

TERM SHEET GA 0059-20
BETWEEN CITY OF REDMOND, MICROSOFT AND SOUND TRANSIT
FOR THE
NE 40TH STREET PEDESTRIAN UNDERPASS, DOWNTOWN REDMOND
LINK EXTENSION PROJECT

1. Purpose

- 1.1. The Purpose of this Term Sheet is to state the intent of Microsoft Corporation (“Microsoft”), City of Redmond (“City”) and Sound Transit (collectively, the “Parties”) with regard to the NE 40th Street Pedestrian Underpass (“Underpass”), a Microsoft requested and funded betterment being constructed as part of the Downtown Redmond Link Extension Project (the “Project”). This Term Sheet describes the current common understanding with regard to roles and responsibilities related to the ownership, operations and maintenance of the Underpass, and the strategy the Parties intend to undertake with regard to future agreements related to the operations and maintenance (“O&M”) of the Underpass, including the public plazas and walkways connecting to the Underpass.
- 1.2. The Parties acknowledge that this Term Sheet is not a complete statement of the terms and conditions that will apply to the Project. If the Parties determine it is in their best interests to enter into future agreements related to the subject matter of this Term Sheet, the terms of those agreements will govern. Additional topics not addressed in this Term Sheet may be identified and included in those agreements.
- 1.3. The Parties have identified the following individuals as Designated Representatives who will be responsible for communication and coordination between the Parties and who will act as the point of contact for each Party:

SOUND TRANSIT

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Development Manager
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CITY OF REDMOND

Jeff Churchill, Transportation
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MICROSOFT

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2. Project Description and Background

- 2.1. The Project is an approximately 3.4-mile light rail extension of East Link from the Redmond Technology Station to downtown Redmond with two stations: Southeast Redmond and Downtown Redmond. The Project includes the construction of a multi-level parking garage at the Southeast Redmond Station with approximately 1,400 spaces. Sound Transit has determined that the Project will be constructed using a design-build procurement methodology. Sound Transit is responsible for the implementation of the Project including management, design, construction, and Project start-up by 2024.
- 2.2. Microsoft has requested Sound Transit add a public pedestrian and bicycle underpass under NE 40th Street parallel to the light rail guideway, leading from an area near the southwest corner of the Microsoft North Campus to the Redmond Technology Station north plaza . On the north side of NE 40th Street, a new pedestrian path southwest of Microsoft Building 50 will be built with an ADA-compliant connection to the 40th Street sidewalk. To accommodate the Underpass, an existing City water line will be relocated. The Underpass is not a necessary element of the Project and is therefore considered a project betterment.
- 2.3. Microsoft will provide funding for the design and construction of the Underpass in conjunction with the DRLE Project, as memorialized in the Agreement between Microsoft and Sound Transit for the Funding of the 40th Street Pedestrian Underpass (GA 0202-19, executed November 22, 2019).

3. Ownership, Operation, Inspections and Maintenance of the Underpass

- 3.1. Parties agree that the Underpass should be opened to the public as soon as possible, allowing that all of the following four conditions are met:
 1. The Underpass has been accepted by the City and Sound Transit
 2. Relevant permits have been closed out and the asset has been transferred to the City
 3. The property rights described in section 4 have been transferred from Microsoft to the City
 4. The Underpass has been inspected and deemed safe for public use
- 3.2. Parties agree to the ownership and maintenance boundaries depicted in Attachment A (“Ownership and Maintenance Boundaries of 40th Underpass with Property Rights”).
- 3.3. Parties agree to divide ownership, operations, inspections and maintenance responsibilities as depicted in Attachment B (“Ownership, Operation, Inspections and Maintenance Responsibility Matrix”). Nothing in this Term Sheet prevents the parties from deciding at a future date to modify these responsibilities by mutual agreement.

- 3.4. Design review of the Underpass will occur as part of the regular design submittal review process for the overall Project. Microsoft will provide design input through the city's comments.
- 3.5. Following City acceptance of the Underpass, Sound Transit will coordinate inspections inside the Underpass with the City, including the need to bring in any special equipment, in accordance with the Redmond Transit Way Agreement (GA 0202-18, executed September 27, 2019).
- 3.6. Each party will apply its agency's respective standards to maintenance and security activities it is responsible for per this Term Sheet.
- 3.7. Standards for lighting inside the Underpass will be established as part of the Project design review process.
- 3.8. Sound Transit will assign any and all warranties relating to the Underpass to the City in order to enable the City to address directly with the Design Builder any defects in workmanship or materials.

4. Property Rights

- 4.1. Construction of the Underpass requires the relocation of a city water line onto Microsoft property. Microsoft will dedicate an easement to the City for the operation and maintenance of the water line. Attachment A (page 2) shows the location of the needed utility easement.
- 4.2. As part of the Underpass betterment, a new pedestrian path will be built on the north side of NE 40th Street, southwest of Microsoft Building 50 and connecting to the 40th Street sidewalk. Microsoft will grant a permanent public access easement to the City for the sidewalks, walkways, stairs and ramps connecting the Underpass to the public sidewalk on the north side of NE 40th St. Attachment A (page 2) shows the location of the needed public access easement.
- 4.3. The City and Microsoft agree to initiate the process of developing the easements described in Section 4.1 and 4.2 immediately upon execution of this Term Sheet. Final easement language for both easements will be included as attachments to the O&M Agreement described in Section 5.1. The City and Microsoft agree to record the permanent easements as soon as the water line and walkways are complete and before they are opened for public use.
- 4.4. The City acknowledges that Sound Transit will need to construct the permanent public facilities described in sections 4.1 and 4.2 on Microsoft property in temporary construction easements. The City agrees that permits will be issued to Sound Transit for the facilities before permanent rights are transferred to the City.

5. Future Agreements

- 5.1. GA 0202-19 requires the Parties will enter into an agreement for operations and maintenance (the "O&M Agreement") prior to the start of construction of the Underpass. The O&M Agreement will address all Underpass property rights, operation and maintenance, and transfer of warranties. The O&M agreement must be executed no later 30 days before Underpass construction begins.
- 5.2. Two permanent easements will be transferred from Microsoft to the City in accordance with Section 4 above.
- 5.2.1. Microsoft will be responsible for all improvements within the public access easement area, including routine and preventative maintenance, structural repair and safety and security. This commitment will be formalized in the language of the public access easement to be granted by Microsoft to the City. This responsibility does not include the city water utility covered under the separate permanent utility easement (see Section 4.1).
- 5.3. The City and Sound Transit agree that the Underpass exists in the Transit Way, as defined by the Redmond Transit Way Agreement between Sound Transit and the City (GA 0202-18, executed September 27, 2019). The terms and conditions defined in the Redmond Transit Way Agreement will apply to the Underpass.

We are pleased with the progress our three agencies have made and we look forward to continuing working together to implement the 40th Street Pedestrian Underpass as part of the Downtown Redmond Link Extension.

SOUND TRANSIT

DocuSigned by:
By: Joseph D. Lewis
Joseph D. Lewis, Executive
Director of Design,
Engineering and
Construction Management

Date: 5/1/2020

CITY OF REDMOND

DocuSigned by:
By: Maxine Whattam
Maxine Whattam, Chief
Operating Officer

Date: 4/17/2020

MICROSOFT

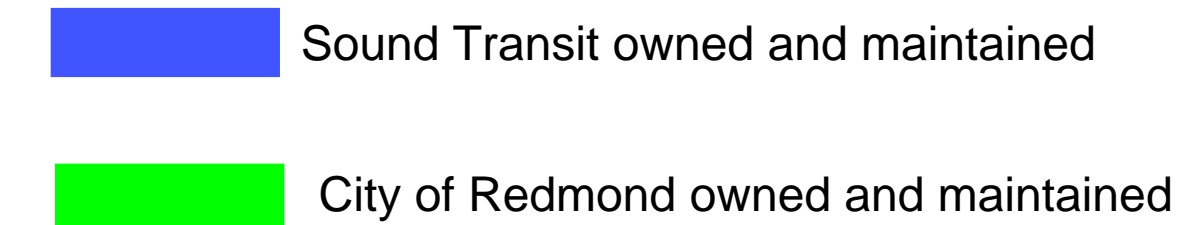
DocuSigned by:
By: Rob Towne
Rob Towne, Regional
Director of Puget Sound

Date: 4/30/2020

ATTACHMENTS:

Attachment A: Ownership and Maintenance Boundaries of 40th Underpass with Property Rights

Attachment B: Ownership, Operation, Inspections and Maintenance Responsibility Matrix



A
L90-KAP10

NOT FOR CONSTRUCTION

REVIEWED BY:
J. SCHETTLER

SUBMITTED BY:
A. TISCAREÑO

LINE IS 1" AT FULL SCALE

DESIGN PACKAGE:	
PERMIT INFORMATION:	

DRAWING No.:	
L90-KYX101	
FACILITY ID:	
E28	
SHEET No.:	REV:
50	

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DRAWING No.:	
L90-CRP303	
FACILITY ID:	
E28	
SHEET No.:	REV:
264	

ATTACHMENT B

Ownership, Operation, Inspection and Maintenance Responsibility Matrix

Ownership, Operation and Maintenance Activities	AGENCY		
	ST	City	MS
Facility Owner			
All walls	X		
Foundation and overhead structure	X		
Pedestrian underpass (including slab, lighting, security cameras, fixtures, and all elements inside of underpass)		X	
Routine and Preventative Maintenance			
Wall – light rail track side	X		
Foundation and overhead structure	X		
Pedestrian underpass (including slab, lighting, graffiti removal, security cameras, electrical systems, fixtures, and all elements inside of underpass)		X	
Connecting walkways and stairways on MS property			X
Drainage immediately south of Underpass	X		
Drainage immediately north of Underpass			X
Structural Repair			
Walls (not caused by public access in Underpass)	X		
Funding for wall repair when caused by public access in Underpass		X	
Foundation and overhead structure	X		
Pedestrian underpass (including slab, lighting, security cameras, fixtures and all elements inside of underpass)		X	
Connecting walkways and stairways on MS property			X
Safety and Security			
Light rail guideway side of wall	X		
Inside underpass		X	
Connecting walkways and stairways on MS property			X
Inspections			
Light rail guideway side of wall	X		
Inside underpass	X	X	
Connecting walkways and stairways on MS property			X