



King County
Metropolitan King County Council
Budget and Fiscal Management Committee

STAFF REPORT

Agenda Item No: 5 **Name:** Erik Sund
Proposed Ordinance No.: 2013-0302 **Date:** July 16, 2013

SUBJECT:

Proposed Ordinance 2013-0302 would authorize an agreement to sell to Soos Creek Water and Sewer District a portion of the Calhoun Gravel Pit that is surplus to the needs of the Roads Services Division.

SUMMARY:

The property to be sold under the agreement that would be approved by this legislation is a 0.97-acre portion of the 23.02-acre Calhoun Gravel Pit site, located northeast of the intersection of SE 272nd Street and 156th Place SE in the City of Covington and County Council District nine. The Soos Creek Water and Sewer District (District) has negotiated the purchase of the land with the intent of constructing a sewer lift station there. The parcel has been declared surplus to the needs of the county per the provisions of the King County Code. This legislation authorizes the sale of that surplus property.

BACKGROUND:

The parcel containing the land to be sold under this ordinance is the site of the defunct Calhoun Gravel Pit, originally purchased by the Road Services Service (Roads) in the 1930s for the purposes of gravel mining and storage of road maintenance supplies. Gravel mining operations were stopped in the 1970s and Roads no longer requires use of the site. The parcel covers 23.02 acres and is mostly wooded and unimproved.

The county was approached last year by the District, which asked to purchase a 0.97-acre section located in the southwest corner of the parcel, for use in the construction as a sewer lift station. Since Roads no longer has a need for the property, the Facilities Management Division (FMD) sent a surplus notice to other county agencies for both the larger parcel and the 0.97-acre section addressed in this ordinance. The Parks and Recreation Division expressed an interest in acquiring the larger part of the parcel for use as a park, but has not yet identified funds for such a purchase. No county agencies expressed interest in the smaller parcel and FMD determined that is not suitable for use for affordable housing. The

The 0.97-acre section of the gravel pit parcel was appraised at \$60,000 in July of 2012. A subsequent update of the appraisal confirmed the \$60,000 value. Because of the District's interest in acquiring the property, FMD has not marketed for sale.

Under the proposed purchase and sale agreement, the District will pay the county the appraised value of \$60,000 for the 0.97 acres in question. If the agreement is approved, the District will seek approval from the City of Covington to divide the smaller section from the rest of the current parcel and to construct the planned sewer lift station. The District will be responsible for all costs associated with obtaining the necessary approvals from the city.

REASONABLENESS:

The Roads Services Division no longer has a need for the Calhoun Gravel Pit property and no other county agencies have expressed interest in acquiring the portion that would be sold under Proposed Ordinance 2013-0302. The District has offered to pay the full appraised value of the land and approval of the sale will allow it to proceed with the construction of the needed sewer lift station, improving sewer services for King County residents who live within the District. Adoption of this ordinance would therefore constitute a reasonable business decision.

Proposed Ordinance 2013-0302 is ready for action.

REQUIREMENT TO ADVERTISE:

Under state law (RCW 39.33.020) the transfer or sale of surplus property with an estimated value in excess of \$50,000 requires a public hearing that must be advertised at least 10 days but not more than 25 days in advance in a newspaper in circulation in the area in which the property is located. Therefore, it is advisable that full council action be delayed until August 19th in order to allow for proper notice to be given in a newspaper advertisement.

INVITED:

- Steve Salyer, Manager, Real Estate Services Division

ATTACHMENTS:

1. Proposed Ordinance 2012-0302
2. Fiscal note
3. Transmittal Letter dated June 18, 2013



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

July 15, 2013

Ordinance

Proposed No. 2013-0302.1

Sponsors Dunn, Hague, Lambert, von
Reichbauer, McDermott, Phillips and
Dembowski

1 AN ORDINANCE approving the sale of a surplus portion
2 of the Calhoun Gravel Pit to the Soos Creek water and
3 sewer district in district nine.

4 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

5 SECTION 1. Findings:

6 A. The King County road services division is the custodian of certain property
7 located at 27110 160th Avenue Southeast in the Covington area commonly known as the
8 Calhoun Gravel Pit.

9 B. The road services division has determined that the Calhoun Gravel Pit is
10 surplus to their needs and the needs of the public.

11 C. The King County executive has negotiated a purchase and sale agreement for
12 the sale of 42,184 square feet, which is 0.97 acres, of the Calhoun Gravel Pit to the Soos
13 Creek water and sewer district for \$60,000.

14 D. Pursuant to K.C.C. 4.56.070 the facilities management division circulated
15 surplus notices to King County agencies and none expressed interest in the sale parcel.
16 The facilities management division has also determined that the sale parcel is not suitable
17 for affordable housing purposes and declared it to be surplus.

18 E. The proposed sale is consistent with K.K.C 4.56.100 regarding sale of county
19 property. K.C.C 4.56.080 provides that King County council approval is required for the
20 sale of county-owned real property valued in excess of ten thousand dollars.

21 SECTION 2. The King County council, having determined that the proposed sale
22 is in the best interest of the public, hereby authorizes the executive to execute a purchase
23 and sale agreement in substantially similar form as provided in Attachment A to this
24 ordinance and to execute any other documents necessary to convey and deliver the
25 property to the buyer. All actions up to now taken by county officials, agent and
26 employees consistent with the terms and purposes of the purchase and sale agreement are
27 hereby ratified, confirmed and approved.

28 SECTION 3. If any provision of this ordinance is declared by any court of
29 competent jurisdiction to be contrary to law, then such provision is null and void and

30 shall be deemed separable from the remaining provisions of this ordinance and in no way
31 affect the validity of the other provisions of this ordinance or of the sale.
32

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Gossett, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, _____.

Dow Constantine, County Executive

Attachments: A. Calhoun Pit Roads Surplus Sale Real Estate Purchase and Sale Agreement

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ATTACHMENT A to ORDINANCE

CALHOUN PIT (.97 acres) ROADS SURPLUS SALE

REAL ESTATE PURCHASE AND SALE AGREEMENT

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is entered into by and between KING COUNTY, a home rule charter county and political subdivision of the State of Washington (the "Seller") and THE SOOS CREEK WATER & SEWER DISTRICT, a municipal corporation of the State of Washington (the "Buyer") (singularly, "Party" and collectively the "Parties").

RECITALS

A. Seller is the owner of that certain real property located in the City of Covington, King County, State of Washington, which consists of approximately 42,184 square feet of land located at the northeasterly corner of the present intersection of S.E. 272nd Street and 156th Place S.E., and commonly identified as the Calhoun Pit Lift Station Site, the legal description of which is attached hereto as EXHIBIT A (the "Property").

B. Seller desires to sell the Property and Buyer desires to purchase the Property.

C. The effective date of this Agreement is the date that it is executed by Buyer or Seller, whichever is later ("Effective Date").

AGREEMENT

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and other valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE 1.

PURCHASE AND TRANSFER OF ASSETS

1.1. **PROPERTY TO BE SOLD.** Subject to and upon the terms and conditions set forth in this Agreement, Seller shall sell and convey to Buyer on the Closing Date (as hereinafter defined) and Buyer shall buy and accept from Seller on the Closing Date the following assets and properties:

(a) all the Seller's right, title and interest in the Property, as described in EXHIBIT A;

(b) all of Seller's right, title and interest in improvements and structures located on the Property, if any;

(c) all of Seller's right, title and interest in and to tangible personal property, if

any, owned by the Seller and attached, appurtenant to or used in connection with the Property ("Personal Property"); and

(d) all of Seller's tenements, easements and rights appurtenant to the Property including but not limited to, all of the Seller's right, title, and interest in and to streets, alleys or other public ways adjacent to the Property, easements for public utilities, all sewers and service drainage easements, all rights of connection to the sewers, and all rights of ingress and egress, and all leases, licenses, government approvals and permits affecting the Property.

Hereinafter, the items listed in Section 1.1 are collectively referred to as the "Purchased Assets."

ARTICLE 2. PURCHASE PRICE

2.1. PURCHASE PRICE AND PAYMENT. In consideration of the conveyance of the Purchased Assets, Buyer shall, in full payment therefor, pay to Seller on the Closing Date a total purchase price of Sixty Thousand dollars (\$60,000.00) (the "Purchase Price").

2.2. ALLOCATION OF PURCHASE PRICE. Seller and Buyer agree that the entire Purchase Price is allocable to real property and that the value of the Personal Property, if any, is *de minimis*.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

3.1. WARRANTIES AND REPRESENTATIONS OF SELLER. As of the Closing Date, Seller represents and warrants as follows:

3.1.1. Organization. The Seller is a political subdivision of the State of Washington duly organized, validly existing and in good standing under the laws of the State of Washington.

3.1.2. Execution, Delivery and Performance of Agreement, Authority. The execution, delivery and performance of this Agreement by Seller (i) is within the powers of Seller as a political subdivision and home rule charter county of the State of Washington, (ii) has been or will be on or before the Closing Date, duly authorized by all necessary action of the Seller's legislative authority, and (iii) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which the Seller is a party or which is presently in effect and applicable to Seller. This agreement constitutes the legal, valid and binding obligation of Seller enforceable against Seller in accordance with the terms thereof.

3.1.3. Litigation. There is no pending, or to the best of Seller's knowledge, threatened lawsuit or material claim against or relating to Seller with respect to the Property, which shall impede or materially affect Seller's ability to perform the terms of this Agreement.

There is no pending or, to the best of Seller's knowledge, contemplated condemnation or similar proceeding with respect to the Property or any part thereof.

3.1.4. Assessments. There is no pending, or to the best of Seller's knowledge, contemplated local improvement district or other special assessment or charge with respect to the Property, except as may be disclosed in the Title Commitment described below.

3.1.5. Full Disclosure. To the extent of Seller's knowledge as defined herein, no representation or warranty by Seller in this Agreement or in any instrument, certificate or statement furnished to Buyer pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact or fails to state a material fact which is necessary to make the statements set forth therein not false or misleading. As used in this Agreement, the phrase "Seller's knowledge" or any derivation or variation thereof shall mean the actual knowledge of the following persons, based on their reasonable inquiry in the file locations where the relevant information would normally be filed:

(a) Steve Salyer, Manager, Real Estate Services Section, Facilities Management Division, King County Department of Executive Services;

(b) Kate Donley, Project Program Manager, Real Estate Services Section, Facilities Management Division, King County Department of Executive Services; and

(c) Jon Cassidy, Maintenance Engineering Manager, Road Services Division, King County Department of Transportation.

3.1.6. No Broker. No broker, finder, agent or similar intermediary has acted for or on behalf of Seller in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent or similar intermediary is entitled to any broker's, finder's or similar fee or commission in connection with this Agreement based on an agreement, arrangement or understanding with Buyer or any action taken by Buyer.

3.1.7. Contracts. There are no contracts or other obligations outstanding for the sale, exchange, transfer, lease, rental or use of the Property or any portion thereof.

3.1.8. Future Agreements. From and after the Effective Date hereof unless this Agreement is terminated in accordance with its terms, Seller shall not without the prior written consent of Buyer:

(i) enter into any agreement, contract, commitment, lease or other transaction that affects the Property in any way; or

(ii) sell, dispose of or encumber any portion of the Property;

3.1.9. Maintenance of the Property. Seller shall continue to maintain the Property in compliance with all applicable laws and pay all costs of the Property with respect to the period prior to Closing.

3.1.10. Condition of the Property.

(a) Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, contracts or guarantees of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning, or with respect to the value, nature, quality, or condition of the Property, including, without limitation:

- (i) The water, soil and geology;
- (ii) The income to be derived from the Property;
- (iii) The suitability of the Property for any and all activities and uses that Buyer or anyone else may conduct thereon;
- (iv) The compliance of or by the Property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body;
- (v) The habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property;
- (vi) The manner or quality of the construction or materials, if any, incorporated into the Property; or
- (vii) Any other matter with respect to the Property.

(b) Seller has not made, does not make, and specifically disclaims any representations regarding compliance with any environmental protection, pollution, zoning or land use laws, rules, regulations, orders, or requirements, including the existence in or on the Property of hazardous materials or substances.

(c) Without limitation, Seller does not make and specifically disclaims any warranties, express or implied, any warranties or representations with respect to the structural condition of the Purchased Assets, the area of land being purchased, the existence or non-existence of any Hazardous Substances or underground storage tanks, or the actual or threatened release, deposit, seepage, migration or escape of Hazardous Substances, from or into the Purchased Assets, and the compliance or noncompliance of the Purchased Assets with applicable federal, state, county and local laws and regulations, including, without limitation, environmental laws and regulations and seismic/building codes, laws and regulations. For purposes of this Agreement, the term "Hazardous Substances" shall mean: "hazardous substance" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"); "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 ("RCRA") as amended; hazardous wastes, hazardous materials, hazardous substances, toxic waste, toxic materials, or toxic substances as defined in state or federal statutes or regulations; asbestos-containing materials, polychlorinated biphenyls; radioactive materials, chemicals known to cause cancer or reproductive toxicity; petroleum products, distillates or

fractions; any substance the presence of which is prohibited by statute or regulation; and any substance for which any statute or regulation requires a permit or special handling in its use, collection, storage, treatment or disposal.

(d) All provisions of this Section 3.1.10 shall survive Closing and the expiration or earlier termination of this Agreement.

3.1.11. Risk of Loss. Until the Closing Date, the risk of loss relating to the Property shall rest with the Seller. Risk of Loss shall be deemed to include any property damage occurring as a result of an "Act of God," including, but not limited to, earthquakes, tremors, wind, rain or other natural occurrence.

3.1.12. Foreign Person. Seller is not a foreign person and is a "United States Person" as such term is defined in Section 7701 (a) (30) of the Internal Revenue Code of 1986, as amended and shall deliver to Purchaser prior to the Closing an affidavit, as set forth in **Exhibit D**, evidencing such fact, and such other documents as may be required under the Code.

3.2. REPRESENTATIONS AND WARRANTIES OF BUYER. Buyer represents and warrants as follows:

3.2.1. Organization. Buyer is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of Washington. Buyer has all requisite corporate power and authority to carry on its business as it is now being conducted in the place where such businesses are now conducted.

3.2.2. Execution, Delivery and Performance of Agreement, Authority. The execution, delivery and performance of this Agreement by Buyer (i) is within the powers of Buyer as a municipal corporation, (ii) has been or will be on or before the closing date, duly authorized by all necessary action of the Buyer's legislative authority, and (iii) does not and will not violate any provision of any law, rule, regulation, order, writ, judgment, decree or award to which the Buyer is a party or which is presently in effect and applicable to Buyer. This agreement constitutes the legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with the terms hereof.

3.2.3. Litigation. There is no pending or, to the best of Buyer's knowledge, threatened lawsuit or material claim against or relating to Buyer that shall impede or materially affect Buyer's ability to perform the terms of this Agreement.

3.2.4. Full Disclosure. No representation or warranty by Buyer in this Agreement or in any instrument, document, certificate or statement furnished to Seller pursuant hereto, or in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact.

3.2.5. Condition of Property.

(a) Buyer acknowledges and accepts Seller's disclaimer of the Property condition in Section 3.1.10 of this Agreement.

(b) Buyer further acknowledges and agrees that, having been given the opportunity to inspect the Property, Buyer is relying solely on its own investigation of the Property and not on any information provided or to be provided by Seller. Buyer further acknowledges and agrees that any information provided or to be provided with respect to the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information and no employee or agent of Seller is authorized otherwise. Buyer further acknowledges and agrees that Seller is not liable or bound in any manner by any verbal or written statements, representations, or information pertaining to the Property, or the operation thereof, furnished by any real estate broker, agent, employee, servant or other person, and, to the maximum extent permitted by law, the sale of the Property as provided for herein is made on an "AS-IS" condition and basis with all faults. It is understood and agreed that the sale price reflects that the Property is sold by Seller to Buyer subject to the foregoing.

(c) Buyer acknowledges that, within the Due Diligence Period as defined in Section 4.1.2 of this Agreement, Buyer will have conducted a physical inspection and made all investigations that Buyer deems necessary in connection with its purchase of the Purchased Assets, and that, as of the Effective Date hereof, Seller has provided Buyer with copies of all reports in Seller's possession that have been requested by Buyer. Upon waiver or satisfaction by Buyer of its contingencies pursuant to Article 5, Buyer will be deemed to have approved the physical condition of the Property and agrees to accept and purchase the same "AS IS, WHERE IS", including, without limitation, the existence or non-existence of any pollutants, contaminants, hazardous waste, dangerous waste, toxic waste, underground storage tanks or contaminated soil, or the actual or threatened release, deposit seepage, migration or escape of such substances at, from or into the Property and the compliance or noncompliance of the Property with applicable federal, state, county and local laws and regulations including, without limitation, environmental laws and regulations. Buyer acknowledges and agrees that, except to the extent of Seller's representations and warranties in Section 3.1 of this Agreement, and to the extent of any fraud or deliberate misrepresentation by Seller, Seller shall have no liability for, and that Buyer shall have no recourse against the Seller for, any defect or deficiency of any kind whatsoever in the Purchased Assets including without limitation those relating to Hazardous Substances, without regard to whether such defect or deficiency was discovered or discoverable by the Buyer or Seller.

3.2.6. No Broker. No broker, finder, agent or similar intermediary has acted for or on behalf of Buyer in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent, or similar intermediary is entitled to any broker's, finder's or similar fee or commission in connection with this Agreement based on an agreement, arrangement, or understanding with the Buyer or any action taken by the Buyer.

3.2.7. Indemnification. From and after the Closing Date, Buyer shall indemnify, defend and hold Seller, its officers, agents and employees harmless from and against any and all claims and agency orders or requirements relating to or arising out of, directly or indirectly, the Purchased Assets.

ARTICLE 4. TITLE MATTERS

4.1. TITLE. Seller's title, right of possession and interest in the Purchased Assets shall pass to Buyer upon the Closing Date and thereafter the risk of loss thereof shall be the responsibility of Buyer.

4.1.1. Title Commitment. Buyer shall obtain a current ALTA form of commitment for an owner's extended policy of title insurance (the "Title Commitment") issued by First American Title Insurance Company, Inc. (the "Title Company"), describing the Property, listing Buyer as the prospective named insured and showing as the policy amount the total Purchase Price for the Property. At such time as the Title Company causes the Title Commitment to be furnished to Buyer, the Title Company shall further cause to be furnished to Buyer legible copies of all instruments referred to in the Title Commitment as restrictions or exceptions to title to the Property.

4.1.2. Survey. Prior to the expiration of the Due Diligence Period (as defined in Section 5.2), Buyer shall have the option, at its expense, to have prepared and furnished to the Title Company and Buyer a survey (the "Survey") of the Property prepared by a licensed public surveyor. The Survey shall be certified to Buyer, Seller, and the Title Company, shall be satisfactory to the Title Company so as to permit it to issue an owner's extended coverage title policy, shall identify the Property by legal description and shall set forth the number of square feet contained within the Property, shall show all natural monuments, existing fences, drainage ditches and/or courses, flood plain limits, any building or other site improvements and/or objects, any rights-of-way for streets, existing driveways, alleys or highways, easements and other restriction lines existing and/or proposed which shall affect any portion of the Property, and such other items as required by Buyer.

4.1.3. Review of Title Commitment and Survey. Buyer shall have until the expiration of the due diligence period in which to notify Seller of any objections Buyer has to any matters shown or referred to in the Title Commitment or Survey and of any title insurance endorsements required by Buyer. Any exceptions or other items that are set forth in the Title Commitment or the Survey and to which Buyer does not object within the Review Period shall be deemed to be permitted exceptions ("Permitted Exceptions"). Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall also be deemed Permitted Exceptions. With regard to items to which Buyer does object within the Review Period, Seller shall notify Buyer within ten (10) days after Seller receives Buyer's notice of objections of any exceptions to title or items on the survey which Seller is not able to remove or otherwise resolve and any endorsements that Seller is not able to provide following Buyer's request within the Review Period, and Buyer may, at Buyer's

option, either waive the objections not cured or Buyer may terminate this Agreement by notice to Seller. Notwithstanding the foregoing, all monetary liens or encumbrances shall be paid by Seller at Closing.

4.2. OWNER'S TITLE INSURANCE POLICY. At Closing, Buyer shall cause an owner's policy of title insurance to be issued by the Title Company in the full amount of the Purchase Price, effective as of the Closing Date, insuring Buyer that the fee simple title to the Property is vested in Buyer, subject only to the Permitted Exceptions, to the usual printed exceptions contained in such title insurance policy, and to any other matters approved in writing by Buyer. The obligation of Buyer to provide the title policy called for herein shall be satisfied if, at the Closing, the Title Company has given a binding commitment, in a form reasonably satisfactory to Buyer, to issue the policies in the form required by this Section 4.2. Buyer shall pay any sum owing to the Title Company for the preparation of the preliminary and binding commitments generated by the Title Company.

4.3. CONVEYANCE. At Closing, Seller shall convey to Buyer the title to the Property by bargain and sale deed in the form attached hereto as **Exhibit B**, subject only to the Permitted Exceptions and such other encumbrances as may be created by Buyer or caused to be created by Buyer from and after the Effective Date. Rights reserved in federal patents or state deeds, building or use restrictions general to the district, and building or zoning regulations or provisions shall be deemed Permitted Exceptions.

ARTICLE 5. CONTINGENCIES

5.1. DUE DILIGENCE INSPECTION AND FEASIBILITY. Buyer shall satisfy itself by investigation and inspection, at its cost and expense in its sole and absolute discretion that the condition of the Property for Buyer's contemplated use meets with its approval. If Buyer approves of the condition of the Property, Buyer agrees to notify Seller, in writing, thereby removing the contingency. Buyer shall make such determination within ninety (90) days following the Effective Date ("Due Diligence Period"). In the event this contingency is not satisfied or waived within the Due Diligence Period, Buyer may terminate this Agreement upon written notice to Seller on or before the expiration of the Due Diligence Period, and neither party shall have any further rights or obligations to the other hereunder.

5.1.1. Inspections. During the Due Diligence Period, Buyer, its designated representatives or agents shall have the right at Buyer's expense to (i) perform any and all tests, inspections, studies, surveys or appraisals of the Property deemed necessary, on any subject, by Buyer (subject to the limitations set forth below and Paragraph 5.1.2 Right of Entry); (ii) obtain a Phase I or Phase II Environmental Assessment on the Property and perform any and all tests, inspections and studies deemed necessary therewith; (iii) examine all Due Diligence materials that Buyer may reasonably request from Seller that are not subject to attorney-client privilege or that Seller is not otherwise prohibited from disclosing by law; (iv) determine to its satisfaction whether approvals, permits and variances can be obtained under applicable land use and zoning

codes for Buyers proposed development of the Property, and (v) determine whether Buyer's proposed development of the Property is economically feasible.

5.1.2. Right of Entry. Buyer and Buyer's designated representatives or agents shall have the right and Seller hereby grants to Buyer and Buyer's designated representatives the right to enter the Property and conduct the tests, investigations and studies set forth in this Article 5 upon three (3) days advance written notice; provided that such right of entry will be limited to those times and dates that will not disrupt Seller's use of, or Seller's operations and activities on the Property. Invasive tests of the Property, such as drilling or excavation shall be subject to Seller's prior written approval. The Buyer may not undertake activities that damage the Property. In connection with such inspections, Buyer agrees to hold harmless, indemnify and defend Seller, its officers, agents and employees, from and against all claims, losses, or liability, for injuries, sickness or death of persons, including employees of Buyer caused by or arising out of any act, error or omission of Buyer, its officers, agents, contractors, subcontractors or employees in entering the Property for the above purposes, to the extent not caused by or arising out of any act, error or omission of Seller, its officers, agents and employees.

5.2. SUBDIVISION CONTINGENCY.

5.2.1. Need for Division of Property. Buyer has represented to Seller that prior to Closing, and at Buyer's sole cost and expense, Buyer shall have received short subdivision approval to divide the Property into two separate legal parcels and shall have obtained all necessary signatures on the mylar that will be recorded. Buyer has represented to Seller that the creation of two separate legal parcels is necessary to support Buyer's intended use of the Property. Therefore, Seller's and Buyer's respective duty to Close is contingent on Buyer receiving lawful approval of the short subdivision application to divide the Property into two separate legal parcels as illustrated in Exhibit E attached hereto.

5.2.2. No Duty to Close if Property Not Divided. Buyer shall complete the process to lawfully divide the Property into two separate parcels, receive administrative approval of the division, and perform all other tasks necessary for the division to be recorded with the King County Recorder's Office on the Closing Date, including all possible appeals or challenges to the proposed division of the Property. If Buyer is unable to complete the process to lawfully divide the Property by recording all necessary documents with the King County Recorder's Office on the Closing Date, then Seller and Buyer shall have no duty to proceed with Closing, and this Agreement shall automatically terminate as of the Closing Date, each Party shall bear its own costs and expenses up to and including the Closing Date, and neither Party shall have any further right, duty, or obligation to the other under this Agreement.

ARTICLE 6. COVENANTS OF SELLER PENDING CLOSING

6.1. CONDUCT, NOTICE OF CHANGE. Seller covenants that between the Effective Date and the Closing, Seller shall take all such actions as may be necessary to assure that the

representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and all covenants of Seller set forth in this Agreement which are required to be performed by it at or prior to the Closing shall have been performed at or prior to the Closing as provided for in this Agreement. Seller shall give Buyer prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 7. COVENANTS OF BUYER PENDING CLOSING

7.1. CONDUCT, NOTICE OF CHANGE. Buyer covenants that between the Effective Date and the Closing, Buyer shall take all such actions as may be necessary to assure that the representations and warranties set forth in Article 3 hereof will be true and complete as of the Closing Date (except such representations, warranties and matters which relate solely to an earlier date), and that all covenants of Buyer set forth in this Agreement which are required to be performed by it at or prior to the Closing shall have been performed at or prior to the Closing as provided in this Agreement. Buyer shall give Seller prompt written notice of any material change in any of the information contained in the representations and warranties made in Article 3 or elsewhere in this Agreement which occurs prior to the Closing Date.

ARTICLE 8. CONDITIONS PRECEDENT TO BUYER'S OBLIGATIONS

All obligations of Buyer hereunder are subject to the fulfillment of each of the following conditions at or prior to the Closing, and Seller shall exert its best efforts to cause each such condition to be fulfilled:

8.1. DELIVERY OF DOCUMENTS. Seller shall have delivered to Buyer at or prior to the Closing all documents required by the terms of this Agreement to be delivered to Buyer.

8.2. REPRESENTATIONS, WARRANTIES AND COVENANTS. All representations, warranties and covenants of Seller contained herein or in any document delivered pursuant hereto shall be true and correct in all material respects when made and as of the Closing Date.

8.3. OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by Seller at or before the Closing shall have been properly performed in all material respects. The requirements of Section 8.3 specifically include, without limitation, Seller's removal of all its equipment, furniture, furnishings, and other tangible and portable personal property located on the Property.

8.4. TITLE. Any and all matters shown or referred to in the Title Commitment to which Buyer has objected within the time specified in Section 4.1, shall have been cured by Seller, unless such objections have been waived by Buyer.

8.5 APPROVAL OF COUNSEL. Seller's counsel shall have approved this document as to form as evidenced by such counsel's signature on this Agreement.

8.6 CONDEMNATION. No portion of the Purchased Assets shall have been taken or damaged by any public or quasi-public body, and Seller shall not have transferred any portion of the Purchased Assets to any such body in lieu of condemnation.

8.7 APPROVAL BY SOOS CREEK WATER AND SEWER DISTRICT. This Agreement shall be subject to approval by the Soos Creek Water and Sewer District's Board of Commissions, which must take place prior to Closing.

ARTICLE 9. CONDITIONS PRECEDENT TO SELLER'S OBLIGATIONS

All obligations of Seller to close on the Closing Date are subject to the fulfillment of each of the following conditions at or prior to the Closing and Buyer shall exert its best efforts to cause each such condition to be so fulfilled:

9.1 REPRESENTATIONS, WARRANTIES AND COVENANTS. All representations, warranties and covenants of Buyer contained herein or in any document delivered pursuant hereto shall be true and correct in all material respects when made and as of the Closing Date.

9.2 OBLIGATIONS. All obligations required by the terms of this Agreement to be performed by Buyer at or before the Closing shall have been properly performed in all material respects.

9.3 APPROVAL OF COUNSEL. Buyer's counsel shall have approved this document as to form as evidenced by such counsel's signature on this Agreement.

9.4 DELIVERY OF DOCUMENTS. Buyer shall have delivered to Seller at or prior to Closing all documents required by the terms of this Agreement to be delivered to Seller.

9.5 TITLE. Buyer shall have caused the Title Company to be irrevocably committed to issue an owner's policy of title insurance for the full amount of the Purchase Price effective as of the Closing Date, containing no exceptions other than the Permitted Exceptions.

9.6 APPROVAL BY THE KING COUNTY COUNCIL. This Agreement shall be subject to approval by ordinance of the King County Council, which must take place prior to Closing.

ARTICLE 10. CLOSING

10.1 CLOSING/CLOSING DATE. The Closing shall take place within thirty days (30) days following the latest approval of this Agreement by the King County Council and the Board of Commissioners of the Soos Creek Water and Sewer District, or such other date as may be

mutually agreed upon by the Parties, unless extended pursuant to a written agreement executed by Buyer and Seller. Upon execution of this Agreement, the Parties agree to set up an escrow account with First American Title Insurance Company (the "Escrow Agent"). The Escrow Agent shall serve as closing agent for the transaction contemplated herein and Closing shall occur in the offices of Escrow Agent in Seattle, Washington.

10.2. PRORATIONS. All prorations, unless otherwise specifically provided for herein, shall be made as of the Closing Date.

10.2.1. Closing Costs. Seller shall pay the cost of one-half (½) of the escrow fee charged by the Escrow Agent, any real estate excise or other transfer tax due, and its own attorneys' fees. Buyer shall pay one-half (½) of the escrow fee charged by the Escrow Agent, the cost of the preliminary and binding title commitments from the Title Company, the recording fees for the deed and its own attorneys' fees. Except as otherwise provided in this Section 10.2, and Section 9.4 above, all other expenses hereunder shall be paid by the Party incurring such expenses.

10.3. REIMBURSEMENT OF APPRAISAL COSTS. Buyer shall reimburse Seller at Closing for Seller's costs of appraisal for the Property.

10.4. SELLER'S DELIVERY OF DOCUMENTS AT CLOSING. At the Closing, Seller will deliver to Buyer the following properly executed documents:

- (a) A Bargain and Sale Deed conveying the Property in the form of **Exhibit B** attached hereto;
- (b) A Bill of Sale and Assignment duly executed by the Seller in the form of **EXHIBIT C**, attached hereto for the Personal Property, if any;
- (c) Seller's Certificate of Non-Foreign status substantially in the form of **EXHIBIT D**, attached hereto

10.5. BUYER'S DELIVERY OF DOCUMENTS AND PURCHASE PRICE AT CLOSING. At the Closing, Buyer will deliver to Seller the following:

- (a) Cash or immediately available funds in the amount of the Purchase Price; and
- (b) Documents demonstrating Short Subdivision approval for the Property.

ARTICLE 11. TERMINATION

11.1. TERMINATION BY EITHER PARTY. Either Party may terminate this Agreement if the contingency in Article 5 or condition to its obligation to consummate the transactions

contemplated by this Agreement as set forth in Articles 8 or 9 has not been satisfied by the Closing Date. In that event, if neither Party is in default under this Agreement, the Parties shall have no further obligations or liabilities to one another and all documents delivered into escrow shall be returned to the appropriate Party.

ARTICLE 12. MISCELLANEOUS PROVISIONS

12.1. NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES. Each statement, representation, warranty, indemnity, covenant, and agreement made by Seller and Buyer in this Agreement or in any document, certificate or other instrument delivered by or on behalf of Seller or Buyer pursuant to this Agreement or in connection herewith shall be deemed the representation, warranty, indemnity, covenant and agreement of Seller and Buyer and their respective successors and assigns and shall survive the Closing Date unless a different time period is expressly provided for in this Agreement and all such statements are made only to and for the benefit of the Parties hereto, and their respective successors and assigns and shall not create any rights in other persons.

12.2. DEFAULT AND ATTORNEYS' FEES. In the event of default by either Party to this Agreement, the non-defaulting Party shall have the right to bring an action for specific performance and/or actual damages. Each Party shall bear its own attorney's fees and costs. In the event of any litigation hereunder, the Superior Court of King County, Washington shall have the exclusive jurisdiction and venue.

12.3. TIME IS OF THE ESSENCE. Time is of the essence in the performance of this Agreement.

12.4. NOTICES. Any and all notices or other communications required or permitted to be given under any of the provisions of this Agreement shall be in writing and shall be deemed to have been duly given upon receipt when personally delivered or sent by overnight courier or two days after deposit in the United States mail if by first class, certified or registered mail, return receipt requested. All notices shall be addressed to the Parties at the addresses set forth below or at such other addresses as either Party may specify by notice to the other Parties and given as provided herein:

If to Buyer:
*Soos Creek Water & Sewer District
14616 SE 192nd Street
Renton, WA 98058-1039
Attn: Ron Speer, District Manager*

With a copy to:
Hanis Irvine Prothero, PLLC
6703 South 234th Street, Suite 300
Kent, WA 98032 Attn: Mike Hanis, District Attorney

If to Seller:
King County Facilities Management Division
500 Fourth Avenue, Suite 830
Seattle, WA 98104
Attention: Manager, Real Estate Services

With a copy to:
Office of the King County Prosecuting Attorney
King County Courthouse, W400
516 Third Avenue
Seattle, WA 98104
Attention: Civil Division

12.5. ENTIRE AGREEMENT AND AMENDMENT. This writing (including the Exhibits attached hereto) constitutes the entire agreement of the Parties with respect to the subject matter hereof and may not be modified or amended except by a written agreement specifically referring to this Agreement and signed by all Parties hereto.

12.6. SEVERABILITY. In the event any portion of this Agreement shall be found to be invalid by any court of competent jurisdiction, then such holding shall not impact or affect the remaining provisions of this Agreement unless that court of competent jurisdiction rules that the principal purpose and intent of this contract should and/or must be defeated, invalidated or voided.

12.7. WAIVER. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the Party giving such waiver, and no such waiver shall be deemed a waiver of any prior or subsequent breach or default.

12.8. BINDING EFFECT. Subject to Section 12.14 below, this Agreement shall be binding upon and inure to the benefit of each Party hereto, its successors and assigns.

12.9. LEGAL RELATIONSHIP. The Parties to this Agreement execute and implement this Agreement solely as Seller and Buyer. No partnership, joint venture or joint undertaking shall be construed from this Agreement.

12.10. CAPTIONS. The captions of any articles, paragraphs or sections contained herein are for purposes of convenience only and are not intended to define or limit the contents of said articles, paragraphs or sections.

12.11. COOPERATION. Prior to and after Closing the Parties shall cooperate, shall take

such further action and shall execute and deliver further documents as may be reasonably requested by the other Party in order to carry out the provisions and purposes of this Agreement.

12.12. GOVERNING LAW. This Agreement and all amendments thereof shall be governed by and construed in accordance with the laws of the State of Washington applicable to contracts made and to be performed therein, without giving effect to its conflicts of law rules or choice of law provisions.

12.13. NON-MERGER. The terms and provisions of this Agreement will not merge in, but will survive, the closing of the transaction contemplated under this Agreement.

12.14. ASSIGNMENT. Neither Party may assign this Agreement or any rights hereunder without the other Party's prior written consent.

12.15. NEGOTIATION AND CONSTRUCTION. This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the Parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either Party. All Parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement, although each party must determine if they wish to obtain and pay for such legal review. Each Party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of the terms found in this Agreement.

12.16. EXHIBITS. The following Exhibits described herein and attached hereto are fully incorporated into this Agreement by this reference:

EXHIBIT A	Legal Description of Property
EXHIBIT B	Bargain and Sale Deed
EXHIBIT C	Bill of Sale and Assignment
EXHIBIT D	Certificate of Non-Foreign Status
EXHIBIT E	Illustration of Property Short Subdivision

12.17. ORDER OF PRECEDENCE. If any conflict between this Agreement and executed deed, the deed shall control.

EXECUTED as of the date and year first above written:

SELLER:

Name: _____
Stephen L. Salyer
Title: Manager, Real Estate Services

APPROVED AS TO FORM:

By _____
Deputy Prosecuting Attorney

BUYER:

Name: Ron Speer
Ron Speer
Its: District Manager

STATE OF WASHINGTON }
COUNTY OF KING } ss.

On this day personally appeared before me _____, to me known to be the _____ of KING COUNTY, the home rule charter county and political subdivision of the State of Washington that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such county and political subdivision, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2013.

Printed Name _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My Commission Expires _____

STATE OF WASHINGTON

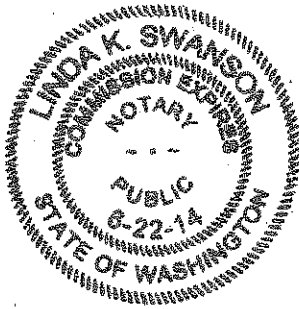
}

ss.

COUNTY OF KING

On this day personally appeared before me RON SPEER, the DISTRICT MANAGER of SOUS CREEK WATER & SEWER DISTRICT known to me to be the Buyer that executed the foregoing instrument, and acknowledged such instrument to be [his/her] free and voluntary act and deed for the uses and purposes therein mentioned, and on oath stated that [he/she] was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 27th day of MARCH, 2013.



Linda K Swanson

Printed Name LINDA K. SWANSON
NOTARY PUBLIC in and for the State of Washington,
residing at RENTON
My Commission Expires 6-22-14

EXHIBIT A.

Legal Description of Property

LS #46 SITE - LEGAL DESCRIPTION

That portion of the following described real property:

The West half of the Southeast quarter of the Southeast quarter of Section 26, Township 22 North, Range 5 East, W.M., in King County, Washington; LESS the South 30 feet for SE 272nd Street and; LESS that portion within 156th Place SE;

TOGETHER WITH that portion of the East half of the Southwest quarter of said Southeast quarter lying easterly of the easterly boundary of said 156th Place SE; AND LESS that portion of the South half of the Southwest quarter of the Southeast quarter of said Southeast quarter conveyed to the State of Washington by deed under Recording Number 9010231218, records of King County, Washington;

All situate in the Southeast quarter of Section 26, Township 22 North, Range 5 East, W.M., in King County, Washington, further described as follows:

Commencing at the Southeast corner of said Parcel, said corner being on the North margin of, and 45.00 feet distant northerly from the centerline of, SE 272nd Street;

Thence North 89° 55' 56" West 392.42 feet along the South line thereof, also being the North margin of SE 272nd Street, to the True Point of Beginning;

Thence continuing North 89° 55' 56" West 165.00 feet along said North margin to its intersection with the East margin of 156th Place SE;

Thence along said East margin North 38° 15' 37" West 42.46 feet;

Thence continuing along said margin North 07° 31' 26" West 168.57 feet to the beginning of a curve concave to the Southwest with a radius of 1175.92 feet;

Thence continuing Northwesterly along said margin, along said curve, 21.59 feet through a central angle of 01° 03' 07";

Thence departing said margin South 89° 55' 56" East 152.57 feet;

Thence South 39° 47' 06" East 100.00 feet;

Thence South 00° 04' 04" West 145.00 feet to said North margin and the True Point of Beginning;

TOGETHER WITH that portion of said West half of the Southeast quarter of the Southeast quarter of Section 26 lying westerly of the West margin of 156th Place SE.

Containing approximately 42,184 square feet (.97 Ac.)

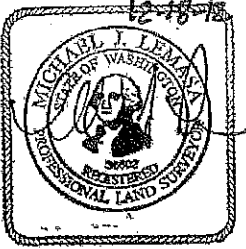


EXHIBIT B.

Bargain and Sale Deed

AFTER RECORDING RETURN TO:

Attn:
King County
Real Estate Services
ADM-ES-0830
Room 830, King County Admin. Bldg.
500 Fourth Avenue
Seattle WA 98104

BARGAIN AND SALE DEED

Grantor: King County, Washington
Grantee: Soos Creek Water & Sewer District
Legal:
Tax Acct.:

The Grantor, KING COUNTY, a home rule charter county and political subdivision of the State of Washington, for and in consideration of ten dollars (\$10.00) in hand paid and other consideration as set forth in that certain Real Estate Purchase and Sale Agreement dated _____ and authorized by King County Ordinance No. _____, does hereby bargain, sell and convey unto the Grantee, the SOOS CREEK WATER & SEWER DISTRICT, a municipal corporation of the State of Washington, the following described real estate situate in King County, Washington, and the Grantee hereby accepts the same.

Legal Description:

SUBJECT TO all rights, conditions, covenants, obligations, limitations and reservations of record for said real estate.

Executed by King County this ____ day of _____, 2013.

GRANTOR
KING COUNTY

GRANTEE
SOOS CREEK WATER & SEWER DISTRICT

BY _____
TITLE _____
DATE _____

BY _____
TITLE _____
DATE _____

ACKNOWLEDGEMENTS APPEAR ON PAGE TWO

NOTARY BLOCK FOR KING COUNTY

STATE OF WASHINGTON)
) SS
COUNTY OF King County

I certify that Stephen L. Salyer signed this instrument, on oath stated that he was authorized by the King County Executive to execute the instrument, and acknowledged it as the Manager of Real Estate Services Section of King County, Washington to be the free and voluntary act of said County for the uses and purposes mentioned in the instrument.

Dated _____

NAME _____
NOTARY PUBLIC in and for the State of
Washington, residing at _____, Washington
My appointment expires _____, 201__.

NOTARY BLOCK FOR SOOS CREEK WATER & SEWER DISTRICT .

STATE OF WASHINGTON)
) SS
COUNTY OF King County

I certify that _____ signed this instrument, on oath stated that he or she was authorized by the _____ to execute the instrument, and acknowledged it as the _____ of _____, Washington, to be the free and voluntary act of said _____ for the uses and purposes mentioned in the instrument.

Dated _____

NAME _____
NOTARY PUBLIC in and for the State of
Washington, residing at _____, Washington
My appointment expires _____, 201__.

EXHIBIT C.

Bill of Sale and Assignment

BILL OF SALE AND ASSIGNMENT

THIS BILL OF SALE is made as of this ____ day of _____, 2013, by KING COUNTY ("Seller"), in favor of the SOOS CREEK WATER & SEWER DISTRICT, a political subdivision of the State of Washington ("Buyer"), with reference to the following facts.

NOW, THEREFORE, for consideration in the amount of Sixty Thousand dollars (\$60,000.00), Seller does hereby absolutely and unconditionally give, grant, bargain, sell, transfer, set over, assign, convey, release, confirm and deliver to Buyer all of Seller's right, title and interest in and to any and all equipment, furniture, furnishings, fixtures and other tangible personal property owned by Seller that is attached, appurtenant to or used in connection with the real property legally described on the attached Exhibit A.

Seller represents and warrants that it is the sole owner of, and has good title to, such personal property, and has full right and authority to transfer and deliver the same, and will defend the sale hereby against each and every person claiming otherwise.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the date first above written.

SELLER:

By: _____

Stephen L. Salyer

Its: Manager, Real Estate Services

EXHIBIT D.

Certificate of Non-Foreign Status.

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a United States real property interest by **KING COUNTY** ("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 Internal Revenue Code and Income Tax Regulations); and
2. Transferor's United States employer identification number is 91-6001327; and
3. Transferor's office address is King County Facilities Management Division, Asset Development and Management Section, Room 500 King County Administration Building, 500 Fourth Avenue, Seattle, WA 98104

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

Under penalties of perjury I declare that I have examined this certification 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.

DATED this _____ day of _____, 2004.

TRANSFEROR:

KING COUNTY

By _____

Title _____

EXHIBIT E

Illustration of Property Short Subdivision

FISCAL NOTE

Ordinance/Motion No. 00-	
Title:	Sale of Portion of Calhoun Pit
Affected Agency and/or Agencies:	DOT/RSD, DES/FMD
Note Prepared By:	Kate Donley
Note Reviewed By:	

Impact of the above legislation on the fiscal affairs of King County is estimated to be:

Revenue to:

Fund/Agency	Fund	Revenue	Current Year	1st Year	2nd Year	3rd Year
Real Estate Services	0010	34187	5,758	0	0	0
Roads Division	1030	39512	54,242			
TOTAL			60,000	0	0	0

Expenditures from:

Fund/Agency	Fund	Revenue	Current Year	1st Year	2nd Year	3rd Year
Roads Division	1030		5,758	0	0	0
TOTAL			5,758	0	0	0

Expenditure by Categories:

	Current Year	1st Year	2nd Year	3rd Year
		0	0	0
TOTAL	0	0	0	0

NOTES:

CURRENT YEAR TOTALS

Gross Sale Price:	\$60,000
Less: Costs of Sale	
Property Research, Sale Negotiations, Purchase and Sale Agreement, Legislation:	
Kate Donley: \$60,000 x 5%	3,000
Appraisal:	
2012: North Coast Realty Advisors (\$4,800 reimbursable by Buyer at Closing)	N/A
2013: Appraisal Update (revised sale area) Debbie Ayers - 14 hours @ \$135.22/hour	1,893
Appraisal Review: Debbie Ayers - 7 hours @ \$ 123.57/hour	865
Title Report (\$822 reimbursable by Buyer at Closing)	N/A
Total Costs of Sale	<u>(\$5,758)</u>
NET PAYMENT TO ROADS (less closing costs)	<u><u>\$54,242</u></u>

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June 18, 2013

The Honorable Larry Gossett
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Gossett:

This letter transmits an ordinance recommending sale approval of a surplus 42,184 square foot (0.97 acre) portion of the 23.02 acre former Road Services Division Calhoun Gravel Pit to the Soos Creek Water & Sewer District (District). The property is located at 27110 – 160th Avenue Southeast in the Covington area, and is being sold for development of a sewer lift station.

The purchase price for the proposed sale is \$60,000 based on the appraised fair market value; the agreement has been reviewed and approved by the Prosecuting Attorney's Office. The agreement requires the District to obtain short subdivision approval from the City of Covington to divide the property into two separate legal parcels: the sewer lift station sale area and the remaining 22.05 acres that will remain in King County ownership. The Road Services Division (Roads) and the Facilities Management Division (FMD) have confirmed that no easements are required to be reserved for future County use.

FMD has circulated surplus property notices for this parcel to King County agencies, pursuant to K.C.C. 4.56.070, and none has expressed interest in the 0.97 acre area. FMD has determined that the sale area is not suitable for affordable housing and has declared the 0.97 acre area to be surplus to King County needs.

The proposed sale furthers the goals of the King County Strategic Plan by serving the public, building lasting regional partnerships, relieving the County of ongoing maintenance expense, and strengthening the Road Fund reserve.

The Honorable Larry Gossett

June 18, 2013

Page 2

Thank you for your consideration of this ordinance. If you have any questions, please feel free to contact Kathy Brown, Director, Facilities Management Division, at 206-296-0630.

Sincerely,

Dow Constantine
King County Executive

Enclosures

cc: King County Councilmembers
 ATTN: Michael Woywod, Chief of Staff
 Anne Noris, Clerk of the Council
Carrie S. Cihak, Chief Advisor, Policy and Strategic Initiatives, King County
 Executive Office
Dwight Dively, Director, Office of Performance, Strategy and Budget
Carolyn Whalen, County Administrative Officer, Department of Executive
 Services (DES)
Harold Taniguchi, Director, Department of Transportation (DOT)
Brenda Bauer, Director, Road Services Division (RSD), DOT
Paulette Norman, County Road Engineer, RSD, DOT
Kathy Brown, Director, Facilities Management Division (FMD), DES
Steve Salyer, Manager, Real Estate Services Section, FMD, DES