of the Property, without first obtaining Purchaser's consent, which shall not be unreasonably withheld.

16. Remedies. Notwithstanding any provision herein contained to the contrary, if the closing fails to occur by reason of Seller's default, Purchaser's sole remedy shall be to terminate this Agreement and to receive a refund of the earnest money and Seller shall be responsible for all title and escrow costs incurred by Purchaser in performance of this Agreement. In the event the transaction contemplated herein fails to close by reason of Purchaser's default or the failure to satisfy any closing condition or obligation hereunder, then Seller's sole remedy shall be to terminate this Agreement and to retain the earnest money and Purchaser shall be responsible for all title and escrow costs incurred by Seller in the performance of this Agreement.

17. Damage; Condemnation.

17.1 Risk of Physical Loss. Risk of physical loss to the Property shall be borne by Seller prior to the Closing Date and by Purchaser thereafter. If before the Closing Date, the Property is damaged by fire, flood, earthquake or other casualty in a total sum amount of One Hundred Thousand Dollars ($100,000.00) or more, Purchaser may, at its option, elect not to acquire the Property. If Purchaser does not so elect or if the total sum damage involved is less than One Hundred Thousand Dollars ($100,000.00), Purchaser shall close the transaction if Seller has insurance proceeds in at least that amount relating to such damage and the right to collect and assign the same to Purchaser. If damage in excess of One Hundred Thousand Dollars ($100,000.00) occurs and Purchaser elects not to purchase the Property, then this Agreement will terminate, whereupon the earnest money will be released to Seller, and both parties will be relieved of any further obligations hereunder, except for those obligations which expressly survive any termination hereof.

17.2 Condemnation. If, before the Closing Date, any governmental entity shall commence any actions of eminent domain or similar type proceedings to take any

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portion of the Property that the Purchaser reasonably believes would materially adversely affect the Property, Purchaser shall have the option either to (a) elect not to acquire the Property or (b) complete the acquisition of the Property, in which event Purchaser shall be entitled to all the proceeds of such taking. If Purchaser elects not to acquire the Property pursuant to this Section 17.2, then this Agreement will terminate, the earnest money will be released to Seller, and both parties will be relieved of any further obligations hereunder, except for those obligations which expressly survive any termination hereof.

18. Miscellaneous.

18.1 Assignment. Purchaser shall not have the right to assign this Agreement or any of its rights hereunder without Seller's prior approval, which may be withheld, conditioned, or delayed at Seller's sole discretion. If Purchaser assigns this Agreement, then Purchaser will remain responsible for performing each and every obligation of Purchaser hereunder (including but not limited to obligations set forth in Section 14). This Agreement shall be binding and shall inure to the benefit of the permitted successors and assigns of the parties to this Agreement.

18.2 Non-merger. The terms of this Agreement, including all warranties, covenants, and conditions, shall not merge into the deed or other conveyance instrument delivered by Seller to Purchaser on the Closing Date, but shall survive closing of the purchase and sale transaction described in this Agreement.

18.3 Attorney's Fees. In any action or proceeding between the parties hereto concerning or arising out of this Agreement, the prevailing party in such action shall be entitled to recover from the other party its reasonable attorneys' fees, expert witness' fees, consultant fees, and other reasonable expenses incurred in connection with such action or proceeding, in addition to its recoverable court costs (including but not limited to in bankruptcy and any appeal).

18.4 Notices. Any notice required or permitted to be given hereunder shall be in writing and may be (a) personally delivered, (b) sent by reputable overnight courier, or (c) sent by United States Mail. Copies of all notices shall be sent via email transmission. Notices shall be deemed to have been given (i) on the day of personal delivery if a business day, or if not, on the next business day, (ii) the next business day if sent by overnight courier, or (iii) two (2) business days after having been deposited in the United States mail, return receipt requested, postage prepaid and properly addressed, if sent by United States mail; provided, notices shall not be deemed delivered until the date the email copy of the notice is transmitted. Addresses for notice by overnight courier or for notice by United States mail and facsimile numbers are as follows:

If to Seller:

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Vine Street Investors—Conduit Two, LLC
PO Box 430
Arlington, WA 98223
Attn: Connie K. McKinley, Manager
Email: connie@vinestreetgroup.com

With copy to:

Adams & Duncan, Inc., P.S.
3128 Colby Avenue
Everett, WA 98201
Attn: Carl Schremp
Email: Carl.Schremp@AdamsLawyers.com

If to Purchaser:

The City of Tumwater
555 Israel Rd SW
Tumwater, WA 98501
Attn: Paul Simmons, City Administrator
Email: PSimmons@ci.tumwater.wa.us

With Copy to:

The City of Tumwater
555 Israel Rd SW
Tumwater, WA 98501
Attn: Karen Kirkpatrick, City Attorney
Email: KKirkpatrick@ci.tumwater.wa.us

Either party may change its address for notice by giving the other party written notice thereof as herein provided.

The term "business day" as used herein shall mean any day on which national banks located in Everett, Washington are open for business, excluding Saturdays. All times specified herein refer to Pacific Standard Time or Pacific Daylight Time as applicable.

18.5 Integration. This Agreement and other documents expressly incorporated herein by reference contain the entire and exclusive understanding and agreement between the parties relating to the matters contemplated hereby and all prior

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or contemporaneous negotiations, agreements, understandings, representations, and statements, oral or written, are merged herein and shall be of no further force or effect.

18.6 Titles and Captions. Titles and captions are for convenience only and shall not constitute a portion of this Agreement.

18.7 No Waiver. No delay or omission by either party hereto in exercising any right or power accruing upon the compliance or failure of performance by the other party hereto under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party hereto of a breach of any of the covenants, conditions or agreements hereof to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

18.8 Modifications. Any alteration, change, or modification of or to this Agreement, in order to become effective, shall be made by written instrument or endorsement thereon and in each such instance executed on behalf of each party hereto.

18.9 Severability. If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

18.10 Time of the Essence. Time is hereby expressly made of the essence of this Agreement and each provision hereof.

18.11 No Third-Party Benefit. This Agreement is intended to benefit only the parties hereto and no other person or entity has or shall acquire any rights hereunder, except as set forth in Section 18.1.

18.12 Counterparts. This Agreement and any documents required to be executed by the parties hereunder may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument as though all signatures appeared on one document.

18.13 Governing Law and Choice of Forum. This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Washington without reference to the principles of conflicts of laws. Venue for any dispute that arises under or with respect to this Agreement shall be exclusively in the State courts located in Thurston County, Washington. Each party hereby expressly

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consents to the personal jurisdiction of such courts in such dispute and irrevocably waives any objection to such venue based on *forum non conveniens* or other rule of law.

18.14 Recitals and Exhibits. The Recitals above and the Exhibits attached hereto are hereby incorporated into this Agreement

18.15 Equal Participation in Drafting and Independent Legal Counsel. The parties have each participated and had an equal opportunity to participate in the drafting of this Agreement. No ambiguity shall be construed against any party based upon a claim that such party drafted the ambiguous language. The parties acknowledge that they have had adequate time and opportunity to seek and consult with independent legal counsel to advise them of their rights and liabilities with regard to this Agreement and the corresponding documents.

[signature page to follow]

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IN WITNESS WHEREOF, the parties hereto have executed this Purchase and Sale Agreement effective as of the Effective Date written above.

SELLER
VINE STREET INVESTORS—CONDUIT TWO, LLC

DocuSigned by:
Connie K. McKinley
055C1F7D15F449D...

By: Connie K. McKinley
Its: Manager

PURCHASER
THE CITY OF TUMWATER

Signed by:
Leatta Dahlhoff
B4CC0184630F4BE...

By: Leatta Dahlhoff
Its: Mayor

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EXHIBIT A

LEGAL DESCRIPTION

[Section 02 Township 17 Range 2W Quarter NW SW Binding Site Plan BRIGHTON PARK POINT PLAZA EAST 4/5/6 LT 1 BSP2-01TW 3506827]

Situate in County of Thurston, State of Washington