

## AGREEMENT

Mercer Island School District No. 400 ("MISD") and Bellevue School District No. 405 ("BSD") enter into this Agreement to facilitate the movement of a radio station operated by MISD to a different channel on the FM band.

## RECITALS

1. MISD and BSD are public school districts located in King County, Washington. They are quasi-municipal corporations established under Washington law for the purpose of promoting the education of kindergarten through twelfth grade students in the public schools.
2. MISD operates a non-commercial educational radio station ("KMIH") in support of its high school vocational education program. KMIH holds a Class D license from the Federal Communications Commission ("FCC") to broadcast on Channel 283, 104.5 MHz, which is in the commercial portion of the FM band.
3. BSD operates a non-commercial educational radio station ("KASB") in support of its high school vocational education program. KASB holds a Class D FCC license to broadcast on Channel 207, 89.3 MHz, which is in the non-commercial educational portion of the FM band.
4. Mid-Columbia Broadcasting, Inc. ("Mid-Columbia") operates commercial radio station KMCQ on Channel 283 in the Dalles, Oregon, pursuant to a Class C license. The FCC has granted Mid-Columbia, together with First Broadcasting Company, L.P. (collectively, "First Broadcasting"), permission to broadcast KMCQ on Channel 283 from Covington, King County, Washington, which operation will effectively preclude KMIH's continued broadcasting on Channel 283.
5. MISD has filed objections with the FCC and a petition for reconsideration of the FCC decision authorizing KMCQ to broadcast on Channel 283 from Covington, Washington, which objections and petition are currently pending.
6. The FM band in the Seattle metropolitan area is sufficiently crowded that KMIH cannot re-locate to a non-commercial educational channel unless it reduces its signal strength. However, MISD believes that the FCC will grant it a waiver to operate KMIH at Channel 205 without reducing its signal strength if BSD agrees to relocate KASB to Channel 210, which relocation would also require an FCC waiver.
7. BSD has no current plans to or interest in relocating KASB to a different FM channel or otherwise varying the terms of its FCC license. However, BSD is willing to relocate KASB to Channel 210 to accommodate MISD and KMIH, subject to FCC approval, so long as KASB operations and broadcasting are not adversely impacted and MISD agrees to reimburse BSD for any and all costs and expenses incurred in connection with the move and BSD's related efforts to accommodate MISD. MISD is willing and prepared to reimburse BSD for all such costs and

expenses. A potential incidental benefit of such a move is that it will provide an opportunity for KASB to increase its signal strength to reach more BSD students and schools.

8. MISD and First Broadcasting have entered into an agreement to resolve MISD's objections and petition pending with the FCC, referred to above, and to permit First Broadcasting to complete its relocation of KMCQ to Covington. Pursuant to that agreement, First Broadcasting has agreed to subsidize and support MISD's relocation of KMIH to Channel 205 and KASB's relocation to Channel 210. BSD is not a party to the agreement between MISD and First Broadcasting, and MISD's obligations under this agreement are not subject to or conditioned upon MISD's receipt of reimbursement or other payments from First Broadcasting.

## AGREEMENTS

Now, therefore, MISD and BSD agree as follows:

1. BSD will submit an application to the FCC for KASB to move to Channel 210, to be filed simultaneously with MISD's application to the FCC to move KMIH to Channel 205. Both applications are to be submitted in conjunction with a proposed agreement between MISD and First Broadcasting to settle MISD's pending objections and petition, and each application will be conditioned upon the approval of the other.
2. BSD's application will request approval for KASB to broadcast at approximately 60 watts with a new one-element antenna located on the same mast and at the same elevation as its current antenna, which will require approximately 150 watts of transmitter power, as described in the attached Technical Exhibit.
3. Whether or not the FCC approves the move of KMIH to Channel 205 and the move of KASB to Channel 210, MISD shall pay BSD the sum of \_\_\_\_\_ in lieu of reimbursement for direct and indirect costs and expenses incurred in connection with its efforts to accommodate MISD, to be paid no later than the fifth business day following the later of the execution of this Agreement and the execution of the agreement between MISD and First Broadcasting referenced in paragraph 8 of the foregoing Recitals. In addition, if the FCC approves the move of KMIH to Channel 205 and the move of KASB to Channel 210, MISD agrees to pay BSD the additional sum of \_\_\_\_\_ in lieu of reimbursing BSD for direct and indirect costs, expenses, and disruption associated with the move itself, to be paid no later than the fifth business day following MISD's request that BSD proceed with the channel change contemplated herein. No detailed accounting will be required or provided for either payment, and BSD alone will determine how the payments will be applied.
4. BSD and MISD shall coordinate the timing of the frequency moves contemplated by this agreement, which shall be mandatory as to both parties following grant of both relocation applications, to ensure that the broadcast operations of both KASB and KMIH are not interrupted.

5. In the event any person petitions the FCC to deny the BSD application filed under this Agreement or otherwise opposes such application before the FCC, or in the event the FCC enters an order granting the relocation applications and any person petitions for reconsideration or review of such order before the FCC or appeals or applies for review in any judicial proceeding, then upon MISD's request, BSD shall oppose such petition before the FCC or defend such order of the FCC diligently and in good faith. MISD shall defend, indemnify, and hold harmless BSD from any and all costs, expenses, damages, or penalties on account of or arising from such defense. In either event, MISD shall indemnify and hold harmless BSD from any and all costs, expenses, damages, or penalties on account of or arising from BSD's application, any FCC action or decision related to that application, and any challenge to, appeal of, or administrative ruling or judgment related to or arising from that action or decision.

Dated this 24<sup>th</sup> day of March 2006.

Bellevue School District No. 405

By Michael R. Kelly

Its Superintendent

Mercer Island School District No. 400

By Cynthia Dickman Serino

Its Superintendent