

**GRANDVIEW CITY COUNCIL
COMMITTEE-OF-THE-WHOLE
MEETING AGENDA
TUESDAY, MARCH 14, 2017**



COMMITTEE-OF-THE-WHOLE MEETING – 6:00 PM

PAGE

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PUBLIC COMMENT** – At this time the public may address the Council on any topic whether on the agenda or not, except those scheduled for public hearing.
- 4. NEW BUSINESS**
 - A. Resolution authorizing the Mayor to sign the Interlocal Agreement for Use of Facilities with the Mabton School District No. 120 1-6
 - B. Museum Board Appointment – Susan Cowan 7
 - C. Resolution adopting the 2017 Yakima County Solid and Moderate Risk Waste Management Plan dated January 2017 8-9
 - Solid and Moderate Risk Waste Management Plan (Attachment)
 - D. New Fire Truck Purchase – USDA RD Community Facilities Program – Letter of Conditions 10-18
- 5. OTHER BUSINESS**
- 6. ADJOURNMENT**

**CITY OF GRANDVIEW
AGENDA ITEM HISTORY/COMMENTARY
COMMITTEE-OF-THE-WHOLE MEETING**

ITEM TITLE	AGENDA NO.: New Business 4 (A)
Resolution authorizing the Mayor to sign the Interlocal Agreement for Use of Facilities with the Mabton School District No. 120	AGENDA DATE: March 14, 2017
DEPARTMENT	FUNDING CERTIFICATION (City Treasurer) (If applicable)
Parks & Recreation Department	

DEPARTMENT DIRECTOR REVIEW

Mike Carpenter, Parks & Recreation Director 

CITY ADMINISTRATOR	MAYOR
	

ITEM HISTORY (Previous council reviews, action related to this item, and other pertinent history)

The City has recently been approached by Mr. Robert Morales of the Mabton School District seeking permission to use the Country Parks Event Center as a location for reunification of families and students should a catastrophic event occur at a Mabton school(s).

ITEM COMMENTARY (Background, discussion, key points, recommendations, etc.) Please identify any or all impacts this proposed action would have on the City budget, personnel resources, and/or residents.

The City Attorney has had an opportunity to review and make revisions to the proposed Interlocal Agreement for Use of Facilities. It should be noted that Grandview School District would have first use priority in an event that a catastrophic event happened simultaneously at both school districts. The Mabton School Board has recently accepted and adopted the Interlocal Agreement. City staff have also been working the Grandview School District with their reunification process and we can expect a similar Interlocal Agreement to be approved in the near future.

ACTION PROPOSED

Move a resolution authorizing the Mayor to sign the Interlocal Agreement for Use of Facilities with the Mabton School District No. 120 to a regular Council meeting for consideration.

RESOLUTION NO. 2017-_____

**A RESOLUTION OF THE CITY OF GRANDVIEW, WASHINGTON,
AUTHORIZING THE MAYOR TO SIGN THE INTERLOCAL AGREEMENT
FOR USE OF FACILITIES WITH THE MABTON SCHOOL DISTRICT NO. 120**

WHEREAS, the Mabton School District desires to enter into an Interlocal Agreement for Use of Facilities with the City of Grandview for temporary use of the Country Park Event Center in order to have a planned location for reunification of families and students in the event of a catastrophic event; and

WHEREAS, the City of Grandview and the Mabton School District have agreed upon the terms set forth in the Interlocal Agreement for Use of Facilities in the form attached as Exhibit A; and

WHEREAS, the City Council of the City of Grandview has determined that approving said Interlocal Agreement for Use of Facilities is in the best interest of the residents of the City of Grandview, and will promote the general health, safety and welfare,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRANDVIEW, WASHINGTON, as follows:

The Mayor is hereby authorized to sign the Interlocal Agreement for Use of Facilities between the City of Grandview and the Mabton School District No. 120 in the form as is attached hereto and incorporated herein by reference.

PASSED by the **CITY COUNCIL** and **APPROVED** by the **MAYOR** at its regular meeting on _____, 2017.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

INTERLOCAL AGREEMENT FOR USE OF FACILITIES

MABTON SCHOOL DISTRICT NO. 120 CITY OF GRANDVIEW

THIS AGREEMENT is entered into this ____ day of _____, 2017, by and between the Mabton School District No. 200, a Washington quasi-municipal corporation (the "District"), and the City of Grandview, a municipal corporation located in Yakima County, Washington.

WHEREAS, the Interlocal Cooperation Act, as amended and codified in Chapter 39.34 RCW, provides for interlocal cooperation between public agencies; and

WHEREAS, the City owns the land and outbuildings, located at 812 Wallace Way, Grandview, Washington 98930, more commonly known as Country Park Event Center, and referred to herein as the "Facility;" and

WHEREAS, the District, in order to have a planned location for reunification of families and students should a catastrophic event occur, seeks to temporarily use the Facility in the event of such an emergency and for evacuation drills to prepare for such an emergency; and

WHEREAS, the District and the City recognize that the Facility provides a suitable location for reunification of families and students in the event of catastrophe and thus desire for the District to have temporary access to the Facility for such use in the event of emergency.

NOW, THEREFORE, in consideration of the benefits to be derived and the terms and conditions set forth herein, the District and the City do hereby promise and agree as follows:

1. Purpose of Use: The City grants the District a license to use the Facility for the purpose of emergency evacuation of District schools in the case of a catastrophic event, including but not limited to: (a) tornadoes, tsunamis, or other extreme weather event; (b) volcanic eruption; (c) fires; (d) earthquakes; (e) terrorist attacks; (f) chemical spills; or (g) any criminal activity posing a threat to students, faculty, staff, and visitors. This permission also extends to use of the Facility for evacuation drills. The Facility will be used as a temporary station that District students, staff, and visitors can evacuate to in the case of a threat to safety at District facilities. The Facility may also be used to conduct a family reunification process in which the parents of District students may be asked to retrieve their students and take them home from the temporary site.

2. Priority of Use: The license granted to the District by the City in Section 1 of this Agreement is subordinate to the right of Grandview School District No. 200 to use the Facility in the event of any of a catastrophic event. In the event of a catastrophic event of the nature described in Section 1 of this Agreement, Grandview School District No. 200 shall have priority right to use the Facility for the purpose of evacuation and for family reunification. In such circumstances, use of the Facility by the District shall not impede or interfere with use of the Facility by Grandview School District No. 200.

3. **District Use:** The District's use of the Facility will be conducted in compliance with all federal, state and municipal statutes, ordinances, rules and regulations, including those with regard to discrimination. The District agrees that during the use of the Facilities it will:

1.1 Provide personnel to supervise students, staff, and visitors of the District.

1.2 Not allow litter or debris, keep the Facility reasonably clean during use, and return the Facility to its condition prior to use, less ordinary wear and tear.

1.3 Not allow the use of alcohol, illegal drugs, or tobacco by students or staff while at the Facility.

1.4 Not allow building exits to be blocked for any reason.

1.5 Not allow parking except in designated areas.

1.6 Provide vehicle and pedestrian traffic management sufficient to ensure safe and orderly movement of vehicles and people.

1.7 Not allow access to areas not specified for use in this Agreement.

4. **Duration:** The term of this Agreement will be five years, unless either party terminates the Agreement pursuant to Section 4 herein.

5. **Termination:** This Agreement may be terminated by the District or by the City upon written notice to the other party at least thirty (30) days in advance of the intended termination date.

6. **Notice:** The District agrees that it must obtain prior permission from the City designee named in Section 13 before conducting evacuation drills at the Facility. In the event of an emergency requiring District use of the Facility per Section 1, the District will make reasonable efforts to communicate to the City designee prior to the arrival of students, staff, or third parties at the Facility that the Facility will imminently be used for an evacuation and/or reunification.

7. **No Entity Created:** Pursuant to RCW 39.34.030(3)(b), this Agreement does not create a separate legal entity.

8. **Manner of Financing:** Pursuant to RCW39.34.030(3)(d), the District will reimburse the County in the amount of \$0 each year for the use of the Premises. The Premises will be owned and maintained by the City at its sole expense.

9. **Administration:** The persons named in Section 13 will jointly administer the Agreement pursuant to RCW 39.34.030(4)(a).

10. **Real and Personal Property:** For purposes of RCW 39.34.030(4)(b), the acquisition, holding, or disposing of real and personal property is not anticipated pursuant to this Agreement.

11. **Hold Harmless.** The City District shall indemnify and hold harmless the City and/or its elected officials, employees, volunteers, insurers, successors and assigns from and against any and all claims, demands, causes of action, damages, suits or judgements, for deaths or injuries to persons for loss or damage of property arising from or in connection with the District's use of the Facility pursuant to this Agreement. In the event of any claims made or suits filed, the City shall give the District prompt written notice thereof and the District shall have the right to defend or settle the same to the extent of its interest hereunder.

12. **Insurance.** Without limiting the District's obligations under Section 10, the District will, at its own cost and expense, obtain and thereafter manage in full force and effect liability insurance during the term of this Agreement. Such insurance will have a minimum limit of one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000.00) annual aggregate. The District will provide a certificate of insurance to the City upon request.

13. **Non-Assignment.** Neither party will assign or sublet its rights or responsibilities under this Agreement without the written authorization of the other party.

14. **Notice.** Each notice or communication which may be or is required to be given under this Agreement will be in writing and will be deemed to have been properly given when delivered personally during the normal business hours to the party to whom such communication is directed or three (3) working days after being sent by regular mail, to the appropriate one of the following addresses as may be designated by the appropriate party:

MABTON SCHOOL DISTRICT
Attention: Minerva Morales
P.O. Box 37
Mabton, Washington 98935

CITY OF GRANDVIEW
Attention: Mayor Norm Childress
207 W. Second Street
Grandview, WA 98930

15. **Governing Law and Venue.** This Agreement will be governed, construed, and enforced in accordance with the laws of the State of Washington. Venue of any suit between the parties arising out of this Agreement will be in the Superior Court of Yakima County, Washington.

16. **Attorney Fees and Costs.** If any legal proceeding is brought for the enforcement of this Agreement, or because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the prevailing party will be entitled to recover from the other party, in addition to any other relief to which such party may be entitled, reasonable attorney fees and other costs incurred in that action or proceeding.

17. **Entire Agreement.** This Agreement represents the entire Agreement between the parties. No change, termination, or attempted waiver of any of the provisions of the Agreement will be binding on any party unless executed in writing by authorized representatives of each party. The agreement will not be modified, supplemented, or otherwise affected by the course of dealing between the parties.

18. **No Waiver.** Failure by any party to this Agreement to enforce any provision of this Agreement or to declare a breach will not constitute a waiver thereof, nor will it impair any party's

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right to demand strict performance of that or any other provision of this Agreement any time thereafter.

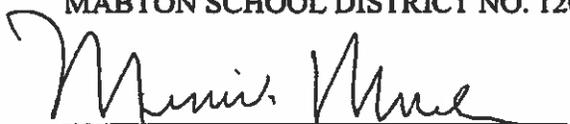
19. Integration. This writing contains all terms of this Agreement. It replaces all prior negotiations and agreements regarding the use of the Facility. Modifications must be in writing and signed by each party's authorized representative.

20. Severability. If any provision of this Agreement or its application is held invalid, the remainder of the Agreement or the application of the remainder of the Agreement will not be affected.

21. Execution in Counterparts. This Agreement may be executed in two counterparts, each of which will constitute an original and all of which will constitute one and the same agreement.

MABTON SCHOOL DISTRICT NO. 120

CITY OF GRANDVIEW



Minerva Morales
School District Superintendent

Norm Childress
Mayor, City of Grandview

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**CITY OF GRANDVIEW
AGENDA ITEM HISTORY/COMMENTARY
COMMITTEE-OF-THE-WHOLE MEETING**

ITEM TITLE Museum Board Appointment – Susan Cowan	AGENDA NO.: New Business 4(B) AGENDA DATE: March 14, 2017
DEPARTMENT Parks & Recreation Department	FUNDING CERTIFICATION (City Treasurer) (If applicable)

DEPARTMENT DIRECTOR REVIEW
Mike Carpenter, Parks & Recreation Director 

CITY ADMINISTRATOR  **MAYOR** 

ITEM HISTORY (Previous council reviews, action related to this item, and other pertinent history)
Grandview Municipal Code (GMC) Chapter 2.52 allows for the formation of the Museum Board to oversee the functions of the museum facility.

ITEM COMMENTARY (Background, discussion, key points, recommendations, etc.) Please identify any or all impacts this proposed action would have on the City budget, personnel resources, and/or residents.
Museum Board member Bill Browitt passed away recently and the Museum Board would like to recommend the appointment of Susan Cowan to fill the vacancy. Mrs. Cowan is a community supporter and has shown an interest in volunteering at the museum. She was contacted about serving on the Board and she was delighted and honored to be considered.
Her term on the Museum Board would expire December 31, 2019.

ACTION PROPOSED
Move the confirmation of the appointment of Susan Cowan to the Museum Board as recommended by the Mayor to the regular Council meeting for consideration.



Public Services

128 North Second Street • Fourth Floor Courthouse • Yakima, Washington 98901
(509) 574-2300 • 1-800-572-7354 • FAX (509) 574-2301 • www.co.yakima.wa.us

VERN M. REDIFER, P.E. - Director

February 16, 2017

Honorable Norman Childress
City of Grandview
207 W. 2nd Street
Grandview, WA 98930

RE: Adoption of the 2017 Yakima County Solid and Moderate Risk Waste Management Plan

Dear Mayor Childress:

Yakima County Public Services, Solid Waste Division and the Solid Waste Advisory Committee are pleased to present the final 2017 Yakima County Solid and Moderate Risk Waste Management Plan for presentation to the public and for adoption by the jurisdictions within Yakima County, as mandated by Washington State RCW 70.95 and our Solid Waste Interlocal Agreement. The purpose of the county-wide Plan is to develop recommended management strategies for solid waste and moderate risk waste for the period 2017 through 2022 and also look forward to ensure that sufficient processing and disposal capacity will be available for at least the next twenty years, or through 2037.

Your Solid Waste Advisory Committee has worked this past year to resolve issues and to update the Plan to conform to changes in State and Federal requirements, while ensuring that all citizens in Yakima County continue to have efficient, reliable and affordable solid waste collection, handling, recycling and disposal services.

Per RCW 70.95, we are requesting you adopt the updated Plan by executing a resolution adopting the 2017 Yakima County Solid and Moderate Risk Waste Management Plan. A draft resolution is enclosed for your use and convenience along with a flash drive with the plan and the draft resolution.

Please return the executed resolution of adoption to Yakima County Solid Waste, 7151 Roza Hill Drive, Yakima, WA 98901 by April 17, 2017.

Please feel free to contact me regarding any questions you may have. I can be reached at (509) 574-2455 and would be happy to come and discuss the Plan during a Council study session. We look forward to receiving your executed resolution of adoption by April 17, 2017.

Sincerely,

Karma Suchan
Solid Waste Manager

Enclosures:
Resolution of Adoption
2017 Yakima County Solid and Moderate Risk Waste Management Plan

Yakima County ensures full compliance with Title VI of the Civil Rights Act of 1964 by prohibiting discrimination against any person on the basis of race, color, national origin, or sex in the provision of benefits and services resulting from its federally assisted programs and activities. For questions regarding Yakima County's Title VI Program, you may contact the Title VI Coordinator at 509-574-2300.

If this letter pertains to a meeting and you need special accommodations, please call us at 509-574-2300 by 10:00 a.m. three days prior to the meeting. For TDD users, please use the State's toll free relay service 1-800-833-6388 and ask the operator to dial 509-574-2300.

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RESOLUTION NO. 2017-_____

**A RESOLUTION OF THE CITY OF GRANDVIEW, WASHINGTON,
ADOPTING THE 2017 YAKIMA COUNTY SOLID AND MODERATE RISK
WASTE MANAGEMENT PLAN DATED JANUARY 2017**

WHEREAS, pursuant to the provisions of RCW Chapter 70.95 and RCW Chapter 70.105, Yakima County is required to prepare and update the Solid Waste Management Plan and provide a local Moderate Risk Waste Management Plan; and,

WHEREAS, incorporated Cities and Towns in Yakima County have designated the County to develop a Solid Waste Management Plan for integrated solid waste management pursuant to Interlocal Agreement for Solid Waste Management executed by the Board of Yakima County Commissioners April 1, 2003; and,

WHEREAS, the Yakima County Solid Waste Advisory Committee recommends adoption of the 2017 Solid and Moderate Risk Waste Management Plan; and,

WHEREAS, the Washington State Department of Ecology reviewed the draft Solid and Moderate Risk Waste Management Plan and provided comments; and funding for Plan implementation has been approved by the Washington Utilities and Transportation Commission; and,

WHEREAS, the proposed Solid and Moderate Risk Waste Management Plan has been reviewed as a non-project action under SEPA and a Determination of Non-Significance was issued on December 8, 2016; and,

WHEREAS, the adopted Solid and Moderate Risk Waste Management Plan will be submitted to the Washington State Department of Ecology for final approval,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRANDVIEW, AS FOLLOWS:

The 2017 Yakima County Solid and Moderate Risk Waste Management Plan is hereby approved and adopted as the Solid and Moderate Risk Waste Management Plan for the City of Grandview.

PASSED by the **CITY COUNCIL** and **APPROVED** by the **MAYOR** at its regular meeting on _____, 2017.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

RESOLUTION NO. 2017-1

**A RESOLUTION OF THE CITY OF GRANDVIEW, WASHINGTON,
AUTHORIZING THE MAYOR TO OBLIGATE USDA RURAL DEVELOPMENT
FUNDING FOR THE PURCHASE OF A FIRE TRUCK AND EQUIPMENT**

WHEREAS, at the December 13, 2016 City Council meeting, the Council passed a motion approving submittal of an application to the USDA Rural Development for funding assistance to purchase a fire truck and equipment in the amount of \$600,000.00; and

WHEREAS, it is necessary that certain conditions be met as part of the funding requirements; and

WHEREAS, Mayor Norm Childress is authorized to obligate USDA Rural Development funding on behalf of the City; and

NOW, THEREFORE, be it resolved that the City obligates USDA Rural Development funding assistance for the purchase of a fire truck and equipment;

BE IT FURTHER RESOLVED that the City designates Mayor Norm Childress, as the authorized Chief Administrative Official and authorized representative to act in all official matters in connection with the funding assistance.

PASSED by the **CITY COUNCIL** and **APPROVED** by the **MAYOR** at its regular meeting on January 10, 2017.

MAYOR



ATTEST:



CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY



Rural Development

Yakima Area Office

1606 Perry Street,
Suite D; Yakima, WA
98902-5798

Voice 509.454.5740
ext 4
Fax (855) 847-5491

March 7, 2017

City of Grandview
207 West Second Street
Grandview, WA 98930

LETTER OF CONDITIONS – COMMUNITY FACILITIES PROGRAM New Fire truck purchase

Dear Mr. Arteaga:

This letter establishes conditions, which must be understood and agreed to before further consideration may be given to the application. This offer of financial assistance is being made to the City of Grandview through the Community Facilities Program of USDA Rural Housing Service, Rural Development. Any changes in project costs, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by RD by written amendment to this letter. Any changes not approved by RD shall be cause for discontinuing processing of the application.

No qualified handicapped person shall, solely on the basis of handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity that receives federal financial assistance, as required under, "Section 504 of the Rehabilitation Act".

This letter is not to be considered as loan approval or as representation that funds are available. The required documents may be completed on the basis of a loan not to exceed \$550,000. These funds will be used for the purchase of a new fire truck using an interlocal agreement with Yakima County Fire District #12 to satisfy procurement requirements.

Please complete the following forms:

RD 1942-46 Letter of Intent to Meet Conditions
RD 1940-1 Request for Obligation of Funds

The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds", is mailed to you. This approval will still be contingent on your meeting the conditions herein.

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

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Guidance from RD Instructions 1942 may be obtained from this office to assist you with questions on particular phases of grant processing. You may also call our office at any time for assistance or access the instructions on the Internet at http://rdinit.usda.gov/regs/regs_toc.html.

PROJECT FUNDING

The financing proposal is based upon funds from:

USDA Rural Development	\$550,000
Applicant	\$ 50,000
TOTAL	\$600,000

Funds have been budgeted for the following estimated expenditures:

Purchase of New Fire Truck	\$600,000
TOTAL	\$600,000

Evidence of funds from the applicant must be provided by City of Grandview prior to USDA Rural Development concurrence with procurement of the new fire truck. Any changes in funding sources following obligation of RD funds must be reported to the RD office.

PROCUREMENT

All procurement activities will be conducted to meet the applicable requirements of RD. Guidance is located in Instruction 1942-A and 1942.18 which can be accessed on the internet at http://rdinit.usda.gov/regs/regs_toc.html.

SECURITY

The loan must be secured by a General Obligation Bond. Additional security requirements are contained in RD 1942-47 "Loan Resolution" which is mentioned later.

LOAN REPAYMENT

The loan will be scheduled for repayment over a period of 22 years. 264 equal amortized Monthly installments consisting of principal and interest will be paid on the date of loan closing each consecutive month. The first installment is due one month from the date of closing. For planning purposes use a 3.375% interest rate and an amortization factor of 5.38, which provides for a monthly approximate payment of \$2,959.

The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing, whichever is less, unless you choose otherwise. Should the interest rate be reduced, the payment will be recalculated to the lower amount. The payment due date will be established as the day that the loan closes.

You will be required to complete SF-5510, "Authorization Agreement for Preauthorized Payments" for all new and existing indebtedness to the Agency. It will allow for your payment to be electronically debited from your account on the day your payment is due.

RESERVES

Reserves must be properly budgeted to maintain the financial viability of any operation. Reserves are important to fund unanticipated emergency maintenance and repairs, and assist with debt service should the need arise. Reserves can also be established and maintained for the anticipated and expected expenses including but not limited to operation and maintenance.

As a part of this Agency loan proposal you must establish and fund monthly a debt service reserve fund equal to 10% of the monthly payment each month over the life of the loan until you accumulate one annual installment. This reserve is required to establish an emergency fund for a debt repayment should the need arise. Ten percent of the proposed loan installment would equal \$295.90 per month.

The following form will need to be completed for transfer of funds.

ACH Automated Clearing House {bank info. used to transfer funds to borrower account}

ENVIRONMENTAL

The project scope of work as proposed has been evaluated to be consistent with all applicable environmental 1970 requirements. If the project or any project element deviates from or is modified from the original approved project scope of work, RD must be contacted to determine whether additional environmental review may be required.

PAY REQUESTS

Payments through RD are made on a reimbursable basis. Pay requests regardless of funding source, must be reviewed by RD. An outlay report of expenditures will be provided to the applicant for requesting reimbursement (request must be supported by submittal of invoices) on the full project after a final inspection by RD has taken been completed.

INSURANCE REQUIREMENTS

Prior to loan closing or contracting for purchase of the new fire truck, whichever occurs first, you must acquire the types of insurance shown below. The use of deductibles may be allowed providing you have the financial resources to cover potential claims requiring payment of the deductible. The Agency strongly recommends that you have your attorney and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of the Agency to assure that adequate insurance and fidelity or employee dishonesty bond coverage is maintained.

- a. General Liability Insurance – Include vehicular coverage.
- b. Workers' Compensation - In accordance with appropriate State laws.
- c. Position Fidelity Bond(s) - All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. You should have each position bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The minimum coverage acceptable to the Agency will be for each position to be bonded for an amount at least equal to one annual installment on your loan(s). The coverage may be increased during construction of this project based

on the anticipated monthly advances. The amount of coverage should be discussed and approved by the Agency.

- d. National Flood Insurance - If the project involves acquisition or construction in designated special flood or mudslide prone areas, you must purchase a flood insurance policy at the time of loan closing.
- e. Real Property Insurance – Fire and extended coverage will normally be maintained on all structures. Prior to the acceptance of the new fire truck from the contracted vendor you must obtain real property insurance (fire and extended coverage) on all facilities that the new fire truck will be housed in.

COMPLIANCE WITH SPECIAL LAWS AND REGULATIONS

The City of Grandview must comply with Federal, State, and local laws and any regulatory commission rules and regulations pertaining to; organization and authority to operate and maintain the facility, borrowing money, giving security therefore, and raising revenues for the repayment thereof; fire truck standards.

The facility must be operated in accordance with, Title VI of the Civil Rights Act of 1964.

If all conditions set forth in this letter are not met within 12 months from the date hereof, RD reserves the right to discontinue the processing of the application. In addition, it is expected that closing will take place within 36 months from the date of loan approval in order for RD to retain the obligation.

Sincerely,



Marti Canatsey
Community Programs Specialist

Cc: Peter McMillin, Community Programs Program Director

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LETTER OF INTENT TO MEET CONDITIONS

Date _____

TO: United States Department of Agriculture

Rural Housing Service

(Name of USDA Agency)

1606 Perry Street, Suite D
Yakima, WA 98902

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 3/7/17. It is our intent to meet all of them not later than 3-17-18.

Grandview, City Of _____

(Name of Association)

BY _____

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a persons is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0570-0062. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data, needed, and completing and reviewing the collection of information.

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REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 56-039-*****1437		LOAN NUMBER	FISCAL YEAR FY17
2. BORROWER NAME Grandview, City Of 207 West 2nd Street Grandview, WA 98930		3. NUMBER NAME FIELDS 3 (1, 2, or 3 from Item 2)	
		4. STATE NAME Washington	
		5. COUNTY NAME Yakima	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AWAN 4 - HISPANIC 5 - API	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER		8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT
10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN MALE OWNED 5 - ORGAN FEMALE OWNED 8 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC. 13. CREDIT REPORT 1 - YES 2 - NO
14. DIRECT PAYMENT 3 (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 2 - NO	
17. COMMUNITY SIZE 1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 075 (See FMI)	20. PURPOSE CODE 8	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 2 - SUBSEQUENT	24. AMOUNT OF LOAN \$550,000.00		25. AMOUNT OF GRANT
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 3.3750 %	29. REPAYMENT TERMS 22
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)		

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0062. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date _____, 20____ (Signature of Applicant)

Date _____, 20____ (Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: _____

Date Approved: _____ Title: _____

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

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CALCULATION of AMORTIZATION FACTORS & PAYMENTS

(This document is not an official Rural Development document)

The calculated amortization factor may coincide with amortization factors in the Rural Development Amortization book; however, a comprehensive validation was not completed. This document is provided as a tool and users should validate calculations using a published amortization table.

Enter the principal, interest rate, repayment years, and payments per year. Text fields for the amortization factor, periodic payment and annual payment contain formulas that calculate the amortization factor, periodic payment, and annual amount due in Adobe Java Script. Calculated fractional cents are rounded up to the displayed amount in the amortization factor. Calculated cents are rounded up to the next dollar for payments.

Loan Amount: \$550,000

Interest Rate: 3.3750 Percent

Interest Basis 365 Days Actual 360 (365/360)

Amortization in Years: 22

Payments per Year: 1 2 4 12
 3 6 24 26

Amortization Factor: \$5.38 (per \$1,000)

Periodic Payment: \$2,959

Annual Payment: \$35,508

Note: Annual = 1, Semi-annual = 2, Quarterly = 4, Monthly = 12.

Selections of 3, 6, 24, and 26 are not used by Rural Development but are included for private use.

The Actual 360 interest basis is not used by Rural Development; however, it is used by some commercial lenders and the factor is calculated by adjusting the interest rate to an effective annual interest rate.