

CONTRACT, WAGE, AND LABOR ADDENDUM
(Project Velvet)

This Contract, Wage, and Labor Addendum (“**Addendum**”) is made effective as of the date of the Series 2023 Supplemental Lease Agreement (the “**Effective Date**”) by and between the **CITY OF KANSAS CITY**, a Missouri municipal corporation (the “**City**”) and **VELVET TECH SERVICES, LLC**, a Missouri limited liability company (the “**Company**”) (collectively, “the Parties”).

WHEREAS, the City adopted Ordinance No. 210313 on April 29, 2021 approving an Industrial Development Plan for the Golden Plains Technology Park involving a project for industrial development under Chapter 100 of the Missouri Revised Statutes to construct the Project; and

WHEREAS, on December 22, 2021, the City and the Company entered into certain documents related to the below-described Series 2021 Bonds (the “2021 Bond Documents”); and

WHEREAS, the parties recognize that under the 2021 Bond Documents no City funds are being used in the construction and development of the Project and no City funds will be used for any supplemental series or amendments in the construction and development of the Project; and

WHEREAS, the Code provides certain contract, wage, and labor requirements, as well as discretion for the Director to adjust some requirements in certain circumstances; and

WHEREAS, the Project is expected to take place in multiple stages, the first is governed by a Lease Agreement dated December 1, 2021, (the “2021 Series Lease”) and the second stage is to be governed by a supplemental lease agreement expected to be executed in 2023 (the “Series 2023 Supplemental Lease Agreement”); and

WHEREAS, the work done pursuant to the 2021 Series Lease was performed through the issuance of \$7,200,000,000 of taxable revenue bonds on December 22 (the “2021 Bonds,” with the proceeds thereof being referred to herein as the “2021 Bond Proceeds”), and the work expected to be done pursuant to the Series 2023 Supplemental Lease Agreement will be performed through the issuance of a subsequent series of taxable revenue bonds in 2023 (the “2023 Bonds,” with the proceeds thereof being referred to herein as the “2023 Bond Proceeds”); and

WHEREAS, the parties wish to memorialize the obligations and expectations that are attached to the Project with respect to certain City Code contract, wage, and labor requirements;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties to this Addendum hereby agree as follows:

Section 1. Recitals. The Recitals to this Addendum are incorporated into and shall constitute a part of this Addendum.

Section 2. Defined Terms.

- A. “B2Gnow” means the online diversity management system, Business 2 Government Now (“B2Gnow”).
- B. “2021 Bonds” has the meaning set forth in the recitals hereto.
- C. “2021 Bond Documents” means the bond purchase agreement, lease agreement, and related bond documents, that provide conduit financing for the construction and development of the Project through the issuance of the series 2021 Bonds.
- D. “2023 Bonds” has the meaning set forth in the recitals hereto.
- E. “2023 Bond Documents” means the supplemental lease, indenture, and related bond documents that provide conduit financing for the construction and development of the Project through the issuance of the series 2023 Bonds.
- F. “Code” means the Code of Ordinances for the City of Kansas City.
- G. “CREO” means the City’s Civil Rights and Equal Opportunity Department.
- H. “MBE/WBE Program” means the program described in Chapter 3, Article IV, Division 2 of the City’s Code (Code Secs. 3-421 through 3-500), as of the Effective Date.
- I. “Project” means the development of the data center campus known as the Golden Plains Technology Park as described in the Industrial Development Plan approved by Ordinance 210313 adopted on April 29, 2021.
- J. “Series 2021 Project” means the portion of the Project performed pursuant to the Series 2021 Lease and Bonds.
- K. “Series 2023 Project” means the portion of the Project being leased pursuant to the Series 2023 Supplemental Lease Agreement.

Section 3. MBE/WBE.

- A. For work done on the Series 2021 Project, the Parties have agreed to an alternative compliance reporting structure, pursuant to Code § 3-431. The City will not set numerical MBE/WBE goals for the Series 2021 Project. Company will supply CREO with monthly reports of MBE/WBE utilization at the Project related to the Series 2021 Project via email to the Director of CREO or their designee substantially in the format shown in Exhibit A by the 5th day of each month. City agrees that should the Company, the Company’s general contractor for the Project, or any of the Company’s subcontractors for the Project receive any such audits or notices from the B2Gnow system that relate to the Project, the Company, the Company’s general contractor, or the Company’s subcontractors, as the case may be, may turn off and disable such audits, provided that Company is providing the alternative monthly reports described above.
- B. For work done on the Series 2023 Project and any subsequent series and phases of the Project, Company shall ensure that it and its contractors and subcontractors follow the

requirements of the City's MBE/WBE Program in effect as of the Effective Date. The Parties anticipate MBE goals of 14.7% and WBE goals of 14.4%, but the actual goals will be set under the goal setting process described in § 3-431 of the Code then in effect as of the Effective Date for the MBE/WBE Program, which will control. Company shall submit the contractor utilization plan, as provided in Code § 3-433, for all work begun prior to June 15, 2023 prior to the execution of the Series 2023 Lease, and for all subsequent phases prior to commencing design or construction work. The 2023 Series Supplemental Lease and subsequent supplemental leases will contain provisions which provide for liquated damages in the event that Company fails to achieve the MBE/WBE goals consistent with City Code Sec. 3-447 unless the Company demonstrates good faith efforts consistent with City Code Sec. 3-441.

Section 4. Code Compliance. Company will comply with all other applicable laws, rules, and regulations, including ordinances.

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Draft May 10, 2023

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the day and year first above written.

CITY OF KANSAS CITY, MISSOURI

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

By: _____

Title: _____

VELVET TECH SERVICES, LLC

By: _____