

TERRA ASSOCIATES, Inc.

Consultants in Geotechnical Engineering, Geology
and
Environmental Earth Sciences

November 7, 2022
T-8819

Mr. Michal Dziuda
Cavatina GW sp z o.o.
Wielicka Street 28B
30-552 Krakow Poland

Subject: Proposal
Limited Phase II Environmental Site Assessment
Belltown Tower
2729 – 2nd Avenue
Seattle, Washington
Parcel No. 0654000065

Dear Mr. Dziuda:

As requested by Mr. Richard Langendoen, Terra Associates, Inc. is pleased to present this proposal for completing a Limited Phase II Environmental Site Assessment (ESA) for the subject project. The proposed site consists of a single tax parcel totaling 0.3 acres located at 2729 – 2nd Avenue in Seattle, Washington. The property is currently occupied with a lighting supply store and associated parking. We recently performed a Phase I Environmental Site Assessment (ESA) for the site. Our Phase I ESA identified two Recognized Environmental Conditions (RECs) for the site:

- A dry-cleaning facility currently operates adjacent to the northwest side of Clay Street to the northwest of the subject site. City directory records indicate a dry cleaner has operated at this same location for about 40 years. Current and historic dry-cleaning activities on the adjacent parcel is an REC associated with the subject site.
- Historic maps and aerial photographs indicate that three small apartment buildings were present on the eastern portion of the subject site from at least 1905 to 1969. Oil burning furnaces were a common heat source for buildings in this time frame. Additionally, archived tax records and Sanborn maps indicate commercial printing businesses were historically in operation. Halogenated solvents were commonly utilized in printing processes during this time-period. Historic site use is an REC for the subject site.

Our proposed scope of work and fees are described in the following sections of this letter.

SCOPE OF WORK

To conduct our study, we will need:

- Access to the interior of the building with a small drill rig. This will require moving some of the stored inventory. The office space in the central western portion of the building will need to be closed off for about half a day.
- About half the parking lot will need to be cleared for one-day for the drill crew to utilize as a staging area on the day drilling occurs.
- The entire parking lot will need to be cleared of cars for an additional day to perform a geophysical scan. If this causes too much disruption during normal business hours, we can arrange to perform the work in the parking lot during off hours.

Our proposed scope of work includes the following:

- Review existing geotechnical or environmental assessment reports for the site.
- Review published and available geologic information for the site vicinity.
- A standard search for underground utilities using both the public one-call system and a private locate service.
- Advancing a series of Direct Push Technology (DPT) borings within the western interior of the existing building onsite to a depth of five to ten feet below the floor slab. Temporary soil gas wells will be installed in the borings. The borings will consist of an approximately four-inch hole cored through the floor slab at four locations. The holes will be patched with quickcrete cement after sample collection is complete. At least one of the borings will be located in the basement portion of the building to determine potential impacts of the historic site use as a printing facility.
- Field screen soil collected from the borings for Volatile Organic Compounds (VOCs) utilizing the headspace method with a handheld photoionization detector (PID). If VOCs are detected in the field, we will collect soil samples from the borings for laboratory analysis.
- Collection of four shallow soil gas samples from the temporary wells.
- Subcontracted analysis of the four soil gas samples for Halogenated Volatile Organic Compounds (HVOCs) at the laboratory of Friedman & Bruya in Seattle, Washington.
- A subcontracted geophysical scan of the parking lot to identify possible underground storage tanks or tank cavities related to historic apartment buildings onsite. The methods will include both Ground Penetrating Radar (GPR) and Electromagnetic (EM) scans.
- Prepare a written technical memo summarizing the results of the analytical testing relative to applicable MTCA screening levels for halogenated VOCs.

Please note our proposed scope of work does not include the following:

- Meetings.
- Asbestos and lead survey, sampling, or testing services. (We previously provided a separate proposal for these services.)
- Groundwater sampling or analysis. If VOC's are detected in the soil gas sampling outlined above, we will prepare a separate proposal to conduct groundwater sampling. The existing building onsite currently limits the ability of a drill rig to install monitoring wells on the portions of the site most likely to display impacts from the adjacent dry cleaner.
- Evaluation, discussion, sampling, testing of molds, or water damage to structures.
- A site-specific remedial action or feasibility plan.
- Supplemental sampling following the completion of the work outlined in this proposal. The current work may result in data gaps that require additional site sampling.
- Coordination with regulatory agencies.

Phase II ESA work is often incremental in nature. If we find any information indicating site contaminants are present during this initial scope of work, we will recommend additional sampling. We will contact you to discuss our findings, outline the possible nature of cleanup requirements and provide you with a scope and fee proposal for completing additional Phase II work necessary to further define the concentrations and extent of contamination encountered.

SCHEDULE

We can begin our work within three to four weeks upon receiving your written authorization to proceed. This schedule depends upon the availability of the drilling contractors with a small enough drill rig to access the interior of the existing building onsite. Analytical testing will take seven working days. The lab work can be completed within a shorter timeframe for an additional expedited fee if needed. We will submit our report within about one to two weeks of the completion of the analytical testing. We will keep you informed of our progress as information becomes available. We will submit a summary memo via email within three weeks of completion of field work.

Our work will be disruptive for the existing tenant in the building. The drilling work will require the closure of portions of the building interior for up to three or four hours and there will be short periods of loud sound from the drill rig as the probes are advanced and samples are collected. We anticipate the drilling and soil gas sampling to take one day, and the geophysical scan to take an additional day.

ESTIMATED FEES

The fee for our services will be invoiced on a lump sum basis in accordance with the attached Fee Schedule and General Conditions. For the scope of work noted above, our total fee will be \$14,000. This fee will not be exceeded without your specific authorization. About \$2,000 of the total fee will be for laboratory analysis, about \$4,000 for subcontracted drilling, and about \$2,000 for the subcontracted geophysical scan. If the initial testing suggests additional testing or laboratory analysis is needed, we will contact you prior to any additional work.

Mr. Michal Dziuda
November 7, 2022

LIMITATIONS

Our findings, conclusions, and recommendations will be based on our site observations, analytical test results, and analysis. We cannot guarantee we will discover all the information or impacts that may exist related to past site uses or current site conditions. We will prepare our conclusions and recommendations in accordance with generally accepted local professional practices.

If our scope of work varies from your requirements, please advise us so we can make the appropriate changes in our proposal. In the event we find site conditions that warrant additional explorations, such as sample results above current cleanup levels, or if we find additional analytical testing is required for the samples collected for this study, we will advise you of the additional costs. It is common for environmental assessments to be incremental in nature.

Sincerely yours,

TERRA ASSOCIATES, INC.



Nicolas R. Hoffman
Senior Project Geologist
Environmental Professional

Encl: Fee Schedule and General Conditions

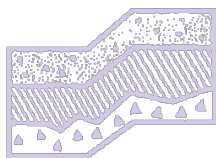
I accept the above conditions and the attached
Fee Schedule and General Conditions.

Signature: _____

Name: _____

Title: _____

Date: _____



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STANDARD FEE SCHEDULE & GENERAL CONDITIONS EFFECTIVE JANUARY 1, 2022

TERRA ASSOCIATES, Inc. professional service fees are based on the following conditions:

PERSONNEL HOURLY CHARGE:

PRINCIPAL	\$ 193.00 per hour
PROJECT MANAGER	\$ 140.00 per hour
PROJECT ENGINEER/GEOLOGIST/SCIENTIST	\$ 127.00 per hour
STAFF ENGINEER/GEOLOGIST/SCIENTIST	\$ 102.00 per hour
SENIOR ENGINEERING TECHNICIAN	\$ 95.00 per hour
ENGINEERING TECHNICIAN	\$ 89.00 per hour
CADD TECHNICIAN	\$ 89.00 per hour
JUNIOR ENGINEERING TECHNICIAN	\$ 81.00 per hour
LAB TECHNICIAN	\$ 81.00 per hour
WORD PROCESSOR/CLERICAL	\$ 56.00 per hour
LEGAL TESTIMONY AND PREPARATION (4-hour minimum)	\$ 279.00 per hour

TRAVEL EXPENSES:

Subsistence reimbursement paid to employees on business for the Client will be charged at a rate of \$250.00 per day for projects located more than 60 miles from our office. Portal to portal mileage will be charged for vehicle use at the rate of \$0.75 per mile.

ADDITIONAL SERVICES:

Charges for equipment furnished by TERRA will be at predetermined rates as indicated on our proposal or as discussed with Client. Charges of services not furnished directly by TERRA such as subcontracted excavating and drilling equipment, special equipment rental, services of outside consultants, fares of public carriers, printing, photographs, ferry tolls, long distance phone calls, special fees, and permits required for the project will be charged at the rate of cost plus 15%.

LIMITATION OF LIABILITY AND INDEMNITY:

The services provided by TERRA are for the sole benefit of Client. No other person or entity shall be entitled to rely upon the reports or results produced by TERRA. Client agrees to limit TERRA's total professional liability arising from the work done to the greatest of (a) \$50,000.00, or (b) TERRA's total fee for services rendered. Upon specific request and payment, TERRA can provide evidence of professional liability insurance up to a maximum of \$2,000,000. This insurance is not available for single-family residential projects. The charge for such insurance is \$500 or 5 percent (5%) of TERRA's fee, whichever is greater. These charges will be in addition to fees charged for professional services and will be billed as a surcharge above professional fees. Client agrees to look solely to TERRA and its insurance proceeds and hereby releases and waives any claims it might have against the employees, officers, directors, and/or shareholders of TERRA. Client agrees to indemnify and defend TERRA, its employees, officers, directors, and shareholders against (1) all claims of professional error or omission arising from the work which, in total, exceed the foregoing; (2) any loss or expense incurred as a result of the breach of any other promise given by Client; and (3) any loss, claim, damage, or expense which is in part or in whole the result of the actions of anyone other than TERRA and its employees.

INVOICES:

TERRA will submit invoices to the Client on a monthly basis, and a final bill upon completion of our work. Payment is due upon presentation of invoice and is past due thirty (30) days from the date of the invoice. Client agrees to pay a finance charge of one and one half percent (1½ %) per month on past due accounts. In the event of default in the payment of fees under this agreement, Client agrees to pay all costs of collection, including collection agency fees and reasonable attorneys' fees incurred.

(Over)

Accepted by _____ Date _____

RIGHT OF ENTRY & UTILITIES:

The Client will provide for right of entry of TERRA and all necessary equipment in order to complete the work. While TERRA will take reasonable precautions to minimize damage to the project site, it is understood by the Client that in the normal course of work, some damage to property or landscaping may occur, the correction of which is not part of this agreement.

In the execution of our work, TERRA will take reasonable precautions to avoid damage to buried structures or utilities. The owner or the owner's representative agree to hold us harmless for any damages to buried structures which are not called to our attention and correctly shown on the plans furnished to us.

OWNERSHIP OF DOCUMENTS AND SAMPLES:

All reports, boring logs, field data, field notes, laboratory test data, calculations, estimates, and other documents prepared by the consultant, as instruments of service, shall remain the property of TERRA. We will retain all pertinent records relating to the services performed for a period of five years following submittal of the report, during which period the records will be made available to the Client at all reasonable times. For geotechnical studies, all rock and soil samples will be disposed upon issuance of our report. For testing during construction, samples will be disposed upon completion of our laboratory testing. Additional storage or transfer of samples can be made at the owner's expense, upon written request.

STANDARD OF CARE:

Services performed by TERRA under this Agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. No other warranty, expressed or implied, is made.

Client recognizes that subsurface and groundwater conditions at the site may vary from those at the locations where samples or investigations are made. Consistent with the foregoing standard of care, TERRA will use its professional judgment to select the number and location of all samples and investigations. Client assumes the risk that despite such care the samples and investigations may not accurately represent the entire site.

INSURANCE AND SUBROGATION:

Upon written request and payment of charges as discussed above, TERRA will provide Client with evidence of its insurance covering public and professional liability. Client waives any claims against TERRA and its employees, officers, and directors, which are beyond the limits or coverage of such insurance. TERRA, for itself and its insurers, waives and releases Client from any right of recovery for loss or damage which is covered by such insurance as TERRA has in force. Client, for itself and its insurers, waives and releases TERRA from any right of recovery for loss or damage which is covered by any policy of insurance which is carried by Client at the time of the loss or damage or which would be covered by an "All risk," "Builders risk" or similar coverage then available in the state of Washington. If Client carries such "All risk," "Builders risk" or similar coverage, Client shall include TERRA as an additional named insured. Client warrants that all other contractors and subcontractors working on the same site shall have in their contracts identical provisions with respect to all claims against TERRA, its employees, officers, and directors.

NOTICE AND ACTIONS:

If Client becomes aware of any set of circumstances for which it believes it or anyone else may have a claim against TERRA, then Client shall: (a) notify TERRA of the set of circumstances within 30 days of becoming aware of them; (b) promptly provide TERRA with copies of all reports, memoranda, notes, or other documents relating to such set of circumstances; (c) permit or obtain permission for TERRA or its representatives to inspect the site of such set of circumstances; and (d) take such corrective action as TERRA determines appropriate. Failure to comply with any of the foregoing shall constitute a waiver of any and all claims against TERRA and its employees, officers and directors. In all events, any litigation or arbitration arising from any contract or the performance of any work by TERRA shall be commenced within one (1) year after completion of the work. For purposes of this paragraph, work shall be deemed complete upon TERRA's issuance of a final report relating to the set of circumstances, notwithstanding the fact that there may be additional or subsequent services performed on the same site. Construction monitoring shall be considered separate work from initial site evaluation even if both are performed pursuant to the same contract. In the event of any arbitration or litigation arising from this agreement or any services provided by TERRA, the prevailing party shall be entitled to attorney's fees.

HAZARDOUS WASTE:

For services involving or relating to any hazardous waste elements of this Agreement it is further agreed that the Owner shall indemnify and hold harmless TERRA and their consultants, agents, and employees from and against all claims, damages, losses and expenses, direct and indirect, or consequential damages, including but not limited to fees and charges of attorneys and court and arbitration costs, arising out of or resulting from the performance of the work by TERRA or claims against TERRA arising from the work of others, related to hazardous waste.

The above indemnification provision extends to claims against TERRA which arise out of or are related to, or are based upon, the dispersal, discharge, escape, release or saturation of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, gases or any other material, irritant, contamination or pollutant in or into the surface or subsurface (a) soil, (b) water or water-courses, (c) objects, or (d) any tangible or intangible matter, whether sudden or not.