

INTERLOCAL AGREEMENT

City Reservoir Site and JeffCom Communications Tower

(2011)

THIS AGREEMENT is made this 7 day of February, 2011 (the date which the last party signs this Agreement), by and between:

1. **THE CITY OF PORT TOWNSEND**, a Municipal Corporation, referred to as "City," and
2. **JeffCom 911 Communications**, an agency of Jefferson County, a Municipal Corporation, formed and managed pursuant to an Interlocal Agreement executed in 2007, referred to as "JeffCom."

RECITALS:

- A. City is the municipal government of the City of Port Townsend. City owns property generally located at 20th and Rainer in the City and legally described as:

See attached Exhibit A.

The site is referred to as the "reservoir site" because the City maintains water reservoirs (and other operations) at the site. The Assessor's Parcel Number for this real property is 001092004 together with access and utility easements from and across adjacent City-owned Assessor's Parcel Numbers 001091001 and 001044016.

- B. JeffCom provides emergency communications services to member public safety agencies pursuant to an Interlocal Agreement. JeffCom is funded through various means, including agreements with member agencies (including the City) which use and directly benefit from JeffCom's communication services. Each member agency pays its proportionate share of JeffCom costs.
- C. JeffCom desires to locate communications equipment at the City reservoir site. One option was for this equipment to be co-located on a tower proposed to be built by a private communications company. The City and JeffCom determined that the outcome that best serves the City's, the County's, JeffCom's and other public interests is for JeffCom to build a tower on the site, with any private company locating on this tower if it chooses (and subject to mutually acceptable lease terms). Among benefits of a JeffCom tower:
- As part of the City and County's critical public safety infrastructure, JeffCom has control over the tower in contrast to being a lessee on a private entity's tower.
 - JeffCom and the City have the opportunity to receive rents and other monetary consideration from commercial entities like Verizon Wireless to offset tower costs and provide revenue.

- The tower can accommodate other government and community uses on a basis that serves the community. The City has identified a public interest in supporting a nonprofit community radio operation. The tower would support other governmental operations, including municipal broadband and City Public Works Department communications equipment. This interlocal agreement provides that these entities would be able to locate on the JeffCom tower at no monthly rental (unlike on a tower provided by Verizon Wireless, where these entities would pay rent) with fees and costs paid to the City and JeffCom as appropriate.
- D. On March 1, 2010, the City Council adopted Resolution 10-005 setting forth conceptual terms for JeffCom to locate a tower at the reservoir site. This Agreement substantially implements those terms for the City.
- E. JeffCom desires to locate tower and related equipment at the reservoir site, subject to the terms of this Agreement. City desires to allow JeffCom to locate a communications tower and related equipment at the reservoir site, subject to the terms of this Agreement.
- F. These Recitals are a material part of this Agreement.
- G. The parties enter into this Interlocal Agreement pursuant to the authority granted to them by Ch. 39.34 RCW, the Interlocal Cooperation Act.

IN CONSIDERATION OF THE RECITALS, TERMS, COVENANTS AND CONDITIONS SET OUT HEREIN, THE CITY AND JEFFCOM HEREBY AGREE AS FOLLOWS:

1. LEASE OF SPACE AT RESERVOIR SITE FOR JEFFCOM TOWER; RENT

- a. Subject to the terms of this Agreement, City hereby leases to JeffCom certain property which is located at the reservoir site. The leased premises (herein, the “leased premises”) is legally described as:

See attached Exhibit B.

The leased premises include access to the premises from 20th Street shown as “proposed JeffCom 20’- 0” utilities and access easement” and “proposed tenant driveway and parking area” on Exhibit B.

- b. In consideration of JeffCom performing all obligations set forth in this Agreement, there is no monetary rent paid by JeffCom to the City.

2. PRIME LEASE

For purposes of other co-locations and/or sub-leases, this Agreement constitutes the Prime Lease and all other co-locations and/or sub-leases shall be subordinate and subject to the terms and conditions of this Agreement. In the event of any inconsistency or conflict, the terms and conditions of this Agreement shall govern and control. Any and all co-location

and/or sub-lease agreements shall include provisions referring to the terms and conditions of this Agreement and acknowledgement thereof.

3. USES

- a. The leased premises are intended for JeffCom's 180' self-supporting radio tower, a radio equipment building and an emergency power generator. As noted in paragraphs 6 and 7, the leased premises are also intended for the use of other City, County and community radio uses and equipment as well as potential use by one or more commercial entities, such as two-way, microwave and data communications providers. No change in use from communications equipment and use shall be made without further amendment to this Agreement.
- b. JeffCom and other approved co-locators and/or sub-lessees shall have the rights to access the leased premises for all necessary purposes including survey, testing, site work, construction, installation, operation, maintenance and repair for the term of this Agreement as needed upon receipt of and in accordance with proper building and other required permits, to the extent such permits are needed.
- c. All facilities and grounds within the leased premises shall be the responsibility of JeffCom and/or any co-locators or sub-lessees. All facilities and grounds shall be maintained in good working condition and appearance. Any abandoned or unused facilities or equipment shall be removed by JeffCom and/or any co-locators or sub-lessees, unless the parties agree otherwise in writing.
- d. JeffCom and/or any co-locators or sub-lessees shall take all precautions necessary to ensure the safety and protection of all persons and materials on the leased premises while accessing or working on the facilities. JeffCom and/or any co-locators or sub-lessees shall comply with all applicable local, state and federal laws.

4. JEFFCOM TOWER AND RELATED FACILITIES.

- a. Subject to the terms of this Agreement, JeffCom agrees, at its own cost, to construct a 180' tower and related communications facilities on the leased premises. The proposed tower is generally described on Exhibit C, and the proposed site plan of proposed improvements is generally shown on Exhibit D.
- b. JeffCom will be solely responsible for all costs of construction, including engineering, site development and permitting, and any required mitigations.
- c. JeffCom will diligently pursue obtaining all necessary permits. JeffCom will substantially complete the tower no more than three (3) months after it obtains the necessary permits.
- d. Upon construction, JeffCom shall, subject to the terms of this Agreement, own, maintain in sound condition, and operate the tower and related facilities for its existing and future emergency communications needs.

- e. JeffCom has identified a current space requirement for its needs. Its use, and the potential use requirements of other known or potential users, is preliminarily depicted on Exhibit C. If JeffCom needs more space on the tower in the future for its expanded needs, its needs shall be given priority in the following order:
- JeffCom's existing and future use;
 - City and County uses for City and County broadband equipment, City Public Works Department antennas;
 - Nonprofit community radio (see paragraph 6 below);
 - Commercial entity (see paragraph 7 below);
 - Other uses, including other governmental, non-profit or commercial uses.

Prior to leasing or allowing space to a lower order user, JeffCom would take into account whether a user with a higher priority has expressed an interest in potential use of the tower, and whether the user's proposal would conflict with a potential use of a user holding a higher priority. For example, if a second commercial user sought to rent space on the tower, and such use would interfere with the space proposed to be used by (say) a nonprofit community radio (a higher priority), then JeffCom would take into account the nonprofit community radio entity's plans, abilities and timeframe to use the tower in determining whether to rent to the commercial user, and allow the radio user a period of time to negotiate its needs for space on the tower.

5. TERM OF AGREEMENT; RENEWAL

This Agreement shall be for a period of (approximately) thirty (30) years, commencing on the date of this Agreement, and shall expire on December 31, 2040. This Agreement shall continue for successive five-year renewals on the same terms of this Agreement. Provided, on or before January 1, 2037, either party may terminate this Agreement on January 1, 2040, by giving at least three (3) years written notice of termination for the Agreement to terminate on January 1, 2040, and after January 1, 2040, either party may terminate this Agreement by giving at least three (3) years written notice of termination for the Agreement to terminate on January 1 which is more than three years from the notice.

6. CO-LOCATION OF CITY, COUNTY AND COMMUNITY USES AND EQUIPMENT ON THE TOWER.

- a. While the primary use of the tower is for JeffCom emergency communications equipment, the parties' agree that the tower will also accommodate a number of known and potential City, County, and community uses and equipment. At the time this Agreement is entered into, the parties have made a preliminary review for the following uses and equipment that would be located on the tower:
- City broadband equipment
 - City Public Works Department antenna
 - Nonprofit community radio station
- b. JeffCom's engineering and construction of the tower will pre-plan for the location of the equipment of these users.

- All such equipment shall be allowed to locate on the tower.
- Such use shall be in a manner and subject to such lease terms as JeffCom determines to be appropriate, including, that any such use or equipment will not interfere with JeffCom's use or equipment;
- The location of equipment on the tower by the City and nonprofit community radio station users shall be at no rent or other cost to the entity which owns the equipment, except as noted in this paragraph. Rent, if any, for County and other community users shall be determined by the JeffCom Administrative Board on a case by case basis, based on the benefit to the public and JeffCom users. However, for any user, all costs for the installation and maintenance of the equipment on the tower will be borne by the entity which owns the equipment. Any user shall pay a fair share of all utilities (unless the user's utility is separately metered to the user).
- Any use or lease agreement will provide that the use or lease is subject to JeffCom's right to re-locate the use off the tower (in order, for instance, for JeffCom to lease space to other commercial entities), so long as JeffCom pays all costs of such relocation and the relocation is to a facility that provides substantially equivalent function and operation as the user's functions and operations on the JeffCom tower.

7. CO-LOCATION OF COMMERCIAL EQUIPMENT ON THE TOWER.

- a. In addition to uses identified above, the parties desire to obtain rents or other monetary consideration by a lease of ground and tower space to at least one commercial entity. Currently, the parties are discussing with Verizon Wireless for the possible location of its equipment on the tower and ground on terms to be negotiated. Assuming terms can be negotiated with Verizon Wireless, the tower and premises would accommodate Verizon Wireless's equipment. If a lease with Verizon Wireless cannot be negotiated within 12 months of the date of this Agreement, the space that would have been leased to Verizon Wireless shall be kept available for lease to one or more other commercial entity(-ies). This does not prevent JeffCom from using such space for itself or allowing others to use such space on an interim basis so long as the space can be made available for use by a commercial entity who may want to locate on the tower in the future.
- b. JeffCom's engineering and construction of the tower will reasonably pre-plan for the location of the equipment of Verizon Wireless's equipment.
- c. Any lease with Verizon Wireless or other commercial entity for tower and ground space is subject to the joint written approval of the City and JeffCom. Lease terms shall include:
 - Any such use or equipment will not interfere with JeffCom's use or equipment, or the use or equipment of the users identified in paragraph 4.
 - Any ground space would be located within the leased premises (Exhibit B). If ground space is needed outside the leased premises, such space would be available on such terms as the entity and City agree on, with rents or other consideration belonging to the City.

- d. The City and JeffCom agree that the rents or other monetary consideration from the highest revenue commercial lease of tower and ground space will be allocated to “full capital costs” as follows:

“Full capital costs” represents an amount, preliminarily estimated at \$1,240,000, for JeffCom’s tower construction, including, engineering, site development and permitting, and any required mitigations, and other items shown on Exhibit E, which amount is equal to the amount of additional bonds required to complete the JeffCom radio improvements project that exceed the original \$2,516,000 bond funds (with allowance for additional engineering, microwave and simulcast radio that are adjusted to achieve that total because those costs are not directly accounted for the City Reservoir Site; they apply to the total project) plus an allowance for the costs for an upgrade of JeffCom’s Computer Aided Dispatch (CAD) system.

- 1) So long as any balance remains on the amount of “full capital costs:”

- First, all rents or other monetary consideration from the highest revenue commercial lease are allocated to the “full capital costs”.
- All rents or other monetary consideration from the next highest revenue, and subsequent, commercial lease(s) are allocated as follows: 50% to JeffCom to be allocated to the “full capital costs” and 50% to the City.
- If the highest revenue sub-lessee terminates its lease, revenue from the second highest revenue-paying sub-lessee moves to the highest revenue position and would all go to pay for JeffCom’s “full capital costs” with any revenue from subsequent sub-lessee(s) being split between JeffCom (and allocated to “full capital costs”) and the City.

- 2) After the full capital costs are recovered, all rents or other monetary consideration are to be divided equally between City and JeffCom.

- e. JeffCom shall keep records of rent payments from any and all commercial subleases at the City Reservoir site.

8. CO-LOCATION OF OTHER GOVERNMENTAL, COMMERCIAL OR NON-PROFIT EQUIPMENT ON THE TOWER.

To the extent that such use does not interfere with the uses identified above, JeffCom may allow other governmental, commercial or non-profit entities to lease space on the tower and/or ground, subject to the following:

- All leases shall be based on fair market rent (and not be for in-kind services unless both the City and JeffCom agree).
- All income shall be allocated in the same manner as provided in paragraph 7.
- Any such use or equipment will not interfere with JeffCom’s use or equipment, or the use or equipment of the users identified in paragraph 4.

- Any ground space would be located within in the leased premises (Exhibit B). If ground space is needed outside the leased premises, such space would be available on such terms as the entity and City agree on, with rents or other consideration belonging to the City.

9. FIRST RIGHT TO NEGOTIATE A PURCHASE

- a. In the event that JeffCom determines during the term of this Agreement, including any of its extensions, that the tower should be and becomes available for sale, in whole or in part, the City shall have First Right to Negotiate a Purchase, as follows:
- b. JeffCom shall give City written notice of its intent to sell, the purchase price, and any required terms of sale. City shall then have sixty (60) days during which to negotiate in good faith with JeffCom according to the required terms and asking purchase price.
- c. If a negotiated agreement is not reached by the end of the 60-day option period, JeffCom may then offer the tower to any other buyer, provided JeffCom must first offer the tower to the City on the same terms as offered by any other buyer, and the City shall have sixty (60) days during which to purchase the tower on those terms. If the City does not, then the sale to the other buyer may proceed. If the sale to the buyer does not occur, then the City's rights apply to any subsequent offer.
- d. Any sale is subject to the rights and obligations of this Agreement.

10. GENERAL CONDITIONS.

A. Utilities. JeffCom shall pay all utilities in connection with its use of the tower and related equipment, Provided, other users shall pay their proportional share of utilities associated with their use of the tower or ground and any specific sub-metered or utility metered usage.

B. Assignment or Transfer. JeffCom shall not assign or transfer this agreement or any interest in the Agreement, without the City's prior written consent, which the City will not unreasonably withhold. This section only means that the right to maintain a tower at the site is the right of JeffCom and JeffCom cannot give that right to anyone else without the written consent of the City. This section does not prohibit the JeffCom, in its own discretion, and not with any requirement for City approval, from selling the tower, however, the right of sale is subject to a First Right To Negotiate A Purchase as set forth in this Agreement.

C. Dispute Resolution. Any controversy or claim arising out of or related to this Agreement or the breach or alleged breach thereof shall first be brought to a three-person panel consisting of the JeffCom Director, the City Manager and a third person the first two persons listed here agree upon. If that three-person panel cannot resolve the issue, then the issue will be submitted for decision according to the procedures of the American Arbitration Association. Each party shall bear its own costs, expenses and legal fees during any dispute resolution process. Jurisdiction for any arbitration action shall be Jefferson County. Jurisdiction for any legal action, complaint or other form of judicial relief shall be in the Superior Court for Jefferson County, WA.

D. Other laws. The parties shall comply with all federal, state and local laws and ordinances related to use of the said premises, including but not limited to, laws against discrimination, and laws relating to prevailing wages and public bidding.

E. Accidents, Liability, Insurance, Release. JeffCom shall hold the City harmless from, any claim, action and/or judgment, including reasonable attorney fees and court costs, for any injury to any persons or for damage to any property arising out of JeffCom's use of the premises. JeffCom shall maintain its own insurance on the tower and equipment for any loss or damage, and waives and releases all claims against the City, and its employees, and against, with respect to any damage or loss to JeffCom's property for which JeffCom has agreed to provide property insurance as set forth above, from any cause, including negligence, but not including intentional acts by City.

It is further specifically and expressly understood that the indemnification provided herein constitutes JeffCom's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

F. Notices. All notices hereunder may be personally served, delivered or mailed. If mailed, they shall be sent by certified or registered mail to the addresses:

CITY:

City Manager
City Hall
250 Madison Street, #201
Port Townsend, WA 98368

JeffCom:

JeffCom Director
81 Elkins Road
Port Hadlock, WA 98339

And copy to the County at:

County Administrator
Jefferson County Courthouse
PO Box 1220
1820 Jefferson St.
Port Townsend, WA 98368

or to such other respective addresses as either party or the County Administrator hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing. Notices may also be sent electronically with paper copies to follow via the United States Postal Service.

G. Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remainder of the Agreement will not be affected, and in lieu of each such provision that is found to be illegal, invalid, or unenforceable, provision will be added as a part of this Agreement that is as similar to the illegal, invalid, or unenforceable provision as may be legal, valid, or enforceable.

H. Advice Of Counsel; Construction. The parties warrant and represent to each other that they have had representation by legal counsel and/or have had the opportunity to be represented by legal counsel during all stages in the negotiation of this Agreement. The parties further agree that they have participated in the negotiating and drafting of this Agreement and stipulate that this Agreement shall not be construed more favorably with respect to either party.

I. Recording. On execution of this Agreement by all parties, JeffCom shall record this Agreement with the Jefferson County Auditor.

J. Administrator. The City's representative for purposes of administering this Agreement is the City Manager.

JeffCom's representative for purposes of administering this Agreement is the JeffCom Director.

The County's point of contact for this Agreement is the County Administrator at the address listed above in Section 10.F.

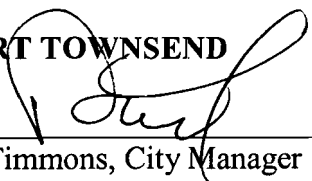
K. Rights of Other Parties. It is understood and agreed that this Agreement is solely for the benefit of the City, the County and JeffCom and conveys no right to any other party, person or entity.

L. Binder. This Agreement shall be binding upon the parties hereto, their successors and assigns.

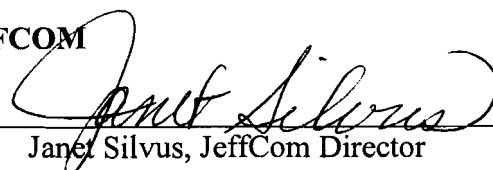
M. Entire Agreement; Revocation of Prior Agreements; Amendments. This Agreement contains the entire agreement of the parties hereto with respect to the subject matter of this Agreement and use of the premises, and any other agreement, statement, promise, representation or understanding by any party hereto, or any of their respective agents, representatives, employees or principals which is not contained in this Agreement, is hereby mutually rescinded and revoked and shall not be binding or valid.

Any amendments or additions or modifications to this Agreement shall be in writing executed by the parties hereto. Neither party shall be bound by any verbal or implied agreements.

CITY OF PORT TOWNSEND

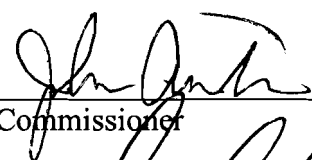
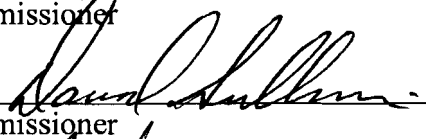

By: 
David Timmons, City Manager
City Hall
250 Madison Street, #201
Port Townsend, WA 98368

JEFFCOM

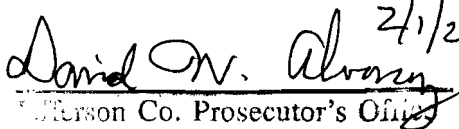
By: 
Janet Silvus, JeffCom Director
81 Elkins Road
Port Hadlock, WA 98339

JEFFERSON COUNTY approves and consents to the terms of this Agreement and indicates its approval and consent by the signatures of its County Commissioners.

JEFFERSON COUNTY

By: 
Commissioner
By: 
Commissioner
By: 
Commissioner

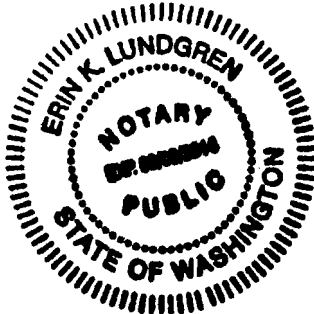
Approved as to form only:

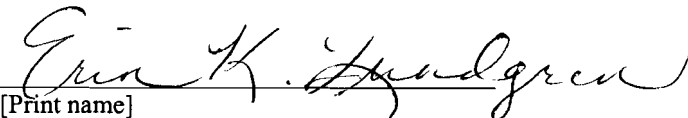
 2/1/2011
Jefferson Co. Prosecutor's Office

STATE OF WASHINGTON)
)ss.
COUNTY OF JEFFERSON)

On this 31st day of January, 2011, before me the undersigned, a Notary Public duly commissioned and sworn, personally appeared **David Timmons**, known to be the City Manager of the CITY OF PORT TOWNSEND, the municipality that executed the foregoing **Agreement**, and acknowledged the said instrument to be the free and voluntary act of said municipality, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument on behalf of the municipality.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



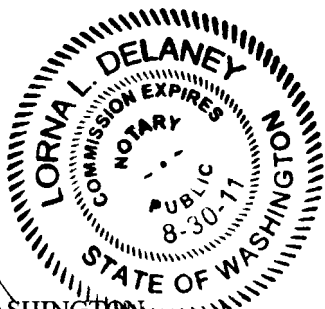

[Print name]
NOTARY PUBLIC in and for the State of Washington,
residing at Port Townsend, WA My appointment expires: 09/08/14

Agreement City - County/JeffCom for Reservoir Tower

STATE OF WASHINGTON)
)ss.
COUNTY OF JEFFERSON)

On this 3rd day of February 2011, before me the undersigned, a Notary Public duly commissioned and sworn, personally appeared **Janet Silvus**, known to be the JeffCom Director, that she executed the foregoing **Agreement**, and acknowledged the said instrument to be the free and voluntary act of said entity, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument on behalf of the entity.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

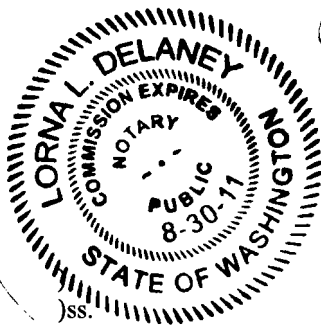


Lorna L. Delaney
[Print name] LORNA L. DELANEY
NOTARY PUBLIC in and for the State of Washington,
residing at PORT TOWNSEND My appointment expires: 8/30/11

STATE OF WASHINGTON)
)ss.
COUNTY OF JEFFERSON)

On this 7th day of February 2011, before me the undersigned, a Notary Public duly commissioned and sworn, personally appeared **John Austin**, known to be one of the Jefferson County Commissioners, that he executed the foregoing **Agreement**, and acknowledged the said instrument to be the free and voluntary act of said entity, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument on behalf of the entity.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



Lorna L. Delaney
[Print name] LORNA L. DELANEY
NOTARY PUBLIC in and for the State of Washington,
residing at PORT TOWNSEND My appointment expires: 8/30/11

STATE OF WASHINGTON)
)ss.
COUNTY OF JEFFERSON)

On this 7th day of February 2011, before me the undersigned, a Notary Public duly commissioned and sworn, personally appeared **Phil Johnson**, known to be one of the Jefferson County Commissioners, that he executed the foregoing **Agreement**, and acknowledged the said instrument to be the free and voluntary act of said entity, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument on behalf of the entity.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

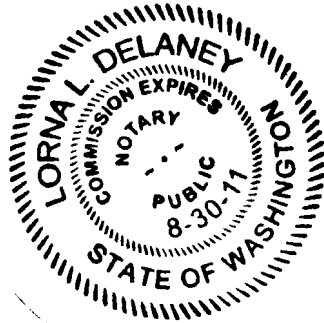
Lorna L. Delaney
[Print name] LORNA L. DELANEY
NOTARY PUBLIC in and for the State of Washington,
residing at PORT TOWNSEND My appointment expires: 8/30/11

Agreement City - County/JeffCom for Reservoir Tower

STATE OF WASHINGTON)
)ss.
COUNTY OF JEFFERSON)

On this 7th day of February, 2011, before me the undersigned, a Notary Public duly commissioned and sworn, personally appeared **David Sullivan**, known to be one of the Jefferson County Commissioners, that he executed the foregoing **Agreement**, and acknowledged the said instrument to be the free and voluntary act of said entity, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument on behalf of the entity.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



Lorna L. Delaney
[Print name] LORNA L. DELANEY
NOTARY PUBLIC in and for the State of Washington,
residing at Port Townsend My appointment expires 8/30/11

David W. Alvarez 2/1/2011
Approved as to form only
Chief Civil DPA David Alvarez

EXHIBIT A – LEGAL DESCRIPTION

THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 9, TOWNSHIP 30 NORTH, RANGE 1 WEST, W.M.

TOGETHER WITH ACCESS AND UTILITY EASEMENTS FROM AND ACROSS ADJACENT CITY-OWNED PROPERTY SHOWN AS ASSESSOR'S PARCEL NUMBERS 001091001 AND 001044016, ALL AS SHOWN ON EXHIBIT B.

City reserves the right to relocate at its cost the access and utility easements across its property so long as substantially equivalent access and utility easements are available to serve the leased premises.

EXHIBIT B - LEASED PREMISES

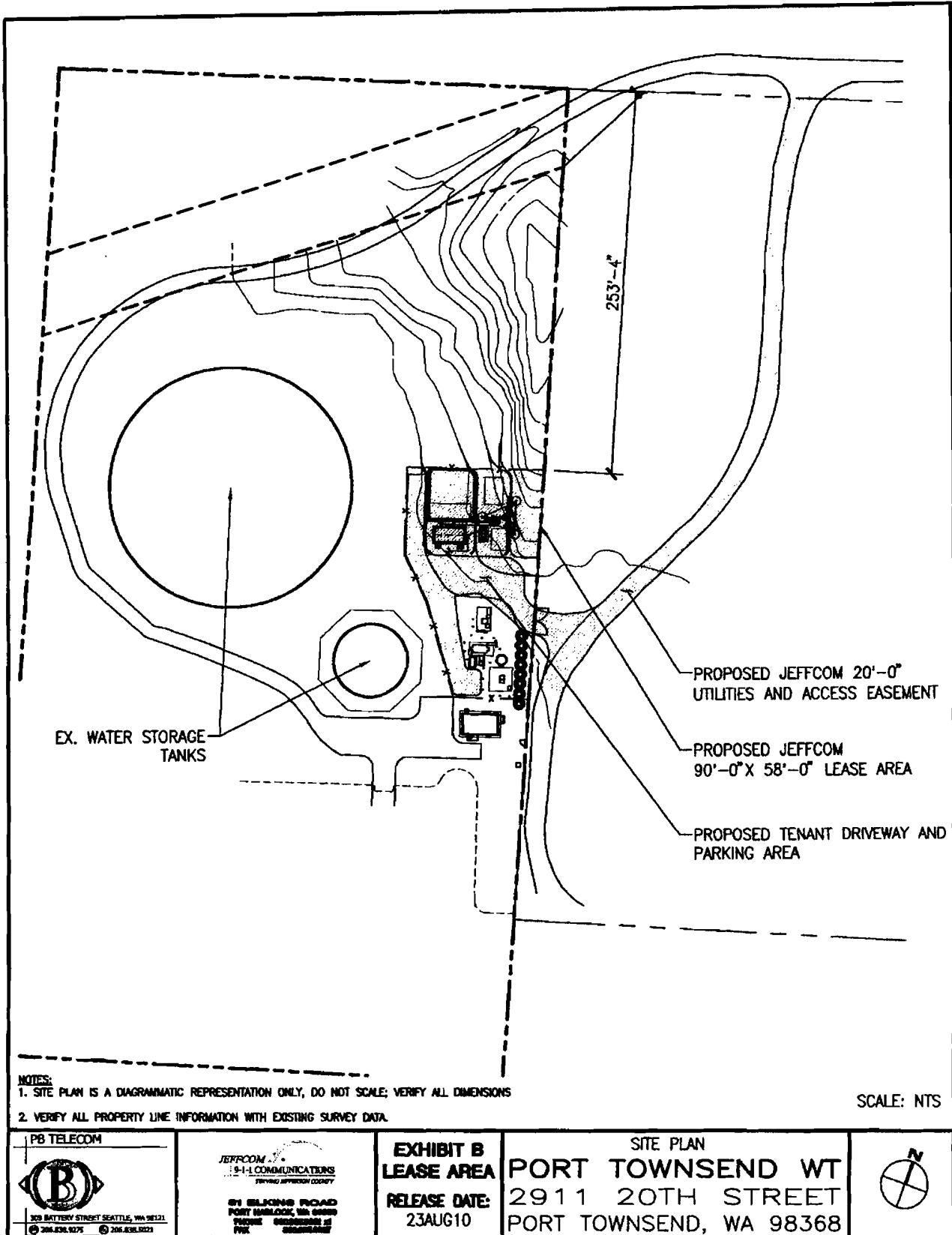


EXHIBIT C – PROPOSED TOWER

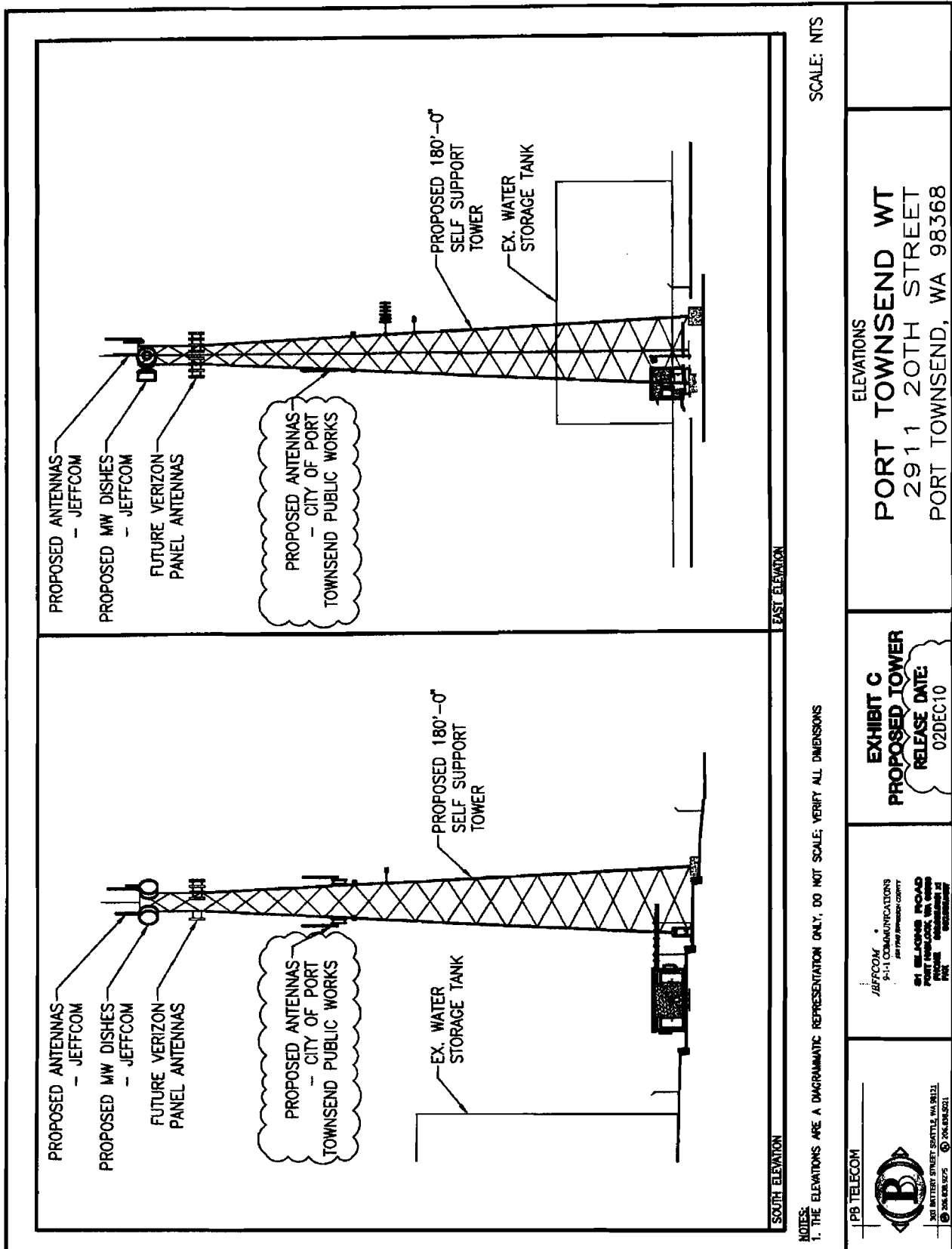
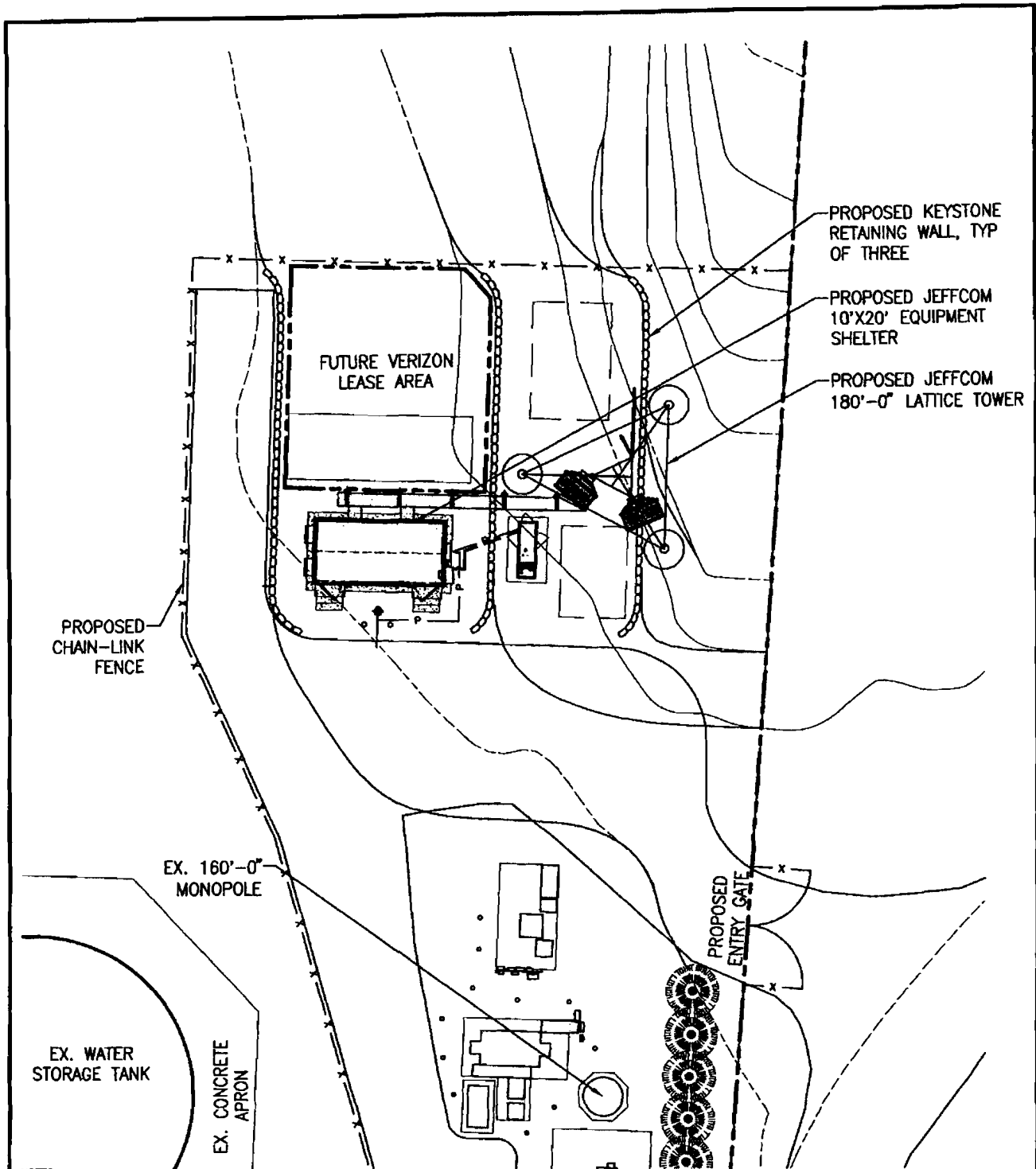


EXHIBIT D – PROPOSED IMPROVEMENTS



- NOTES:**
 1. SITE PLAN IS A DIAGRAMMATIC REPRESENTATION ONLY, DO NOT SCALE; VERIFY ALL DIMENSIONS
 2. VERIFY ALL PROPERTY LINE INFORMATION WITH EXISTING SURVEY DATA.

SCALE: NTS



<p>PB TELECOM</p>  <p>300 BATTERY STREET SEATTLE, WA 98121 206.468.5275 206.468.5021</p>	<p>JEFFCOM 9-1-1 COMMUNICATIONS 101 WEST JEFFERSON COUNTY</p> <p>811 BELLEVUE ROAD PORT TOWNSEND, WA 98368 PHONE 206.398.1111 FAX 206.398.1111</p>	<p>EXHIBIT D PROPOSED FACILITY RELEASE DATE: 23AUG10</p>	<p>SITE PLAN PORT TOWNSEND WT 2911 20TH STREET PORT TOWNSEND, WA 98368</p>	
--	---	---	--	---

EXHIBIT E – FULL CAPITAL COSTS

City Reservoir Site Cost Estimate, November 2010

General site construction	\$468,825
Tower purchase and shipping	\$77,440
Equipment shelter purchase and shipping	\$51,550
Emergency generator purchase and shipping	\$24,435
Allowance for additional engineering and permitting	\$40,000
Allowance for microwave and simulcast radio and other costs	<u>\$177,750</u>
TOTAL ESTIMATED COST	\$840,000
 Allowance for Computer Aided Dispatch (CAD) System Upgrade	 \$400,000
 TOTAL 'FULL CAPITAL COSTS' FOR THIS AGREEMENT	 \$1,240,000

NOTES:

1. The TOTAL ESTIMATED COST is equal to the amount of additional bonds required to complete the JeffCom radio improvements project that exceed the original \$2,516,000 bond funds. Allowance for additional engineering, microwave and simulcast radio are adjusted to achieve that total because those costs are not directly accounted for the City Reservoir Site (they apply to the total project).
2. After completion of the JeffCom radio system improvements project and the CAD System Upgrade, the above figures shall be adjusted to the actual costs of the additional bonds issued for the radio improvements project and the CAD System Upgrade. This Exhibit E shall then be amended by written agreement of the Parties.