

COMMISSIONERS RECORD 46  
FRANKLIN COUNTY  
Commissioners' Proceeding for April 27, 2005

The Honorable Board of Franklin County Commissioners met on the above date. Present for the meeting were Frank H. Brock, Chairman; Neva J. Corkrum, Chair Pro Tem; Bob Koch, Member; Fred Bowen, County Administrator; and Mary Withers, Clerk to the Board.

**OFFICE BUSINESS**

Secretary Patricia Shults met with the Board.

Consent Agenda

**Motion** – Mr. Koch: I move for approval of the consent agenda as follows:

1. Approval of Resolution 2005-167 in the matter of appointment of Adolfo de Leon to the Benton Franklin Workforce Development Council to fill position B-2 for Public Assistance Agency representation, with said term expiring June 30, 2007. (Exhibit 1)

Second by Mrs. Corkrum. 3:0 vote in favor.

Vouchers/Warrants

**Motion** – Mrs. Corkrum: I move for approval of the Salary Clearing payroll for \$502,082.81; Warrants 37083 through 37200 for \$156,668.11; warrants 37201 through 37211 for \$149,632.11; and Direct Deposit for \$195,782.59.

Second by Mr. Koch. 3:0 vote in favor.

The following amounts are also listed on the cover sheet but do not require Board approval:

Emergency Management payroll warrants 7111 through 7121 for \$3593.67; warrants 7122 through 7130 for \$3956.76; and Direct Deposit for \$6761.83; for a total of \$14,312.26; and

Irrigation payroll warrants 10782 through 10794 for \$6116.14; and warrants 10795 through 10802 for \$3077.86; for a total of \$9194.00. (Exhibit 2)

**RESIDENTIAL LIGHTING**

Bill Hays met with the Board. He showed the Board some photographs. A neighbor installed a lighting fixture for a pickle ball court (like racquetball). The light

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almost lights up Mr. Hays' entire 2-1/2 acres. The neighbor won't return the phone calls. There have been disputes in the past over fences and property lines.

Planning Director Jerrod MacPherson and Assistant Director Greg Wendt joined audience.

Mr. Hayes said the county Code Enforcement Officer Jerry Lingo told him the county doesn't have a residential lighting ordinance in place at this time but expect one will be put in place. Mr. Lingo spoke with neighbor. The light has not been turned on since that time.

Mr. Hays also spoke with Jim Cherry of the Planning Department. Mr. Cherry said he didn't expect that the ordinance can be adopted before about September when the comprehensive plan is reviewed.

Mr. Hays hopes the Board can get some kind of ordinance on residential lighting so it doesn't interfere with other people's lives. Mr. Hays said if the light was directed another way and moved maybe 20 feet, it would not affect him. There are no other neighbors in the area.

Mrs. Corkrum asked Mr. MacPherson if we have a nuisance ordinance. Mr. MacPherson said we don't have a specific nuisance ordinance but have nuisances covered throughout the comp plan. The Zoning Ordinance is being updated and the Comp Plan is in a review process with the state right now.

Mr. MacPherson said the residential lighting will be addressed in some fashion in the future. It is still to be determined which direction the Planning Commission will make their recommendation. Mr. Brock said it may need to be done on a case-by-case basis. Mr. Wendt referred to parking lot lighting language in a current ordinance.

Mr. MacPherson said the Planning Commission can discuss it. Something can be developed that will deal with it.

Mr. Brock told Mr. Hays that the county will work towards something that will help with the problem.

**Recessed at 9:19 a.m.**

**Reconvened at 9:23 a.m.**

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**SHERIFF**

Sheriff Richard Lathim, Undersheriff Kevin Carle and Officer Jason Nunez met with the Board.

Vehicles

The Board reviewed some documents from Sheriff Lathim regarding the laws about safety and regarding a car accident involving a sheriff's deputy. Sheriff Lathim told the Board that Prosecutor Steve Lowe has recommended the county not pay for Pasco's police car because both officers were at fault. There was a Franklin County deputy and car involved and a Pasco police officer and car involved.

Bid Opening: Aluminum Jet Powered Boat

Bid Opening convened at 9:30 a.m. Present: Commissioners Brock, Corkrum and Koch; County Administrator Fred Bowen; Sheriff Richard Lathim; Undersheriff Kevin Carle; Officer Jason Nunez; and Clerk to the Board Mary Withers.

Two bids were received:

Northwest Marine and Sport of Pasco, total bid of \$50,371 with trade-ins for two boats for \$12,000. Bottom line bid is \$38,371 without tax.

Sheriff Lathim asked Officer Nunez to review the specifications of the boat in the bid.

The second bid was from Traveland RV and Marine of Kennewick, total bid of \$63,431 with trade-ins for two boats at \$24,478. Bottom line bid is \$38,953 without tax.

Officer Nunez said the Northwest Marine and Sport bid meets the specifications. It is the low bid. Sheriff Lathim said the Northwest Marine jet boat is manufactured in Pasco.

**Motion** – Mr. Koch: I would move that we accept the bid from Northwest Jet for a bottom line of \$38,371 plus tax. Second by Mrs. Corkrum. 3:0 vote in favor. (Exhibit 3)

Dog Control

Mr. Bowen and Undersheriff Kevin Carle talked about proposals for dog control in the Riverview area.

Recessed at 9:41 a.m.

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Reconvened at 9:45 a.m.

**PUBLIC WORKS**

Engineer Tim Fife met with the Board.

Resolution: Designation of Primitive Roads

Mr. Fife asked for approval of a resolution designating the primitive roads in the county because some road counts now exceed 100 vehicles per day. A map was reviewed showing the primitive roads in the county. He said what primitive road means is that we do not have to put any warning signs up. The roads are maintained. Drivers are supposed to use extra caution. If the warning sign is up, the county does not have liability if there is an accident.

Mr. Fife answered Mr. Koch's question about a Copp Road. Mr. Fife showed where the road signs would be placed on the road.

Mr. Fife answered Mr. Brock's question about Peterson Road. He said Peterson Road is not currently a county road.

**Motion** – Mr. Koch: I do move that we accept the designation of primitive roads as stated in Resolution 2005-168. Second by Mrs. Corkrum. 3:0 vote in favor. (Exhibit 4)

Hours of Operation

Mrs. Corkrum said she did not realize the shop crew also worked four 10-hour shifts as well as the road crew. She did not realize that the shop was closed on Fridays. Mr. Fife said the shop supervisor or someone else is on call. He said the shop cannot be opened with just one person working. There are three mechanics and a supervisor and an office person. The four 10-hour shifts occur only during the summer.

Resolution: Acceptance of Saratoga Lane and declaring it a county road

Mr. Fife asked for approval to accept Saratoga Lane and declare it a county road. He showed where the road is on a map. It is 3/100ths of a mile in length.

**Motion** – Mr. Koch: I move that we accept Saratoga Lane as shown on the plat of Chapel Hill Phase I, declaring it a county road. This is Resolution 2005-169. Second by Mrs. Corkrum. 3:0 vote in favor. (Exhibit 5)

Gas tax

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Gas tax funding is split between two years. The first year the county will only get half of it. Once it hits July 2006, then the full half a cent comes. The total is \$288,000 (\$144,000 each year) for July 2005 and July 2006. Then it will be ongoing for perpetuity at \$288,000 per year after 2006. The funds come in about three months after the July time period. Mr. Fife said this amount is just keeping us going.

Bureau of Land Management (BLM)

Ms. Estes with BLM called Mr. Fife. BLM received a copy of the letter that the county sent to congressmen. BLM is on the same page with us. Their policy does not allow them to declare a road public if someone has used the land for 10 years. They hope someone will sue to have the road become public. If that happens, then they will work with us to get the funding.

Franklin County Paving Priority Array List

A list of the gravel roads proposed for paving has been prepared. Only roads that had more than 100 vehicles a day were reviewed on the list. The Board reviewed a list of the top roads, not the entire list (Exhibit 6). Mr. Fife said the plan is to pave 30 miles of road. Using the list in Exhibit 6, it would be 32 miles from the first project through Buehler Road. Basin Hill, Buehler, Greenacres and Murphy Roads all rated at 16 points. Mr. Fife said there is no priority arrangement in the 16-point roads.

Mr. Fife can bring in the methodology that was used. It included permanent crops that are sensitive to dust. Also, the maintenance people have had input about which roads need to be paved first.

Mr. Brock said one road that is not on the list that needs work is Cypress Drive. Mr. Fife said it is one we looked at. It has a traffic count of 147 vehicles a day. Mr. Brock said Cypress Drive has the same problems as Birch Road and Fir Road.

Mr. Fife will prepare an application to the Public Works Trust Fund.

Mrs. Corkrum would like to include Murphy Road.

Mr. Koch asked about Buehler Road. He said there are no sensitive crops and it doesn't go all the way through. Mr. Fife said it shows a traffic count of 169. That traffic

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count was taken before Moon Road was finished. Mr. Fife said another test needs to be done on Buehler Road.

Mr. Fife will review Cypress Drive for possible addition to the list. Mr. Brock said there is an orchard off of Cypress Drive.

Juniper Dunes

BLM wants to work with the county in getting funding to do something on the access to Juniper Dunes. The BLM asked Mr. Fife to talk to a property owner in the Juniper Dunes area. Mr. Fife asked if the Board would give permission for him to talk to the property owner whose land would be affected. The Board gave approval. Mr. Fife has told BLM officials that if BLM gave the state money for road construction, the county would have to go through the regular complete process including design review, adoption and construction. Mr. Fife told BLM that his opinion is that at least the first two miles need to be paved. Beyond that, it's negotiable. Mr. Brock said we need a parking lot.

Glade North Road culvert

The repair has worked on the area of the culvert at Glade North Road near Fir Road off the road but the road itself is sinking. Mr. Fife said his office is working with the contractor and the irrigation district to try to reroute traffic and empty the canal for one day so the repairs can be made.

**Recessed at 10:12 a.m.**

**Reconvened at 10:18 a.m.**

**PROSECUTOR**

Prosecutor Ryan Verhulp met with the Board. Present in audience: Tri-City Herald Reporter Melissa Hoyos.

**Executive Session at 10:19 a.m.** regarding pending litigation expected to last five minutes.

**Open Session at 10:24 a.m.**

**BONDS**

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Senior Municipal Underwriter Jim Nelson of Martin Nelson & Co. and Attorney Jeff Nave of Foster, Pepper & Shefelman PLLC met with the Board. Present in audience: Attorney Ryan Verhulp and Reporter Melissa Hoyos.

Bond Refinancing

Mr. Nelson gave the Board a summary sheet (Exhibit 7). He said the total net savings after all financing costs is \$710,923. The average annual savings is approximately \$39,496 per year. Based on industry standards when you refinance a bond, the regulations say you can only do that once for a type of bond. Mr. Nelson explained why the net present value savings of 6.3% is very good. He described the current market conditions.

Mr. Nelson is willing to help the county with a template on a press release. The Board asked Mr. Nelson to visit with Ms. Hoyos.

Mr. Nelson said in summary, the county is saving approximately \$39,496 per year with total savings of \$710,923 over a period of 18 years. The contract to purchase was reviewed (in letter form) which will be part of the total resolution. It shows the interest rates we're committing to pay.

The Bond Purchase Agreement was reviewed. The coupon or interest rates we're committing to are shown. The rates jump to 5% in 2016 through 2022. Mr. Nelson explained why. There were some institutional buyers such as mutual funds and insurance companies that bought these bonds and they bought them on a premium. For example, it was a 5% interest rate to county but the yield to the investor was 4.2% so that created a premium. That additional dollar premium then lowered the size of your bond. The bottom line is the total net effect was to lower your total interest cost. That's a unique phenomena in the market right now with what we call premium bonds.

The total principal and interest is \$11,801,381.76. That is being compared to the summary sheet in Exhibit 7. That is how Mr. Nelson came up with the \$710,923 in total net savings. It is combined so the county is refinancing outstanding 1995, 1996 and 1999 limited tax general obligation bonds.

Doug MacDonald joined the audience.

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The 1995 bonds were for TRAC equipment. The 1996 bonds were criminal justice bonds for \$5,085,000. The 1999 bonds were for rural facilities (economic development) for \$6,085,000. The economic development funds were divided up among the entities in Franklin County including City of Pasco, Port of Pasco, City of Connell, City of Kahlottus and City of Mesa.

Mr. Nelson said the bonds are AAA insured so they are insured by the bond insurance company named Financial Security Assurance, Inc. (FSA). The county was able to achieve the lowest rates with the highest rating of AAA.

Mr. Nave gave the Board copies of a resolution that would authorize the county to issue the bonds that Mr. Nelson has described. He went through the resolution section by section in summary form.

The resolution will authorize the county to issue \$8,345,000 worth of what are called limited tax general obligation bonds. Those are bonds that are ultimately secured by the county's Current Expense fund. They are not payable from voter-approved taxes. That is why they are called limited tax general obligation bonds. You will also hear these called non-voted bonds or councilmanic bonds.

The resolution authorizes the bonds to be issued for the purpose of refunding the 1995, 1996 and 1999 limited tax general obligation bonds.

Mr. Nave mentioned he has used Franklin County's 1999 rural facilities bond as an good example for other counties. Franklin County borrowed the money upfront from the 1999 funds which gave the other entities in the county funds that they could use for projects rather than giving them a small amount of funds each year.

The 1996 and 1999 bonds were payable from special excise taxes. They are criminal justice excise tax or sales tax on criminal justice. The 1999 bonds are payable from the rural county tax. We indicate that in the findings and we point out that the bonds that we're refunding were payable from that source of money. These bonds are payable from the same source. These bonds step in the shoes of the old bonds.

The resolution authorizes the outstanding bonds to be redeemed.



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The bonds will be called on December 1, 2005, December 1, 2006, and December 1, 2009. The bonds may still be on the market but they will be payable from bond funds that you will set aside in an escrow fund, not from taxes.

The new bonds are very similar to the old bonds. The principal will be payable each December 1, the interest will be payable each June 1 and December 1. The reason is because tax collections are in April and October so by October, the county will have received the most money that it will have any time of year. The interest-only payment in June gives a chance to have May collections in the book. The bigger payment is in December when the county should have received two taxes.

The bonds are pre-payable on June 1, 2015, which is just over 10 years after the bonds will be issued. That is a magical date for Federal tax purposes. If for some reason the county decides to sell TRAC to someone, the county could do that and because we have the bonds payable within that 10-year window, the county could put money aside into another escrow fund to pay off the bonds if you chose to do that. This special refunding date is in the resolution and was worked through with Martin Nelson & Company.

The resolution pledges the Current Expense fund revenues. It does not pledge criminal justice monies or rural tax monies specifically to the bonds. He explained the reason by giving an example. It allows the county to have flexibility to allocate funds.

The State of Washington's treasurer (called the Washington State Fiscal Agent) competitively bids a fiscal agency contract. This is the entity that makes payments on the bonds. They send notices out to the bond holders. By doing a bulk bidding contract the State of Washington gets very favorable rates. Most (99%) of people who issue bonds in this state use that Washington State Fiscal Agent. This resolution appoints the Washington State Fiscal Agent as the county's registrar, which is consistent with other bonds in the county.

There is a covenant in the resolution to preserve the tax-exemption on the bonds. The county has been very good in watching the tax issues and upholding the covenant.

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In order to get a favorable interest rate, the county accessed a Federal tax code provision that lets you designate these as bonds as qualified bonds. The reason you can do that is your expectation is to issue less than \$10 million worth of tax-exempt bonds this year. He asked if the Board is aware of any other bonds for this year. The Board said no.

The resolution directs the refunding of the old bonds. It appoints the Bank of New York, which is not the fiscal agent but is another trustee, to hold the escrow and make sure the old bonds are paid because that's a separate operation than paying the new bonds.

It directs the county to invest in securities that Jim Nelson has structured so that when the securities mature and they pay principal and their interest payments, those payments will be sufficient to pay the outstanding bonds.

Basically on the closing day of May 9, the Bank of New York will buy these securities and they will put them in an escrow. As they mature the Bank of New York will pay the old bonds, they'll pay them on the call date, they'll send out your call notices, and really the county should go on autopilot on those bonds and not worry about them. You'll get reports but you don't have to do any more administration on them. You just focus on the new bonds.

The last redemption date on old bonds is 2009. The Bank of New York will administer that trust (escrow) until 2009.

Mr. Nelson said the closing date for this refunding is May 9, 2005.

Mr. Nave said the resolution also approves the Bond Purchase Agreement that Mr. Nelson described so a separate resolution is not needed.

It also approves the use of this document (Mr. Nelson showed the Board the document) about tax exemption describing the bonds. It is basically like a stock prospectus.

This resolution also undertakes on behalf of the county to provide certain information on an ongoing basis. Mr. Nave said Marie Shults in the Treasurer's office has been very good about making sure those filings are made on time. This resolution

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basically parrots what is in all the other resolutions so there is no additional burden other than just adding these bonds to the title so that folks can see what's going on.

This resolution also approves the FSA bond insurance that was described.

**Motion** – Mrs. Corkrum: I move approval of Resolution 2005-166 for our outstanding limited tax general obligation bonds as listed. Second by Mr. Koch. 3:0 vote in favor. (Exhibit 8)

Mr. Brock signed the document from Mr. Nelson (Exhibit 9).

Jim Nelson thanked County Administrator Fred Bowen, Treasurer Jenny Zacher and staff, and the Auditor's Office for all the information they have provided.

**US ARCHIVE & IMAGING SERVICES PRESENTATION**

Doug MacDonald met with the Board. Present in audience: Melissa Hoyos.

Mr. MacDonald gave the Board an overview of the work his company does. The Board reviewed his packet. His company help provide and specialize in conversion technologies of converting paper copies to digital images. It also stores records and provides destruction services. They work with a number of counties throughout the state using interlocal agreements.

**EXTENSION OFFICE**

WSU Extension Office Director Kay Hendrickson and Agent Tim Woodward met with the Board. Present in audience: Melissa Hoyos.

Emergency Management Plan

Ms. Hendrickson has let WSU know that the Extension Office is covered by the Franklin County Emergency Management Plan.

Salary Money

Ms. Hendrickson said the legislature passed a budget giving the WSU non-instructional budget a \$1.2 million cut equating to 1%. The criteria can now be developed for hiring a replacement for a retired extension agent in Franklin County.

Mr. Brock will be on the selection committee.

Alfalfa

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Mr. Woodward gave the Board a copy of a paper he wrote titled "Issues with GMO Alfalfa in the Marketplace." He said Round-Up Ready alfalfa is going to be released as early as this fall. It has an effect on the market because Japan and Korea don't want this type of alfalfa imported. Mr. Woodward has asked Monsanto and another company to not release their GMO this year. They agreed. The reason for the delay is to run tests and develop test kits so growers can test their hay in haystacks for GMO so the hay that is exported is non-GMO. Procedures need to be developed so we know how many tests have to be done. Mr. Woodward and another researcher in California are working on the test kits.

He told the Board briefly about transformation technology to inject genes into the plant from other organisms. Transformation technology is very highly regulated. Half of our hay in the Columbia Basin is exported. Japan does not want genetically altered hay.

Mr. Woodward gave the Board a chart showing 2004 Washington state hay values, which went up over 8% last year. Two counties (Franklin and Grant) really produce most of the alfalfa. Our acres are almost half but the production per acre is high. Varieties of hay and genetics are factors.

Graphs were given to the Board showing U.S. acres and production and Washington acres and production from 1960 through 2004.

Pictures were reviewed showing damage from root knot nematodes and the nematodes themselves. The dryness of the winter has contributed to root knot nematode symptoms in alfalfa fields. A lot of times the crop can recover. If resistant varieties are planted, the problem can be lessened. Blue aphid can stunt the plant and not allow reserve to take place in the plant. This spring there was a field with hot spots where plants have been killed. Now we know blue aphid can over-winter. Almost any wheat insecticides can be used to kill or control the blue aphid. Pea aphids do not do as much damage as blue aphid. Last year there weren't any blue aphid problems but the farmers were still spraying. We have some unique insects and diseases in this county. Where the blue aphids burned out the hay, the ladybugs were covering the field. Unfortunately, the lady bugs are killed by the spray that kills the aphids.

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Mr. Woodward works on the crop disaster program. Last year we had all the rain on the hay. It turned out pretty good because exporters used second and third crop hay. We're running out of hay. California buyers are even coming up this far to buy hay. Mr. Woodward thinks with the drought there is going to be a shortage of hay so that is good for this area that has irrigation water.

**COUNTY ADMINISTRATOR**

County Administrator Fred Bowen met with the Board.

Office Hours

Mr. Bowen asked the Board if the Commissioners Office can change to working from 7:00 a.m. to 4:00 p.m. for one person. The internal office would be open from 8:00 to 5:00 every day. The Board decided as long as the office is covered, that's fine. One person will be in the office until 5:00. The Board approved the request from another employee to work four 10-hour days on a trial basis.

Grand Old 4<sup>th</sup>

Services Agreement with Let's Pretend Circus. Mr. Bowen explained what Let's Pretend Circus does and asked for approval of a Personal Services Agreement.

**Motion** – Mr. Koch: I so move that we accept the Personal Services Agreement between Franklin County and Let's Pretend Circus for the Grand Old 4<sup>th</sup>. This is Resolution 2005-170. Second by Mrs. Corkrum. 3:0 vote in favor. (Exhibit 10)

Financial Forecast

Projected 2005 Current Expense Revenues and expenditures chart was reviewed. It was prepared with actual numbers, not budgeted numbers.

Cumulative Reserve Fund (Rainy Day) figures were reviewed. Currently there is about \$850,000 available. Mr. Bowen thinks a loan will be needed later in the year.

The Courthouse Renovation Funds shortfall currently is \$303,183, which can be paid from the Rainy Day funds. The county expects to receive state funds for courthouse restoration. Mr. Brock's only concern is when we will get the funds. Mr. Bowen has been told the criteria or guidelines for the funds will be in place by October 1. However, it is unknown what the committee makeup or timeline will be.

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**Executive Session** at 12:06 p.m. regarding personnel expected to last 15 minutes.

**Open Session** at 12:26 p.m.

**OTHER BUSINESS**

Patricia Shults met with the Board.

Vouchers/Warrants

The Board reviewed the vouchers and warrants. One voucher is for Department of Revenue excise tax for 2005 for \$689.04 out of Auditor O&M fund. Another voucher is from Auditor O&M fund signed by County Clerk Mike Killian for \$2119.44 for Canon scanner cable SCI card from Integra.

Mr. Brock asked that warrants 331 and 332 be pulled to obtain further information.

**Motion** – Mr. Koch: I move that we accept the vouchers audited and certified in the amount of \$964,158.24 minus warrants #331 and #332. Second by Mrs. Corkrum. 3:0 vote in favor. (Exhibit 11)

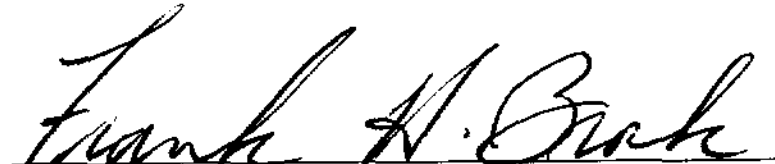
After checking with the Auditor's Office, the Board approved payment of Warrant 332 for \$689.94.

**Adjourned** at 12:33 p.m.

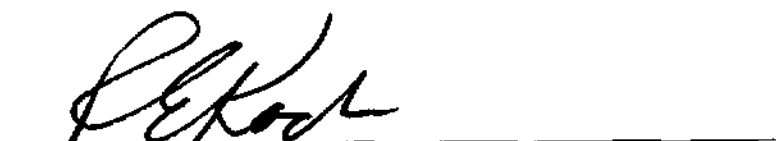
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There being no further business, the Franklin County Board of Commissioners meeting was adjourned until May 2, 2005.

BOARD OF COUNTY COMMISSIONERS  
FRANKLIN COUNTY, WASHINGTON

  
Chairman

  
Chairman Pro Tem

  
Member

Attest:

  
Clerk to the Board

Approved and signed May 4, 2005.

## FRANKLIN COUNTY

RESOLUTION NO. 2005 167

**BEFORE THE BOARD OF COMMISSONERS OF FRANKLIN COUNTY,  
WASHINGTON;**

**IN THE MATTER OF APPOINTMENT OF ADOLFO DE LEON TO THE BENTON-  
FRANKLIN WORKFORCE DEVELOPMENT COUNCIL**

**WHEREAS**, the term of office for Tom Balzer on the Benton-Franklin Workforce Development Council, Position B-2 which represents Public Assistance Agency, is vacant, and

**WHEREAS**, Adolfo de Leon, 800 W. Court St., Pasco WA 99301, has expressed his interest and willingness to be appointed as a member on the Workforce Development Council, Position B-2 Public Assistance Agency, and has submitted an application with endorsement from Community Service Division/DSHS/Pasco Community Service Office; **NOW, THEREFORE,**

**BE IT RESOLVED** that Adolfo de Leon is hereby appointed, as of April 25, 2005, to fill the B-2 position for Public Assistance Agency representation, said term expiring on June 30, 2007.

Dated 4/27/05

Attest:

Mary Withers  
Clerk to the Board

Frank H. Bink  
Chairman of the Board

Steve Jackson  
Member

Reed  
Member


Constituting the Board of Commissioners of  
Franklin County,  
Washington




April 29, 2005

Franklin County Commissioners:

Vouchers audited and certified by the auditing officer by RCW 42.24.080, expense reimbursement claims certified by RCW 42.24.090, have been recorded on a listing, which has been sent to the board members.

Action: As of this date, 04/29/2005,  move that the following warrants be approved for payment.

FUND	WARRANT	AMOUNT
<b>Salary Clearing Payroll:</b>		
	37083-37200	156,668.11
	37201-37211	149,632.11
	Direct Deposit	<u>195,782.59</u>
	<b>Total</b>	<b><u><u>\$502,082.81</u></u></b>

In the amount of \$ **502,082.81** . The motion was seconded by 

and passed by a vote of **3** to **0** .

**Emergency Mgmt Payroll:**

7111-7121	\$3,593.67
7122-7130	3,956.76
Direct Deposit	<u>6,761.83</u>
<b>Total</b>	<b><u><u>\$14,312.26</u></u></b>

**Irrigation Payroll:**

10782-10794	\$6,116.14
10795-10802	\$3,077.86
Direct Deposit	<u>0.00</u>
<b>Total</b>	<b><u><u>\$9,194.00</u></u></b>

April 27, 2005

Neva J. Corkrum  
District 1

Robert E. Koch  
District 2

Frank H. Brock  
District 3

Fred H. Bowen  
County Administrator

Tiffany Coffland  
Human Resources Director

Patricia Shults  
Executive Secretary

Board of County Commissioners  
**FRANKLIN COUNTY**

April 27, 2005

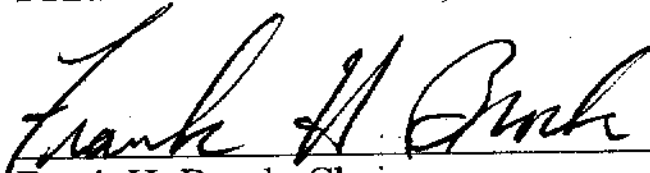
Northwest Marine & Sport  
2250 Commercial Avenue  
Pasco, WA 99301

Gentlemen:

We hereby approve awarding the bid for a 2005 Northwest Jet Boat "22' Signature" model to Northwest Marine & Sport for \$38,371.00 plus tax. Your bid was the low bid received.'

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
FRANKLIN COUNTY, WASHINGTON

  
Frank H. Brock, Chair

  
Neva J. Corkrum, Chair Pro Tem

  
Robert E. Koch, Member

cc: Sheriff Richard Lathim  
Traveland RV & Marine  
File/LB

## FRANKLIN COUNTY

RESOLUTION NO. 2005 168

**BEFORE THE BOARD OF COUNTY COMMISSIONERS, FRANKLIN COUNTY,  
WASHINGTON**

**RE: DESIGNATION OF PRIMITIVE ROADS**

WHEREAS; the Washington State Legislature passed an Act (CH.45 Laws of 1980) creating a classification of county roads to be designated as Primitive Roads, and

WHEREAS; it has been brought to the attention of the Board of County Commissioners of Franklin that there is a need to update the supplement Resolution No. 92-73 for Designation of Primitive Roads.

WHEREAS; said Act provides that Primitive Road classification may be applied by the county legislative authority only to roads, or portions of roads, which:

- 1) are not classified as part of the county primary road system
- 2) have a gravel or earth driving surface
- 3) have an average annual daily traffic of one hundred or fewer vehicles, and

WHEREAS, the County Engineer has recommended that certain roads, or portions of roads, meeting these criteria, be designated as Primitive Roads, and

WHEREAS, this legislative authority desires to implement the designation of Primitive Roads in accordance with the criteria established by law,

**NOW THEREFORE BE IT RESOLVED THAT:**

- 1) this legislative authority finds that the roads, or portions of roads, listed below meet the statutory criteria for Primitive Roads, and are hereby designated as such:

Road Name	Approximate Location (Sec./Twn./Range)	Road Log Number	Milepost	
			Begin	End
Ash Road	Sec. 31, T. 13N, R. 29E	04740	0.00	2.27
Bauermeister Road	Sec. 23, T. 13N, R. 32E	07580	0.00	2.08
Black Road	Sec. 15, T. 14N, R. 33E	02710	0.00	4.86
Blackburn Road	Sec. 17, T. 13N, R. 32E	07600	0.97	6.00
Blackman Ridge Road	Sec. 01, T. 11N, R. 30E	07160	0.55	2.98
Blackman Ridge East	Sec. 02, T. 11N, R. 32E	07200	0.00	4.30
Broxen Road	Sec. 22, T. 14N, R. 32E	02650	0.00	3.01
Columbia River Road	Sec. 12, T. 10N, R. 28E	09260	7.20	7.45
Coordes Road	Sec. 22, T. 12N, R. 31E	07470	0.00	7.24
Copp Road	Sec. 12, T. 13N, R. 33E	02870	1.32	7.19

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Davin Road	Sec. 27, T. 14N, R. 36E	01870	0.00	3.36
Delaney Road	Sec. 34, T. 13N, R. 33E	07510	0.00	4.59
Essenprise Road	Sec. 29, T. 12N, R. 33E	07330	0.00	7.84
Farrington Road	Sec. 09, T. 12N, R. 34E	01380	0.00	0.31
Fishhook-Elgin Road	Sec. 33, T. 12N, R. 32E	07250	0.00	5.90
Gertler Road	Sec. 01, T. 11N, R. 31E	07150	0.00	3.04
Gill Road	Sec. 20, T. 14N, R. 35E	01730	0.00	5.02
Glenwood Road	Sec. 29, T. 12N, R. 29E	05200	3.28	5.16
Glenwood Spur	Sec. 29, T. 12N, R. 29E	05130	0.00	0.40
Green Acres Road	Sec. 27, T. 13N, R. 28E	04250	0.00	1.89
Harper Road	Sec. 23, T. 12N, R. 32E	07430	0.00	3.44
Harrigan Lane	Sec. 28, T. 13N, R. 28E	04440	0.00	0.57
Haverland-Koontz	Sec. 06, T. 11N, R. 32E	07180	0.00	4.33
Herman Road	Sec. 33, T. 10N, R. 32E	08300	0.00	1.44
Hockett Lane	Sec. 33, T. 12N, R. 32E	07240	0.00	0.23
Hoffman Road	Sec. 17, T. 13N, R. 33E	07530	0.00	0.50
Hoon Drive	Sec. 33, T. 13N, R. 32E	07690	0.00	0.89
Hoon Road	Sec. 27, T. 13N, R. 32E	07650	0.00	4.04
Hunt Road	Sec. 24, T. 12N, R. 33E	01350	0.00	6.26
Jones Spur	Sec. 10, T. 11N, R. 33E	01210	0.00	0.54
Joy Road	Sec. 08, T. 11N, R. 32E	08570	0.00	2.03
Joyce Road	Sec. 24, T. 13N, R. 31E	07860	0.00	2.27
Koelzer Road	Sec. 33, T. 14N, R. 28E	04500	0.00	0.50
Largent Road	Sec. 22, T. 13N, R. 33E	07140	0.00	2.36
Lewis Road	Sec. 10, T. 14N, R. 34E	02930	0.00	2.23
Lindner Road	Sec. 07, T. 13N, R. 32E	07610	0.00	1.00
Locust Water Road	Sec. 13, T. 09N, R. 30E	08190	0.00	0.37
Lone Star Road	Sec. 24, T. 14N, R. 32E	02660	0.00	2.86
McCallum Road	Sec. 25, T. 13N, R. 32E	07100	0.00	4.21
McClenney Road	Sec. 12, T. 10N, R. 32E	08450	1.35	7.97
McLane Road	Sec. 09, T. 13N, R. 28E	04480	0.00	0.56
Michel Road	Sec. 21, T. 14N, R. 28E	04410	0.00	0.99
Montgomery Road	Sec. 30, T. 14N, R. 34E	02760	0.00	0.32
Mt. Vista Road	Sec. 21, T. 13N, R. 28E	04450	0.00	1.11
Murphy Road	Sec. 14, T. 10N, R. 32E	08320	3.05	3.66
Myers Lane	Sec. 02, T. 14N, R. 32E	02520	0.00	0.22
Myers Road	Sec. 08, T. 14N, R. 32E	02540	0.06	4.18
Neff-Jones Road	Sec. 21, T. 11N, R. 33E	01250	0.00	7.61
Nordheim Road	Sec. 29, T. 14N, R. 32E	02620	1.04	4.71
Nunamaker Road	Sec. 24, T. 14N, R. 35E	01850	0.00	4.58
Omer Road	Sec. 16, T. 13N, R. 28E	04460	0.00	0.50
Overturf Road	Sec. 27, T. 12N, R. 32E	07380	6.51	8.65
Page-Murphey "Y"	Sec. 14, T. 10N, R. 32E	08340	0.00	0.21
Palmer Road	Sec. 16, T. 14N, R. 35E	02990	0.06	2.95
Pederson Road	Sec. 06, T. 10N, R. 33E	08500	0.00	3.92

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Perry Road	Sec. 29, T. 14N, R. 35E	02970	0.00	2.97
Reynolds Road	Sec. 06, T. 12N, R. 33E	07400	0.00	5.81
Rice Road	Sec. 30, T. 14N, R. 34E	02780	0.00	3.25
Richmond Road	Sec. 20, T. 12N, R. 33E	07360	0.00	0.33
Ritchards Road	Sec. 18, T. 14N, R. 34E	02880	0.00	1.93
Riverview Road	Sec. 28, T. 13N, R. 28E	04260	0.00	1.14
Rogers Road	Sec. 12, T. 09N, R. 31E	08210	0.00	0.93
Rye Grass Coulee Road	Sec. 01, T. 11N, R. 31E	07190	0.00	2.17
Smith Canyon Road	Sec. 31, T. 12N, R. 31E	07220	0.00	7.45
Smith Lane	Sec. 34, T. 13N, R. 28E	04270	0.00	0.41
Stastney Road	Sec. 32, T. 12N, R. 31E	07290	0.00	2.09
Struthers Road	Sec. 18, T. 14N, R. 33E	02750	0.00	1.72
Votaw Road	Sec. 06, T. 10N, R. 33E	08470	0.00	1.17
Wilder Road	Sec. 15, T. 14N, R. 34E	02950	0.00	4.24
Williams Road	Sec. 02, T. 14N, R. 32E	02510	0.00	3.98

- 2) The County Engineer is hereby directed to mark these roads as primitive roads in the manner specified in the Act.

ADOPTED this 27 day of April, 2005.

  
 Frank H. Brock, Chair

  
 Neva J. Corkrum, Chair Pro Tem

  
 Robert E. Koch, Member

ATTEST:

  
 Clerk of the Board

## FRANKLIN COUNTY

RESOLUTION NO. 2005 169BEFORE THE BOARD OF COUNTY COMMISSIONERS, FRANKLIN COUNTY,  
WASHINGTONRE: ACCEPTANCE OF SARATOGA LANE AS SHOWN IN THE PLAT OF  
CHAPEL HILL PHASE 1 AND DECLARING IT A COUNTY ROAD

WHEREAS, pursuant to RCW 58.17, the legislative authority may require certain road improvements and/or construction prior to approval of said plat; and

WHEREAS, the County required MT-1, LLC, to construct Saratoga Lane to Current County Standards; and

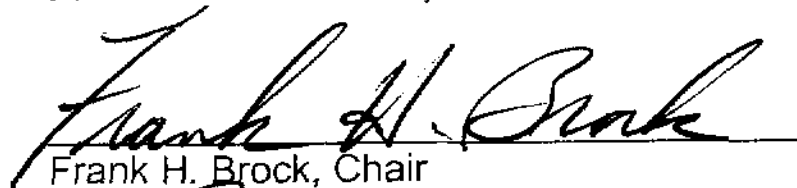
WHEREAS, pursuant to RCW 58.17.130, language that secured the completion of said improvements; and

WHEREAS, the County Engineer has approved the construction of said improvements as meeting Current County Standards.

NOW, THEREFORE, BE IT RESOLVED that the Board of County Commissioners hereby accepts the following newly constructed and approved road as a County Road:

**Saratoga Lane M.P. 0.00 to M.P. 0.03**

Passed and approved this 27 day of April, 2005

BOARD OF COUNTY COMMISSIONERS  
FRANKLIN COUNTY, WASHINGTON  
Frank H. Brock, Chair  
Neva J. Corkrum, Chair Pro Tem

Attest:

  
Clerk of the Board  
Robert E. Koch, Member

## FRANKLIN COUNTY PAVING PRIORITY ARRAY LIST

4/26/2005  
GFW

POINT RANGE	PTS.	PROJECT	FROM	TO	LENGTH (miles)
<b>RURAL</b>					
20 - 25	22	BIRCH 1	GEMINI	SAGEMOOR	0.98
	21	BREWSTER LN.	BELLEVUE	END OF LANE	0.35
	21	MILLWOOD RD.	IRONWOOD	W. JUNIPER	0.98
	21	MILLWOOD DR.	W. JUNIPER	RUSSELL	1.16
	21	RINGOLD RIVER	S. END OF ROAD	RINGOLD ROAD	1.31
	20	BELLEVUE	SELPH LANDING	BREWSTER LANE	1.60
	20	FRASER DRIVE	SELPH LANDING	COL. RIVER ROAD	0.9
-----					
15 - 20	19	BELLFLOWER	WAHLUKE	COLUMBIA	2.05
	19	BIRCH 2	GLADE NORTH	TAYLOR FLATS	3.30
	18	EVERETT	ELM	FIR	1.00
	18	FIR	ELTOPIA WEST	GLADE NORTH	4.55
	18	PALMER/JUNIPER	RUSSELL	MILLWOOD RD.	3.12
	18	MARTINDALE	DECKER	END OF ROAD	0.86
	18	SHEFFIELD	1/2 mile w. Glade	R - 170	2.53
	17	AUBURN	FIR	ELTOPIA WEST	0.98
	17	MOUND	RANGEVIEW	SR 24	0.48
	16	BASIN HILL	WAHLUKE	COLUMBIA	2.04
	16	BUEHLER	SOHM	MUSE	4.02
	16	GREENACRES	HOLLINGSWORTH	BUFFALO	3.81
	16	MURPHY	P-K HIGHWAY	PAGE WYE	2.57
	15	CEDAR	IONE	GLADE	2.02

FRANKLIN COUNTY  
**REFUNDING 1995, 1996, & 1999 LTGO BONDS (ONLY THE DEBT AFTER THE CALL DATES)**  
**CALL DATES ARE 12/1/05, 12/1/06, AND 12/1/09**

AAA Insured

**SAVINGS REPORT COMPARING NEW DEBT TO OLD DEBT**

Proposed New Refunding Debt				Old	
Date	Principal	Interest	Annual Debt	Outstanding	
			Service	Debt Service	
12/1/2005		189,609	189,609	225,286	37,841
12/1/2006	145,000	337,918	482,918	520,573	37,655
12/1/2007	380,000	333,930	713,930	751,688	37,758
12/1/2008	395,000	322,530	717,530	755,925	38,395
12/1/2009	410,000	310,088	720,088	758,798	38,710
12/1/2010	660,000	296,763	956,763	995,265	38,503
12/1/2011	680,000	274,323	954,323	992,715	38,393
12/1/2012	700,000	250,523	950,523	987,980	37,458
12/1/2013	720,000	224,973	944,973	986,160	41,188
12/1/2014	655,000	197,973	852,973	892,113	39,140
12/1/2015	690,000	172,755	862,755	901,308	38,553
12/1/2016	710,000	145,500	855,500	897,680	42,180
12/1/2017	325,000	110,000	435,000	477,080	42,080
12/1/2018	345,000	93,750	438,750	477,530	38,780
12/1/2019	355,000	76,500	431,500	471,830	40,330
12/1/2020	375,000	58,750	433,750	475,268	41,518
12/1/2021	390,000	40,000	430,000	471,468	41,468
12/1/2022	410,000	20,500	430,500	471,478	40,978
Total	\$8,345,000	\$3,456,382	\$11,801,382	\$12,510,141	\$710,923

Net Interest Cost Percentage:

**4.19%**

Refinancing  
5.05% to 5.95%

Total Net Savings:

**\$710,923**

Average Annual Savings over 18 years:

**\$39,496**

Net Present Value Savings at: NIC% of 4.19% equals \$504,548.

Net Present Value Savings Percentage:

**6.30% \***

*\* A refunding is considered cost-effective with a net present value savings percentage greater than 3.0%.*



## FRANKLIN COUNTY, WASHINGTON

## RESOLUTION NO. 2005-166

A RESOLUTION of the Board of County Commissioners of Franklin County, Washington, providing for the issuance, specifying the maturities, interest rates, terms and covenants and fixing the form of \$8,345,000 principal amount Limited Tax General Obligation Refunding Bonds, 2005, to provide funds with which to pay the cost of refunding, paying and redeeming the callable portion of the County's outstanding Limited Tax General Obligation Bonds, Series 1995, Limited Tax General Obligation Bonds, Series 1996, and Limited Tax General Obligation Bonds, 1999; providing for and authorizing the purchase of certain obligations out of the proceeds of the sale of the bonds herein authorized and for the use and application of the money derived from those investments; authorizing the execution of an agreement with The Bank of New York, as refunding trustee; providing for the call, payment and redemption of the outstanding bonds to be refunded; providing for insurance; and approving the sale and providing for the delivery of the bonds to Martin Nelson & Company, Inc., Seattle, Washington.

ADOPTED: APRIL 27, 2005

*This document prepared by:*

**FOSTER PEPPER & SHEFELMAN PLLC**  
West 422 Riverside Avenue, Suite 1310  
Spokane, Washington 99201-0302  
(509) 777-1602

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## FRANKLIN COUNTY, WASHINGTON

## RESOLUTION NO. 2005-166

A RESOLUTION of the Board of County Commissioners of Franklin County, Washington, providing for the issuance, specifying the maturities, interest rates, terms and covenants and fixing the form of \$8,345,000 principal amount Limited Tax General Obligation Refunding Bonds, 2005, to provide funds with which to pay the cost of refunding, paying and redeeming the callable portion of the County's outstanding Limited Tax General Obligation Bonds, Series 1995, Limited Tax General Obligation Bonds, Series 1996, and Limited Tax General Obligation Bonds, 1999; providing for and authorizing the purchase of certain obligations out of the proceeds of the sale of the bonds herein authorized and for the use and application of the money derived from those investments; authorizing the execution of an agreement with The Bank of New York, as refunding trustee; providing for the call, payment and redemption of the outstanding bonds to be refunded; providing for insurance; and approving the sale and providing for the delivery of the bonds to Martin Nelson & Company, Inc., Seattle, Washington.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF FRANKLIN COUNTY, WASHINGTON, as follows:

Section 1.     Recitals. The Board of County Commissioners (the "Board") of Franklin County, Washington (the "County") hereby makes the following findings and determinations:

(a) Pursuant to Resolution No. 39-280, adopted by the Board on December 4, 1995 (the "1995 Resolution"), the County issued its \$995,000 principal amount Limited Tax General Obligation Bonds, Series 1995 (the "1995 Bonds"), and reserved the right to redeem the 1995 Bonds maturing on or after December 1, 2006, prior to their stated dates of maturity, on or after December 1, 2005, at the price of par plus accrued interest, if any, to the date of redemption.

(b) There are presently outstanding \$585,000 principal amount of 1995 Bonds maturing on December 1 in the years 2006 and 2009, inclusive, and in the year 2013, bearing various interest rates of 5.55% to 5.95% (the "1995 Refunded Bonds").

(c) Pursuant to Resolution No. 96-432, adopted by the Board on November 12, 1996 (the "1996 Resolution"), the County issued its \$5,085,000 principal amount Limited Tax General Obligation Bonds, Series 1996 (the "1996 Bonds"), and reserved the right to redeem the 1996 Bonds maturing on or after December 1, 2007, prior to their stated dates of maturity, on or after December 1, 2006, at the price of par plus accrued interest, if any, to the date of redemption.

(d) There are presently outstanding \$3,170,000 principal amount of 1996 Bonds maturing on December 1 in the years 2007 through 2011, inclusive, and in the year 2016, bearing various interest rates of 5.05% to 5.55% (the "1996 Refunded Bonds").

(e) Proceeds from the sale of the 1996 Bonds were used by the County to finance capital expenditures for "criminal justice purposes" (within the meaning of RCW 82.14.340). In addition to other sources of money, the County has used proceeds of excise taxes imposed pursuant to RCW 82.14.340 to pay the principal of and interest on the 1996 Bonds. The County expects to use such excise tax proceeds to pay debt service on an allocable portion of the Bonds.

(f) Pursuant to Resolution No. 99-413, adopted by the Board on October 25, 1999 (the "1999 Resolution"), the County issued its \$6,045,000 principal amount Limited Tax General Obligation Bonds, 1999 (the "1999 Bonds"), and reserved the right to redeem the 1999 Bonds maturing on or after December 1, 2010, prior to their stated dates of maturity, on or after December 1, 2009, at the price of par plus accrued interest, if any, to the date of redemption.

(g) There are presently outstanding \$4,260,000 principal amount of 1999 Bonds maturing on December 1 in the years 2010 through 2014, inclusive, and in the years 2019 and 2022, bearing various interest rates of 5.35% to 5.95% (the "1999 Refunded Bonds").

(h) Proceeds from the sale of the 1999 Bonds were used by the County to finance capital expenditures for "public facilities" (within the meaning of RCW 82.14.370(3), as amended). In addition to other sources of money, the County has used proceeds of excise taxes imposed pursuant to RCW 82.14.370 and Laws of 1999, chapter 311 to pay the principal of and interest on the 1999 Bonds. The County expects to use such excise tax proceeds to pay debt service on an allocable portion of the Bonds.

(i) The 1995 Refunded Bonds, the 1996 Refunded Bonds and the 1999 Refunded Bonds are collectively referred to herein as the "Refunded Bonds." The 1995 Resolution, the 1996 Resolution and the 1999 Resolution are collectively referred to herein as the "Refunded Resolutions."

(j) After due consideration, it appears to the Board that the Refunded Bonds may be refunded by the issuance and sale of the limited tax general obligation refunding bonds authorized herein (the "Bonds") so that a substantial savings will be effected by the difference between the principal and interest cost over the life of the Bonds and the principal and interest cost over the life of the Refunded Bonds but for such refunding, which refunding will be effected by the Refunding Plan (as hereinafter defined).

(k) To effect the Refunding Plan in the manner that will be most advantageous to the County and its taxpayers, the Board finds it necessary and advisable that certain Acquired Obligations (as hereinafter defined) bearing interest and maturing at the time or times as necessary to accomplish the Refunding Plan be purchased out of the proceeds of the sale of the Bonds.

(l) The Board deems it to be in the best interests of the County to issue and sell the Bonds to accomplish the Refunding Plan.

(m) The general indebtedness to be incurred by the issuance of the Bonds shall be within the limit of up to one and one-half percent (1½%) of the value of the taxable property within the County permitted for general municipal purposes without a vote of the qualified voters therein.

(n) Financial Security Assurance Inc. (the "Bond Insurer"), has made a commitment to issue an insurance policy (the "Municipal Bond Insurance Policy") insuring the payment when due of the principal of and interest on the Bonds as provided therein, and the Board deems that the purchase of the Municipal Bond Insurance Policy is in the best interest of the County.

(o) Martin Nelson & Company, Inc., Seattle, Washington (the "Purchaser"), has offered to purchase the Bonds under the terms and conditions hereinafter set forth in the form of a bond purchase contract.

Section 2. Authorization of Bonds. The County shall borrow money on the credit of the County and issue negotiable limited tax general obligation refunding bonds evidencing indebtedness in the amount of \$8,345,000 for general County purposes to provide (together with other available funds of the County) the money required to: (i) pay interest on the 1995 Refunded Bonds when due up to and including December 1, 2005, and to call, pay and redeem on December 1, 2005, all of the 1995 Refunded Bonds at a price of par; (ii) pay interest on the 1996 Refunded Bonds when due up to and including December 1, 2006, and to call, pay and redeem on December 1, 2006, all of the 1996 Refunded Bonds at a price of par; (iii) pay interest on the 1999 Refunded Bonds when due up to and including December 1, 2009, and to call, pay and redeem on December 1, 2009, all of the 1999 Refunded Bonds at a price of par; and (iv) pay the administrative costs of the refunding and the costs of issuing the Bonds (collectively, the "Refunding Plan").

Section 3. Description of Bonds. The Bonds shall be designated as the Limited Tax General Obligation Refunding Bonds, 2005, of the County; shall be in the aggregate principal amount of \$8,345,000; shall be dated the date of initial delivery to the Purchaser; shall be in the denomination of \$5,000 or any integral multiple thereof within a single maturity; shall be numbered separately in the manner and with any additional designation as the Bond Registrar (as hereinafter defined) deems necessary for purposes of identification; shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) payable semiannually on each December 1 and June 1, commencing December 1, 2005, to the maturity or earlier redemption of the Bonds; and shall mature on December 1 in years and amounts and bear interest at the rates per annum as follows:

<u>Maturity</u>		<u>Interest</u>	<u>Maturity</u>		<u>Interest</u>
<u>Years</u>	<u>Amounts</u>	<u>Rates</u>	<u>Years</u>	<u>Amounts</u>	<u>Rates</u>
2006	\$145,000	2.75%	2013	\$ 720,000	3.75%
2007	380,000	3.00	2014	655,000	3.85
2008	395,000	3.15	2015	690,000	3.95
2009	410,000	3.25	***	***	***
2010	660,000	3.40	2018	1,380,000	5.00
2011	680,000	3.50	***	***	***
2012	700,000	3.65	2022	1,530,000	5.00

Section 4. Registration and Transfer of Bonds. The Bonds shall be issued only in registered form as to both principal and interest and shall be recorded on books or records maintained by the Bond Registrar (the "Bond Register"). The Bond Register shall contain the name

and mailing address of the owner of each Bond and the principal amount and number of each of the Bonds held by each owner.

Bonds surrendered to the Bond Registrar may be exchanged for Bonds in any authorized denomination of an equal aggregate principal amount and of the same interest rate and maturity. Bonds may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to the owner or transferee. The Bond Registrar shall not be obligated to exchange or transfer any Bond during the 15 days preceding any principal payment date.

The Bonds initially shall be registered in the name of Cede and Co., as the nominee of The Depository Trust Company, New York, New York ("DTC"). The Bonds so registered shall be held in fully immobilized form by DTC as depository in accordance with the provisions of a Blanket Issuer Letter of Representations, dated March 3, 1998, between the County and DTC, as it may be amended from time to time and by this reference made a part hereof (the "Letter of Representations"). Neither the County nor the Bond Registrar shall have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Bonds regarding accuracy of any records maintained by DTC or DTC participants of any amount in respect of principal of or interest on the Bonds, or any notice which is permitted or required to be given to registered owners hereunder (except such notice as is required to be given by the Bond Registrar to DTC).

For so long as any Bonds are held in fully immobilized form, DTC or its successor depository shall be deemed to be the registered owner for all purposes hereunder and all references to registered owners, bondowners, bondholders or the like shall mean DTC or its nominees and shall not mean the owners of any beneficial interests in the Bonds. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except: (i) to any successor of DTC or its nominee, if that successor shall be qualified under any applicable laws to provide the services proposed to be provided by it; (ii) to any substitute depository appointed by the County or such substitute depository's successor; or (iii) to any person if the Bonds are no longer held in immobilized form.

Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or a determination by the County that it no longer wishes to continue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the County may appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

If (i) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (ii) the County determines that the Bonds are to be in certificated form, the ownership of Bonds may be transferred to any person as provided herein and the Bonds no longer shall be held in fully immobilized form.

Section 5. Payment of Bonds. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be paid by checks or drafts of the Bond Registrar mailed on the interest payment date to the registered owners at the addresses appearing on the Bond Register at the close of business on the 15<sup>th</sup> day of the month preceding the interest payment date or, if requested in writing by a registered owner of Bonds prior to the applicable record date, by electronic transfer on the interest payment date; provided that, the costs of such electronic transfer shall be paid by the requesting registered owner. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the registered owners to the Bond Registrar. Notwithstanding the foregoing, as long as the Bonds are registered in the name of DTC or its nominee, payment of principal of and interest on the Bonds shall be made in the manner set forth in the Letter of Representations (as it may be amended from time to time).

Section 6. Optional Redemption, Mandatory Redemption and Open Market Purchase of Bonds.

*Optional Redemption.* Bonds maturing in the years 2006 through 2014, inclusive, shall be issued without the right or option of the County to redeem those Bonds prior to their stated maturity dates. The County reserves the right and option to redeem the Bonds maturing on or after December 1, 2015, prior to their stated maturity dates at any time on or after June 1, 2015, as a whole or in part (within one or more maturities selected by the County and randomly within a maturity in such manner as the Bond Registrar shall determine), at par plus accrued interest to the date fixed for redemption.

*Mandatory Redemption.* The Bonds maturing in the years 2018 and 2022 are term bonds (the "Term Bonds") and, if not redeemed under the optional redemption provisions set forth above or purchased in the open market under the provisions set forth below, shall be called for redemption randomly (in such manner as the Bond Registrar shall determine) at par plus accrued interest on December 1 in years and amounts as follows:

2018 Term Bonds

<u>Mandatory Redemption Years</u>	<u>Mandatory Redemption Amounts</u>
2016	\$710,000
2017	325,000
2018*	345,000

2022 Term Bonds

<u>Mandatory Redemption Years</u>	<u>Mandatory Redemption Amounts</u>
2019	\$355,000
2020	375,000
2021	390,000
2022*	410,000

\*Maturity.

If the County redeems Term Bonds under the optional redemption provisions set forth above or purchases Term Bonds in the open market as set forth below, the par amount of the Term Bonds so redeemed or purchased (irrespective of their actual redemption or purchase prices) shall be credited against one or more scheduled mandatory redemption amounts for those Term Bonds (as allocated by the County) beginning not earlier than 60 days after the date of the optional redemption or purchase, and the County shall promptly notify the Bond Registrar in writing of the manner in which the credit for the Term Bonds so redeemed or purchased has been allocated.

Portions of the principal amount of any Bond, in installments of \$5,000 or any integral multiple thereof, may be redeemed. If less than all of the principal amount of any Bond is redeemed, upon surrender of that Bond at either of the principal offices of the Bond Registrar, there shall be issued to the registered owner, without charge therefor, a new Bond (or Bonds, at the option of the registered owner) of the same maturity and interest rate in any of the denominations authorized by this resolution in the aggregate principal amount remaining unredeemed.

The County further reserves the right and option to purchase any or all of the Bonds in the open market at any time at any price acceptable to the County plus accrued interest to the date of purchase. All Bonds purchased or redeemed under this section shall be cancelled.

Notwithstanding the foregoing, for so long as the Bonds are registered in the name of Cede and Co., as nominee of DTC, selection of Bonds for redemption shall be in accordance with the Letter of Representations.

Section 7. Notice of Redemption. The County shall cause notice of any intended redemption of Bonds to be given not less than 30 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the registered owner of any Bond to be redeemed at the address appearing on the Bond Register at the time the Bond Registrar prepares the notice, and the requirements of this sentence shall be deemed to have been fulfilled when notice has been mailed as so provided, whether or not it is actually received by the owner of any Bond. Interest on Bonds called for redemption shall cease to accrue on the date fixed for redemption unless the Bond or Bonds called are not redeemed when presented pursuant to the call. Notwithstanding the foregoing, for so long as the Bonds are registered in the name of Cede and Co., as nominee of DTC, notice of redemption shall be given in accordance with the Letter of Representations.

Section 8. Failure to Redeem Bonds. If any Bond is not redeemed when properly presented at its maturity date, the County shall be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity date until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund (as hereinafter defined) and the Bond has been called for payment by giving notice of that call to the registered owner of each of those unpaid Bonds.

Section 9. Pledge of Taxes. For as long as any of the Bonds are outstanding, the County irrevocably pledges to include in its budget and levy taxes annually within the constitutional and statutory tax limitations provided by law without a vote of the electors of the County on all of the taxable property within the County in an amount sufficient, together with other money legally



available and to be used therefor, to pay when due the principal of and interest on the Bonds, and the full faith, credit and resources of the County are pledged irrevocably for the annual levy and collection of those taxes and the prompt payment of that principal and interest.

Section 10. Form and Execution of Bonds. The Bonds shall be typewritten, printed or copied on good bond paper in a form consistent with the provisions of this resolution and state law, shall be signed by the Chairman and Clerk of the Board, either or both of whose signatures may be manual or in facsimile, and the seal of the County or facsimile reproduction thereof shall be impressed or imprinted thereon.

Only Bonds bearing a Certificate of Authentication in the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution:

#### CERTIFICATE OF AUTHENTICATION

This Bond is one of the fully registered Franklin County, Washington, Limited Tax General Obligation Refunding Bonds, 2005, described in the Bond Resolution.

WASHINGTON STATE FISCAL AGENT  
Bond Registrar

By \_\_\_\_\_  
Authorized Signer

The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

If any officer whose facsimile signature appears on the Bonds ceases to be an officer of the County authorized to sign bonds before the Bonds bearing his or her facsimile signature are authenticated or delivered by the Bond Registrar or issued by the County, those Bonds nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the County as though that person had continued to be an officer of the County authorized to sign bonds. Any Bond also may be signed on behalf of the County by any person who, on the actual date of signing of the Bond, is an officer of the County authorized to sign bonds, although he or she did not hold the required office on the date of issuance of the Bonds.

Section 11. Bond Registrar. Pursuant to RCW 39.46.030(3)(a), the County Treasurer (the "Treasurer"), has appointed the fiscal agent of the State of Washington (as designated by the Washington State Finance Committee from time to time pursuant to chapter 43.80 RCW) (the "Bond Registrar") to act as the County's bond registrar, authenticating agent, transfer agent and exchange agent with respect to the Bonds. The Bond Registrar shall keep, or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall be open to inspection by the County at all times. The Bond Registrar is authorized, on behalf of the County, to authenticate

and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this resolution, to serve as the County's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this resolution. The County adopts the system of registration for the Bonds set forth in Sections 4, 5, 10 and 11 of this Resolution.

The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on the Bonds. The Bond Registrar may become the owner of Bonds with the same rights it would have if it were not the Bond Registrar and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as members of, or in any other capacity with respect to, any committee formed to protect the rights of Bond owners.

Section 12. Preservation of Tax Exemption for Interest on Bonds. The County covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the County treated as proceeds of the Bonds at any time during the term of the Bonds which will cause interest on the Bonds to be included in gross income for federal income tax purposes. The County also covenants that it will, to the extent the arbitrage rebate requirement of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), is applicable to the Bonds, take all actions necessary to comply (or to be treated as having complied) with that requirement in connection with the Bonds, including the calculation and payment of any penalties that the County has elected to pay as an alternative to calculating rebatable arbitrage, and the payment of any other penalties if required under Section 148 of the Code to prevent interest on the Bonds from being included in gross income for federal income tax purposes. The County certifies that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

Section 13. Designation of Bonds as "Qualified Tax-Exempt Obligations." The County has determined and certifies that (a) the Bonds are not "private activity bonds" within the meaning of Section 141 of the Code; (b) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) which the County and any entity subordinate to the County (including any entity which the County controls, which derives its authority to issue tax-exempt obligations from the County or which issues tax-exempt obligations on behalf of the County) will issue during the calendar year in which the Bonds are issued will not exceed \$10,000,000; and (c) the amount of tax-exempt obligations, including the Bonds, designated by the County as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Bonds are issued does not exceed \$10,000,000. The County therefore designates the Bonds as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code.

Section 14. Refunding or Defeasance of the Bonds. The County may issue refunding bonds pursuant to the laws of the State or use money available from any other lawful source to pay when due the principal of and interest on the Bonds, or any portion thereof included in a refunding or defeasance plan, and to redeem and retire, refund or defease all such then-outstanding Bonds

(hereinafter collectively called the "Defeased Bonds") and to pay the costs of the refunding or defeasance. If money and/or noncallable "government obligations" (as defined by chapter 39.53 RCW) maturing at a time or times and bearing interest in amounts (together with money, if necessary) sufficient to redeem and retire, refund or defease the Defeased Bonds in accordance with their terms are set aside in a special trust fund or escrow account irrevocably pledged to that redemption, retirement or defeasance of Defeased Bonds (hereinafter called the "trust account"), then all right and interest of the owners of the Defeased Bonds in the covenants of this resolution and in the funds and accounts obligated to the payment of the Defeased Bonds shall cease and become void. The owners of Defeased Bonds shall have the right to receive payment of the principal of and interest on the Defeased Bonds from the trust account. The County shall include in the refunding or defeasance plan such provisions as the County deems necessary for the random selection of any Defeased Bonds that constitute less than all of a particular maturity of the Bonds, for notice of the defeasance to be given to the owners of the Defeased Bonds and to such other persons as the County shall determine, and for any required replacement of Bond certificates for Defeased Bonds. The Defeased Bonds shall be deemed no longer outstanding, and the County may apply any money in any other fund or account established for the payment or redemption of the Defeased Bonds to any lawful purposes as it shall determine.

If the Bonds are registered in the name of DTC or its nominee, notice of any defeasance of Bonds shall be given to DTC in the manner prescribed in the Letter of Representations for notices of redemption of Bonds.

Section 15. Bond Fund and Deposit of Bond Proceeds. There heretofore has been created and established in the office of the Treasurer a special fund designated as the County's Limited Tax General Obligation Bond Debt Service Account (the "Bond Fund"), for the purpose of paying principal of and interest on the Bonds and all other non-voted general obligation bonds of the County. All taxes collected for and allocated to the payment of the principal of and interest on the Bonds shall be deposited in the Bond Fund. Additionally, any premium and/or contingency amounts received from the Purchaser for the sale and delivery of the Bonds that are not necessary to pay the administrative costs of the refunding and the costs of issuing the Bonds shall also be paid into the Bond Fund. Until needed to pay principal of and interest on the Bonds, the County may invest money in the Bond Fund temporarily in any legal investment, and the investment earnings shall be retained in the Bond Fund and spent for the purposes of that fund.

The remaining proceeds from the sale of the Bonds shall be deposited with the Refunding Trustee (as hereinafter defined) in accordance with the provisions of Section 16 hereof.

Section 16. Refunding of the Refunded Bonds.

(a) Appointment of Refunding Trustee. The Bank of New York is appointed as the Refunding Trustee.

(b) Use of Bond Proceeds; Acquisition and Substitution of Acquired Obligations. All of the proceeds of the sale of the Bonds, exclusive of any net premium and/or contingency amounts required to be deposited into the Bond Fund pursuant to Section 15 herein, shall be deposited

immediately upon the receipt thereof with the Refunding Trustee and used to discharge the obligations of the County relating to the Refunded Bonds under the Refunded Resolutions by providing for the payment of the amounts required to be paid by the Refunding Plan. To the extent practicable, such obligations shall be discharged fully by the Refunding Trustee's simultaneous purchase of United States Treasury Certificates of Indebtedness and/or Notes--State and Local Government Series or other direct, noncallable obligations of the United States of America (the "Acquired Obligations"), bearing such interest and maturing as to principal and interest in such amounts and at such times so as to provide, together with a beginning cash balance, if necessary, for the payment of the amounts required to be paid by the Refunding Plan. The Acquired Obligations are listed and more particularly described in Exhibit A attached to the Refunding Trust Agreement (the "Refunding Trust Agreement") between the County and the Refunding Trustee, but are subject to substitution as set forth below. Any Bond proceeds or other money deposited with the Refunding Trustee not needed to purchase the Acquired Obligations, pay the administrative costs of the refunding and the costs of issuance and sale of the Bonds, and provide a beginning cash balance shall be returned to the County as soon as reasonably practicable following the delivery of the Bonds to the Purchaser and deposited in the Bond Fund to pay interest on the Bonds on the first interest payment date.

(c) Substitution of Acquired Obligations. Prior to the purchase of any Acquired Obligations, the County reserves the right to substitute other direct, noncallable obligations of the United States of America ("Substitute Obligations") for any of the Acquired Obligations and to use any savings created thereby for any lawful County purpose if, (a) in the opinion of Foster Pepper & Shefelman PLLC, the County's bond counsel, the interest on the Bonds and the Refunded Bonds will remain excluded from gross income for federal income tax purposes under Sections 103, 148 and 149(d) of the Code, and (b) such substitution shall not impair the timely payment of the amounts required to be paid by the Refunding Plan, as verified by a nationally recognized independent certified public accounting firm.

After the purchase of the Acquired Obligations by the Refunding Trustee, the County reserves the right to substitute therefor cash or Substitute Obligations subject to the conditions that such money or securities held by the Refunding Trustee shall be sufficient to carry out the Refunding Plan, that such substitution will not cause the Bonds and the Refunded Bonds to be arbitrage bonds within the meaning of Section 148 of the Code and regulations thereunder in effect on the date of such substitution and applicable to obligations issued on the issue date of the Bonds, and that the County obtains, at its expense: (1) a verification by a nationally recognized independent certified public accounting firm confirming that the payments of principal of and interest on the substitute securities, if paid when due, and any other money held by the Refunding Trustee will be sufficient to carry out the Refunding Plan; and (2) an opinion from Foster Pepper & Shefelman PLLC, bond counsel to the County, its successor, or other nationally recognized bond counsel to the County, to the effect that the disposition and substitution or purchase of such securities, under the statutes, rules and regulations then in force and applicable to the Bonds, will not cause the interest on the Bonds or the Refunded Bonds to be included in gross income for federal income tax purposes and that such disposition and substitution or purchase is in compliance with the statutes and regulations applicable to the Bonds. Any surplus money resulting from the sale, transfer, other disposition or redemption of the Acquired Obligations and the substitutions

therefor shall be released from the trust estate and transferred to the County to be used for any lawful County purpose.

(d) Administration of Refunding Plan. The Refunding Trustee is authorized and directed to purchase the Acquired Obligations (or Substitute Obligations) and to make the payments required to be made by the Refunding Plan from the Acquired Obligations (or Substitute Obligations) and money deposited with the Refunding Trustee pursuant to this resolution. All Acquired Obligations (or Substitute Obligations) and the money deposited with the Refunding Trustee and any income therefrom shall be held irrevocably, invested and applied in accordance with the provisions of the Refunded Resolutions, this resolution, chapter 39.53 RCW and other applicable statutes of the State and the Refunding Trust Agreement. All necessary and proper fees, compensation and expenses of the Refunding Trustee and all other costs incidental to the setting up of the escrow to accomplish the Refunding Plan and costs related to the issuance, sale and delivery of the Bonds, including bond printing, rating service fees, verification fees, bond counsel's fees and other related expenses, shall be paid out of the proceeds of the Bonds.

(e) Authorization for Refunding Trust Agreement. To carry out the Refunding Plan provided for by this resolution, the Chairman of the Board is authorized and directed to execute and deliver to the Refunding Trustee the Refunding Trust Agreement substantially in the form on file with the Clerk of the Board (and by this reference made a part hereof) setting forth the duties, obligations and responsibilities of the Refunding Trustee in connection with the payment, redemption and retirement of the Refunded Bonds as provided herein and stating that the provisions for payment of the fees, compensation and expenses of such Refunding Trustee set forth therein are satisfactory to it. Prior to executing the Refunding Trust Agreement, the Chairman of the Board is authorized to make such changes therein which do not change the substance and purpose thereof or which assure that the escrow provided therein and the Bonds are in compliance with the requirements of federal law governing the exclusion of interest on the Bonds from gross income for federal income tax purposes.

Section 17. Calls for Redemption of the Refunded Bonds. The County hereby makes the following calls for redemption: (i) on December 1, 2005, all of the 1995 Refunded Bonds at the price of par plus accrued interest; (ii) on December 1, 2006, all of the 1996 Refunded Bonds at the price of par plus accrued interest; and (iii) on December 1, 2009, all of the 1999 Refunded Bonds at the price of par plus accrued interest. Such calls for redemption shall be irrevocable after the delivery of the Bonds to the Purchaser. The respective dates on which the Refunded Bonds are herein called for redemption are the first dates on which those bonds may be called.

The Treasurer is authorized and directed to give or cause to be given such notices as required, at the times and in the manner required, pursuant to the Refunded Resolutions and the Refunding Trust Agreement in order to effect the redemption prior to their maturity of the Refunded Bonds.

Section 18. County Findings with Respect to Refunding. The Board finds and determines that the issuance and sale of the Bonds at this time will effect a savings to the County and its taxpayers and is in the best interest of the County and in the public interest. In making such

finding and determination, the Board has given consideration to the fixed maturities of the Bonds and the Refunded Bonds, the costs of issuance and sale of the Bonds and the known earned income from the investment of the proceeds of the issuance and sale of the Bonds pending payment and redemption of the Refunded Bonds.

The Board further finds and determines that the money to be deposited with the Refunding Trustee for the Refunded Bonds in accordance with Section 16 hereof will discharge and satisfy the obligations of the County under Refunded Resolutions with respect to the Refunded Bonds, and the pledges, charges, trusts, covenants and agreements of the County therein made or provided for as to the Refunded Bonds, and that the Refunded Bonds shall no longer be deemed to be outstanding under the Refunded Resolutions immediately upon the deposit of such money with the Refunding Trustee.

Section 19. Approval of Bond Purchase Contract. The Purchaser has presented a purchase contract (the "Bond Purchase Contract") to the County offering to purchase the Bonds under the terms and conditions provided in the Bond Purchase Contract, which written Bond Purchase Contract is on file with the Clerk of the Board and is incorporated herein by this reference. The Board finds that entering into the Bond Purchase Contract is in the County's best interest and therefore accepts the offer contained therein and authorizes its execution by Chairman of the Board.

The Bonds will be printed at County expense and will be delivered to the Purchaser in accordance with the Bond Purchase Contract, together with the approving legal opinion of Foster Pepper & Shefelman PLLC, municipal bond counsel, regarding the Bonds.

The Chairman and Clerk of the Board, the Treasurer and the County Administrator are authorized and directed to do everything necessary for the prompt delivery of the Bonds to the Purchaser and for the proper application and use of the proceeds of the sale thereof.

Section 20. Preliminary Official Statement Deemed Final. The Board has been provided with copies of a preliminary official statement, dated March 29, 2005 (the "Preliminary Official Statement"), prepared in connection with the sale of the Bonds. For the sole purpose of the Purchaser's compliance with United States Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(1), the County "deems final" the Preliminary Official Statement as of its date, except for the omission of information as to offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, maturity dates, options of redemption, delivery dates, ratings and other terms of the Bonds dependent on such matters.

Section 21. Undertaking to Provide Continuing Disclosure. To meet the requirements of SEC Rule 15c2-12(b)(5) (the "Rule"), as applicable to a participating underwriter for the Bonds, the County makes the following written undertaking (the "Undertaking") for the benefit of holders of the Bonds:

(a) Undertaking to Provide Annual Financial Information and Notice of Material Events. The County undertakes to provide or cause to be provided, either directly or through a designated agent:

(i) To each nationally recognized municipal securities information repository designated by the SEC in accordance with the Rule ("NRMSIR") and to a state information depository, if any, established in the State (the "SID") annual financial information and operating data of the type included in the final official statement for the Bonds and described in subsection (b) of this section ("annual financial information");

(ii) To each NRMSIR or the Municipal Securities Rulemaking Board ("MSRB"), and to the SID, timely notice of the occurrence of any of the following events with respect to the Bonds, if material: (1) principal and interest payment delinquencies; (2) non-payment related defaults; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds; (7) modifications to rights of holders of the Bonds; (8) Bond calls (other than scheduled mandatory redemptions of Term Bonds); (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds; and (11) rating changes; and

(iii) To each NRMSIR or to the MSRB, and to the SID, timely notice of a failure by the County to provide required annual financial information on or before the date specified in subsection (b) of this section.

(b) Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the County undertakes to provide in subsection (a) of this section:

(i) Shall consist of (1) annual financial statements prepared (except as noted in the financial statements) in accordance with generally accepted accounting principles applicable to governmental units, as such principles may be changed from time to time and as permitted by State law, which statements shall not be audited, except, however, that if and when audited financial statements are otherwise prepared and available to the County they will be provided; (2) a statement of authorized, issued and outstanding general obligation debt of the County; (3) the assessed value of the property within the County subject to *ad valorem* taxation; and (4) *ad valorem* tax levy rates and amounts, and percentage of taxes collected;

(ii) Shall be provided to each NRMSIR and the SID, not later than the last day of the ninth month after the end of each fiscal year of the County (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the County's fiscal year ending December 31, 2004; and

(iii) May be provided in a single or multiple documents, and may be incorporated by reference to other documents that have been filed with each NRMSIR and the SID, or, if the document incorporated by reference is a "final official statement" with respect to other obligations of the County, that has been filed with the MSRB.

(c) Amendment of Undertaking. The Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker,



dealer, municipal securities dealer, participating underwriter, rating agency, NRMSIR, the SID or the MSRB, under the circumstances and in the manner permitted by the Rule.

The County will give notice to each NRMSIR or the MSRB, and the SID, of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

(d) Beneficiaries. The Undertaking evidenced by this section shall inure to the benefit of the County and any holder of Bonds, and shall not inure to the benefit of or create any rights in any other person.

(e) Termination of Undertaking. The County's obligations under this Undertaking shall terminate upon the legal defeasance of all of the Bonds. In addition, the County's obligations under this Undertaking shall terminate if those provisions of the Rule which require the County to comply with this Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of nationally recognized bond counsel or other counsel familiar with federal securities laws delivered to the County, and the County provides timely notice of such termination to each NRMSIR or the MSRB and the SID.

(f) Remedy for Failure to Comply with Undertaking. As soon as practicable after the County learns of any failure to comply with the Undertaking, the County will proceed with due diligence to cause such noncompliance to be corrected. No failure by the County or other obligated person to comply with the Undertaking shall constitute a default in respect of the Bonds. The sole remedy of any holder of a Bond shall be to take such actions as that holder deems necessary, including seeking an order of specific performance from an appropriate court, to compel the County or other obligated person to comply with the Undertaking.

(g) Designation of Official Responsible to Administer Undertaking. The County Administrator (or such other officer of the County who may in the future perform the duties of that office) or his or her designee is authorized and directed in his or her discretion to take such further actions as may be necessary, appropriate or convenient to carry out the Undertaking of the County in respect of the Bonds set forth in this section and in accordance with the Rule, including, without limitation, the following actions:

(i) Preparing and filing the annual financial information undertaken to be provided;

(ii) Determining whether any event specified in subsection (a) has occurred, assessing its materiality with respect to the Bonds, and, if material, preparing and disseminating notice of its occurrence;

(iii) Determining whether any person other than the County is an "obligated person" within the meaning of the Rule with respect to the Bonds, and obtaining from such



person an undertaking to provide any annual financial information and notice of material events for that person in accordance with the Rule;

(iv) Selecting, engaging and compensating designated agents and consultants, including but not limited to financial advisors and legal counsel, to assist and advise the County in carrying out the Undertaking; and

(v) Effecting any necessary amendment of the Undertaking.

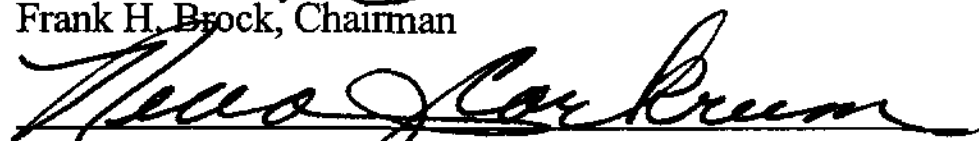
(h) Centralized Dissemination Agent. To the extent authorized by the SEC, the County may satisfy the Undertaking by transmitting the required filings using <http://www.disclosureusa.org> (or such other centralized dissemination agent as may be approved by the SEC).

Section 22. Bond Insurance. The Board finds that it is in the County's best interest to purchase, and that a savings will result from purchasing, the Municipal Bond Insurance Policy for the Bonds. The County is hereby authorized to purchase from the Bond Insurer the Municipal Bond Insurance Policy insuring the prompt payment of the principal of and interest on the Bonds and agrees to the conditions for obtaining that policy, including the payment of the premium therefor. The Chairman of the Board is hereby authorized to execute the Bond Insurer's Municipal Bond Insurance Commitment and all other documents on behalf of the County in connection with the Municipal Bond Insurance Policy. Any actions heretofore taken by such official not inconsistent with this section are hereby ratified and confirmed.

ADOPTED by the Board of County Commissioners of Franklin County, Washington, at a regular open public meeting thereof, this 27<sup>th</sup> day of April, 2005.

BOARD OF COUNTY COMMISSIONERS,  
FRANKLIN COUNTY, WASHINGTON

  
Frank H. Brock, Chairman

  
Neva Corkrum, Chair Pro Tem

  
Bob Koch, Member

ATTEST:

  
Mary Withers, Clerk of the Board

(SEAL)

## CERTIFICATE

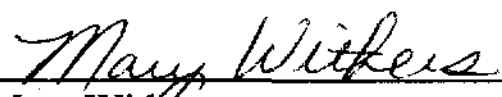
I, the undersigned, Clerk of the Board of County Commissioners of Franklin County, Washington (the "County"), hereby certify as follows:

1. the foregoing Resolution No. 2005-166 (the "Resolution") is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board of County Commissioners of the County held at the regular meeting place thereof on April 27, 2005, as that Resolution appears on the minute book of the County; and

2. a quorum was present throughout the meeting and a sufficient number of members of the Board of County Commissioners voted in the proper manner for the adoption of the Resolution; and the Resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Board of County Commissioners on April 27, 2005.

FRANKLIN COUNTY, WASHINGTON

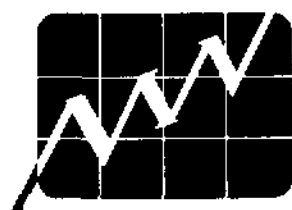
  
\_\_\_\_\_  
Mary Withers  
Clerk of the Board of County Commissioners

(SEAL)

A Pacific Northwest

Financial Services

Company

**Martin  
Nelson &  
Company**

April 27, 2005

Honorable Board of County Commissioners  
Franklin County, Washington  
1016 North Fourth Avenue  
Pasco, Washington 99301

Re: Franklin County, Washington  
\$8,345,000 Limited Tax General Obligation Refunding Bonds, 2005  
Dated: May 9, 2005

Honorable Board of County Commissioners:

Martin Nelson & Co., Inc. ("Purchaser") offers to purchase from Franklin County, Washington ("Seller"), all of the above-described bonds (the "Bonds"), on the terms and with the covenants, representations and warranties set forth below and contained in Appendix A and Appendix B (collectively the "Contract of Purchase"). These appendices are incorporated into this Contract of Purchase by reference, and contain a brief description of the Bonds, including principal amounts, maturities, interest rates, purchase price, and the proposed date and place of delivery and payment (the "Closing"). Other provisions of this Contract of Purchase are as follows:

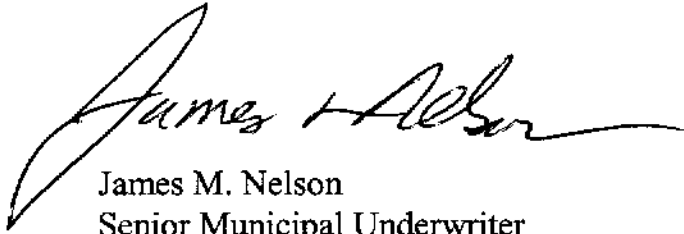
1. Prior to the Closing, Seller will approve the preliminary official statement regarding the Bonds, dated March 29, 2005 (the "Preliminary Official Statement"), and will adopt a bond resolution authorizing the issuance of Bonds (the "Bond Resolution") with such changes as are requested by the Seller and its Counsel. The Purchaser is authorized by Seller to use these documents and the information contained therein in connection with the public offering of the Bonds and the final official statement in connection with the sale and delivery of the Bonds, (the "Final Official Statement").
2. Seller, to the best of its knowledge, represents and covenants to the Purchaser that:
  - (a) it has as of this date, and will have at the Closing, the power and authority to enter into and perform this Contract of Purchase, to adopt the Bond Resolution and to deliver and sell the Bonds to the Purchaser;
  - (b) this Contract of Purchase and the Bonds do not and will not conflict with, or constitute or create a breach of or default under, any existing law, regulation, order or agreement to which Seller is subject;
  - (c) no governmental approval or authorization other than those that will be obtained prior to Closing, is required in connection with the sale of the Bonds to the Purchaser;
  - (d) the Preliminary Official Statement with corrections, if any, by the Seller and its Counsel, as of its date and, (except as to matters corrected or added in the Final Official Statement) as of the Closing, is accurate and complete in all material respects to the knowledge and belief of the officers and employees of the Seller responsible for the issuance of the Bonds, after due review;
  - (e) the Seller has previously provided the Purchaser with a copy of the Preliminary Official Statement and;
  - (f) the Seller agrees to cooperate with the Purchaser to permit the Purchaser to deliver or cause to be delivered, within seven business days after any final agreement to purchase, offer, or sell the securities and in sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, copies of a Final Official Statement in sufficient quantity to comply

with paragraph (b)(4) of the Securities and Exchange Commission ("SEC") Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board ("MSRB"). The Purchaser agrees to deliver the required number of copies of the Final Official Statement to the MSRB and all nationally recognized municipal securities information repositories on the business day on which the Final Official Statement is available, and in any event no later than ten business days after the date hereof.

3. Seller will pay expenses related to the issuance and sale of Bonds, including the fees and expenses of the Bond counsel firm of Foster Pepper & Shefelman, PLLC of Spokane, Washington, expenses associated with the issuance and registration of the Bonds including CUSIP, DTC, and MSRB fees as well as the cost of printing and distributing the Preliminary and Final Official Statements, if any.
4. This Contract of Purchase is intended to benefit only the parties hereto, and Seller's representations and warranties shall survive any investigation made by or for the Purchaser, delivery and payment for the Bonds, and the termination of this Purchase Contract. Should the Seller fail to satisfy any of the foregoing conditions or covenants, or if the Purchaser's obligations are terminated for any reasons permitted under this Contract of Purchase, then neither the Purchaser nor the Seller shall have any further obligations under this Purchase Contract, except that any expenses incurred shall be borne in accordance with Section 3.
5. At or prior to the Closing, Seller will deliver, make available to the Purchaser or have adopted:
  - (a) The Bonds, in book-entry form only in the name of Cede & Co., as bond owner and nominee for The Depository Trust Company ("DTC");
  - (b) A certificate from an authorized officer of the Seller, in form and substance acceptable to the Seller and the Purchaser, stating that execution of such certificate shall constitute execution of the Final Official Statement, and to the knowledge and belief of such officer, after due review, the Final Official Statement, as of its date and as of the Closing Date (except that in no event will any representation be made with respect to information concerning the Purchaser, The Bank of New York, DTC, or the bond insurer), does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which made, not misleading in any material respect, that there has not been any material adverse change in the normal operations or financial condition of the Seller, nor, to the best knowledge of such officer, in the general economy of the Seller since the date of the Final Official Statement, and that the representations of the Seller contained in this Contract of Purchase Agreement were true and correct when made and are true and correct as of Closing;
  - (c) The approving opinion of bond counsel, in substantially the form set forth in Appendix A of the Final Official Statement, dated the Closing date;
  - (d) A bond insurance policy issued by Financial Security Assurance Inc. insuring the payment when due of the principal of and interest on the Bonds;
  - (e) The following documents executed by authorized officers of the Seller;
    - (1) A certificate, dated the day of the Closing to the effect that no litigation or other proceedings are pending or threatened in any way affecting the issuance, sale or delivery of, or security for, any of the Bonds; and
    - (2) A certified copy of the Bond Resolution authorizing the sale of the Bonds.


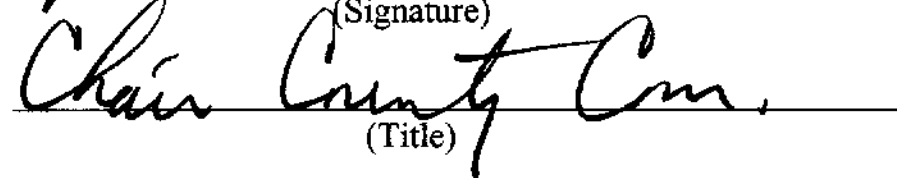
6. This offer expires on the date, and at the time, set forth in Appendix A.

Respectfully submitted,



James M. Nelson  
Senior Municipal Underwriter  
Public Finance Department  
Martin Nelson & Co., Inc.

Accepted: April 27, 2005

  
(Signature)  
  
(Title)

Franklin County, Washington

## Appendix A

**DESCRIPTION OF  
\$8,345,000 LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, 2005**

- (a) Bonds Dated: Date of Delivery (which is anticipated to be May 9, 2005)
- (b) Purchase Price: \$8,483,100.95 (\$101.6548945 per \$100.00)
- (c) Denominations: \$5,000, or integral multiples thereof.
- (d) Form: Book-Entry Only and DTC Eligible
- (e) Interest Payment Date: June 1 and December 1, commencing December 1, 2005
- (f) Payment Schedule: See Appendix B on the following page.
- (g) Optional Redemption: The County reserves the right and option to redeem Bonds maturing on or after December 1, 2015, prior to their stated maturity dates at any time, on or after June 1, 2015, as a whole or in part (within one or more maturities selected by the County), at par plus accrued interest to the date fixed for redemption.
- (h) Mandatory Redemption: If not previously redeemed as described above or purchased under the provisions set forth in the Bond Resolution, the Bonds due on December 1, 2018 and December 1, 2022 will be called for redemption in such manner as the Bond Registrar shall determine at a price of par, plus accrued interest, on December 1 in the years and amounts as follows:

**2018 Term Bond**

Mandatory Sinking Fund <u>Redemption Dates</u>	Mandatory Sinking Fund <u>Redemption Amounts</u>
2016	\$710,000
2017	325,000
2018*	345,000

**2022 Term Bond**

Mandatory Sinking Fund <u>Redemption Dates</u>	Mandatory Sinking Fund <u>Redemption Amounts</u>
2019	\$355,000
2020	375,000
2021	390,000
2022*	410,000

\*Maturity

- (i) Closing Date: May 9, 2005
- (j) Purchase Offer Expires: 11:59 p.m., April 27, 2005
- (k) Bond Counsel: Mr. Jeff Nave, Foster Pepper & Shefelman, PLLC, Spokane, Washington
- (l) Net Interest Cost: 4.19%

## Appendix B

PAYMENT SCHEDULE OF PRINCIPAL AND INTEREST

FRANKLIN COUNTY - ADV REFUNDING OF 1995, 1996 & 1999 BONDS  
 ASSUME AAA INSURED [ONLY DEBT AFTER CALL DATE]  
 \$8,345,000 [COUNTY WILL MAKE THE 6/1/05 INTEREST PAYMENT]

\*\*\*\*\*  
 Debt Service Schedule  
 \*\*\*\*\*

Date	Principal	Coupon	Interest	Period Total	Fiscal Total
12/ 1/ 5		2.450000	189,609.26	189,609.26	189,609.26
6/ 1/ 6			168,958.75	168,958.75	
12/ 1/ 6	145,000.00	2.750000	168,958.75	313,958.75	482,917.50
6/ 1/ 7			166,965.00	166,965.00	
12/ 1/ 7	380,000.00	3.000000	166,965.00	546,965.00	713,930.00
6/ 1/ 8			161,265.00	161,265.00	
12/ 1/ 8	395,000.00	3.150000	161,265.00	556,265.00	717,530.00
6/ 1/ 9			155,043.75	155,043.75	
12/ 1/ 9	410,000.00	3.250000	155,043.75	565,043.75	720,087.50
6/ 1/10			148,381.25	148,381.25	
12/ 1/10	660,000.00	3.400000	148,381.25	808,381.25	956,762.50
6/ 1/11			137,161.25	137,161.25	
12/ 1/11	680,000.00	3.500000	137,161.25	817,161.25	954,322.50
6/ 1/12			125,261.25	125,261.25	
12/ 1/12	700,000.00	3.650000	125,261.25	825,261.25	950,522.50
6/ 1/13			112,486.25	112,486.25	
12/ 1/13	720,000.00	3.750000	112,486.25	832,486.25	944,972.50
6/ 1/14			98,986.25	98,986.25	
12/ 1/14	655,000.00	3.850000	98,986.25	753,986.25	852,972.50
6/ 1/15			86,377.50	86,377.50	
12/ 1/15	690,000.00	3.950000	86,377.50	776,377.50	862,755.00
6/ 1/16			72,750.00	72,750.00	
12/ 1/16	710,000.00	5.000000	72,750.00	782,750.00	855,500.00
6/ 1/17			55,000.00	55,000.00	
12/ 1/17	325,000.00	5.000000	55,000.00	380,000.00	435,000.00
6/ 1/18			46,875.00	46,875.00	
12/ 1/18	345,000.00	5.000000	46,875.00	391,875.00	438,750.00
6/ 1/19			38,250.00	38,250.00	
12/ 1/19	355,000.00	5.000000	38,250.00	393,250.00	431,500.00
6/ 1/20			29,375.00	29,375.00	
12/ 1/20	375,000.00	5.000000	29,375.00	404,375.00	433,750.00
6/ 1/21			20,000.00	20,000.00	
12/ 1/21	390,000.00	5.000000	20,000.00	410,000.00	430,000.00
6/ 1/22			10,250.00	10,250.00	
12/ 1/22	410,000.00	5.000000	10,250.00	420,250.00	430,500.00
-----					
	8,345,000.00		3,456,381.76	11,801,381.76	
ACCRUED					
	8,345,000.00		3,456,381.76	11,801,381.76	
-----					

Dated 5/ 9/ 5 with Delivery of 5/ 9/ 5  
 Bond Years 79,247.472  
 Average Coupon 4.361504  
 Average Life 9.496402  
 N I C % 4.187239 % Using 101.6548945

Weighted Bond Years 82,172.803  
 Weighted Average Life 9.608666  
 Weighted N I C % 4.038174 % Using 101.6548945  
 T I C % 4.093750 % From Delivery Date

Bond Insurance:  
 0.580000 % of (Total Debt Service Only) = 68,448.01

Prepared by: Martin Nelson & Co., Inc. - Public Finance - (888) 342-6864

Micro-Muni Sizing Date: 04-26-2005 @ 11:09:00 Filename: FRANK Key: REF959699061C6

**FRANKLIN COUNTY RESOLUTION NO. 2005 170**

BEFORE THE BOARD OF COMMISSIONERS, FRANKLIN COUNTY, WASHINGTON

**RE: PERSONAL SERVICES AGREEMENT BETWEEN FRANKLIN COUNTY AND LET'S PRETEND CIRCUS TO PERFORM FOUR SHOWS EACH DAY JULY 2-3, 2005 AND THREE SHOWS AND A STROLLING SET ON JULY 4, 2005 IN CONJUNCTION WITH THE PROJECT DESIGNATED GRAND OLD 4TH**

**WHEREAS**, Elisa Hays, Managing Director, Let's Pretend Entertainment, LLC, agrees to perform four shows each day July 2-3, 2005 and three shows and a strolling set on July 4, 2005 in conjunction with the project designated Grand Old 4th, with the cost not to exceed \$2,100.00, plus lodging on July 2-4, 2005;

**WHEREAS**, final payment of \$2,100 will be paid on the last day of the show; and

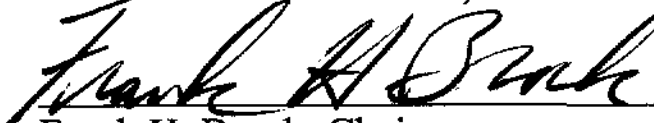
**WHEREAS**, pursuant to RCW 36.01.010 and RCW 36.32.120 the legislative authority of each county is authorized to enter into contracts on behalf of the county and have the care of county property and management of county funds and business; and

**WHEREAS**, the Board of County Commissioners constitutes the legislative authority of Franklin County and desires to enter into the attached agreement as being in the best interest of Franklin County;

**NOW, THEREFORE, BE IT RESOLVED** the Franklin County Board of Commissioners hereby approves the attached Personal Services Agreement between Franklin County and Let's Pretend Entertainment, LLC, agrees to perform four shows each day July 2-3, 2005 and three shows and a strolling set on July 4, 2005 in conjunction with the project designated Grand Old 4th, with the cost not to exceed \$2,100.00, plus lodging on July 2-4, 2005.

**APPROVED** this 27th day of April 2005.

**BOARD OF COUNTY COMMISSIONERS  
FRANKLIN COUNTY, WASHINGTON**

  
Frank H. Brock, Chair

  
Neva J. Corkrum, Chair Pro Tem

  
Robert E. Koch, Member

Attest:

  
Clerk to the Board

Originals: Auditor  
Minutes  
Let's Pretend Entertainment

cc: Accounting Department  
County Administrator File  
County Administrator - Invoice



**PERSONAL SERVICES AGREEMENT****2005 170**

**THIS AGREEMENT** is entered into between **Franklin County**, hereinafter referred to as Franklin County, and **Let's Pretend Circus**, hereinafter referred to as the Contractor, in consideration of the mutual benefits, terms, and conditions hereinafter specified.

**Purpose**

The purpose of this agreement is to allow Franklin County to retain the Contractor to perform four (4) thirty (30) minute shows each day July 2-3, 2005 and three (3) thirty (30) minute shows and one (1) thirty (30) minute strolling set on July 4, 2005 in connection with the project designated Grand 'Ole Fourth.

**Scope Of Services**

The Contractor agrees to perform the services, identified on Exhibit "A" attached hereto, including the provision of all labor, materials, equipment, and supplies.

**Time For Performance**

Work under this contract shall commence upon the giving of written notice by the Board of Franklin County Commissioners to the Contractor to proceed. The Contractor shall perform all services and provide all work product required pursuant to this agreement July 2-4, 2005.

**Payment**

The Contractor shall be paid by Franklin County for completed work and for services rendered under this agreement as follows:

- a. Payment for the work provided by the Contractor shall be made as provided on Exhibit "A" attached hereto, provided that the total amount of payment to the Contractor shall not exceed \$2,100.00, plus lodging for July 2-4, 2005, without express written modification of the agreement signed by the Board of Franklin County Commissioners.
- b. Final payment of \$2,100.00 will be made promptly upon ascertainment and verification by the County of the completion of the work under this agreement.

- c. Payment as provided in this section shall be full compensation for work performed, services rendered and for all materials, supplies, equipment, and incidentals necessary to complete the work.
- d. The Contractor's records and accounts pertaining to this agreement are to be kept available for inspection by representatives of Franklin County and state for a period of three (3) years after final payments. Copies shall be made available upon request.

### **Compliance With Laws**

The Contractor shall, in performing the services contemplated by this agreement, faithfully observe and comply with all federal, state, and local laws, ordinances and regulations, applicable to the services to be rendered under this agreement.

### **Indemnification**

The Contractor, its officers, agents and employees, agree to fully indemnify, hold harmless and defend Franklin County, its officers, agents, and employees, against any and all liability, damage, loss, claims, demands, and actions of any nature whatsoever on account of personal injuries including, without limitation on the foregoing, worker's compensation and death claims, or property loss or damage of any kind whatsoever, which arise out of or are in any manner connected with, or are claimed to arise out of or be in any way connected with, any negligent or intentional act or omission of the Contractor, its officers, agents, and employees in performing this contract. The Contractor shall, at its own expense, investigate all such claims and demands, attend to their settlement or other disposition, defend all actions based thereon and pay all charges of attorneys and all other costs and expenses of any kind arising from any such liability, damage, loss, claims, demands, and actions.

Furthermore, for the purposes of this section, the Contractor expressly waives its immunity under Title 51 or subsequent revisions of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees and agrees that the obligation to indemnify, defend, and hold harmless provided for in this paragraph extends to any claim brought by or on behalf of any employee of the Contractor. This waiver is mutually negotiated by the parties.

### **Insurance**

The Contractor shall secure and maintain in force throughout the duration of this contract comprehensive general liability insurance with a minimum coverage of \$500,000 per occurrence and \$1,000,000 aggregate for personal injury; and \$500,000

per occurrence/aggregate for property damage, and professional liability insurance in the amount of \$1,000,000.

Said general liability policy shall name Franklin County as an additional named insured and shall include a provision prohibiting cancellation of said policy except upon thirty (30) days prior written notice to the named insured. Certificates of coverage as required by this section shall be delivered to Franklin County Risk Manager within fifteen (15) days of execution of this agreement.

### **Independent Contractor**

The Contractor and Franklin County agree that the Contractor is an independent contractor with respect to the services provided pursuant to this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither Contractor nor any employees of Contractor shall be entitled to any benefits accorded Franklin County employees by virtue of the services provided under this agreement. Franklin County shall not be responsible for withholding or otherwise deducting federal income tax or social security, for contributing to the state industrial insurance program, or otherwise assuming the duties of an employer with respect to Contractor, or any employee of Contractor.

### **Covenant Against Contingent Fees**

The Contractor warrants that he has not employed or retained any company or person, other than a bonafide employee working solely for the Contractor, to solicit or secure this contract, and that he has not paid or agreed to pay any company or person, other than a bonafide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts, or any consideration contingent upon or resulting from the award or making of this contract. For breach or violation of this warranty, Franklin County shall have the right to annul this contract without liability or, in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

### **Discrimination Prohibited**

The Contractor, with regard to the work performed by it under this agreement, will not discriminate on the grounds of race, color, national origin, religion, creed, age, sex, marital status, disabled, or Vietnam era veteran status, or the presence of any physical, mental, or sensory handicap in the selection and retention of employees or procurement of materials or supplies, provided that the prohibition against discrimination in employment because of handicap shall not apply if the particular disability prevents the proper performance of the particular work involved.

**Assignment**

The Contractor shall not sublet or assign any of the services covered by this agreement without the express written consent of Franklin County.

**Non-Waiver**

Waiver by Franklin County of any provision of this agreement or any time limitation provided for in this agreement shall not constitute a waiver of any other provision.

**Termination**

- a. Franklin County reserves the right to terminate this agreement at any time by giving ten (10) days written notice to the Contractor.
- b. In the event of the death of a member, partner, or officer of the Contractor, or any of its supervisory personnel assigned to the project, the surviving members of the Contractor hereby agree to complete the work under the terms of this agreement, if requested to do so by Franklin County. This section shall not be a bar to renegotiations of this agreement between surviving members of the Contractor and Franklin County, if Franklin County so chooses.
- c. In the event that the Contractor terminates this agreement on or after May 1, 2005, for no fault of Franklin County or TRAC, Franklin County shall be refunded any and all deposit funds paid to Contractor within (10) business days.

**Notices**

Notices to Franklin County shall be sent to the following address:

Grand Ole Fourth  
Franklin County Administrator  
1016 N. Fourth Avenue  
Pasco, WA 99301  
Attn: Fred H. Bowen

Notices to the Contractor shall be sent to the following address:

Elisa Hays, Owner  
Let's Pretend Circus  
2720 23rd Ave SE  
Puyallup, WA 98372

### **Integrated Agreement**

This Agreement together with attachments of addenda, represents the entire and integrated agreement between Franklin County and the Contractor supersedes all prior negotiations, representations, or agreements written or oral. Should there be any conflicting provisions or discrepancies between this Personal Services Agreement and attached Exhibit A, the provisions of the Personal Services Agreement shall supersede the conflicting provisions or discrepancies of attached Exhibit A. This agreement may be amended only by written instrument signed by both Franklin County and the Contractor.

### **Jurisdiction And Venue**

This Agreement shall be construed and interpreted in accordance with the laws of the state of Washington. The venue of any action shall be in the Superior Court for Franklin County.

### **Changes, Modifications, and Amendments**

This Agreement may be waived, changed, modified, or amended only by written agreement executed by both of the parties hereto.

### **Severability**

If a provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, and to this end and the provisions of this Agreement are declared to be severable.

### **All Writings Contained Herein**

This Agreement sets forth in full the entire agreement of the parties, and any other agreement, representation or understanding, verbal or otherwise, is hereby deemed to be null and void and of no force and effect whatsoever.

The parties to this Contract have executed this Contract in original duplicates as of the date written below.

This Contract shall take effect this 27 day of April, 2005.

## CONTRACTOR:

Firm: Let's Pretend Entertainment, LLC

By: Elisa Hays

Signature: 

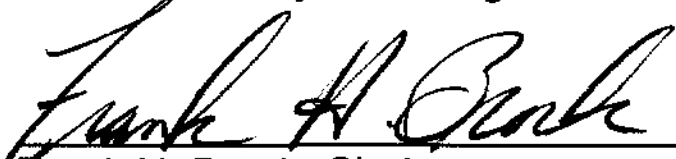
Title: Managing Director

Approved as to form:



Ryan E. Verhulp,  
Chief Civil Prosecutor

BOARD OF COUNTY COMMISSIONER  
Franklin County, Washington

  
Frank H. Brock, Chairman

  
Neva J. Corkrum, Chairman Pro Tem

  
Robert E. Koch, Member

ATTEST BY:

  
Clerk of the Board

**ATTACHMENT**  
**CONTRACT RIDER**

Performance Dates: July 2 – 4, 2005 Rate: \$700/day + lodging

Services to be provided: Four 30 minute shows/day on July 2 and 3; Three 30 minute shows and one 30 minute strolling set on July 4

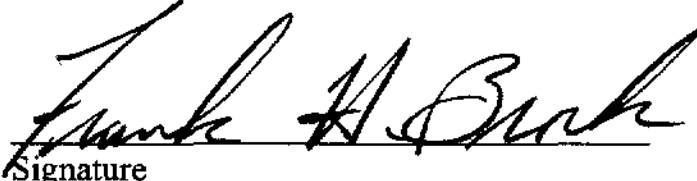
This attachment is to be considered an integrated portion of the agreement between **Lets Pretend Circus** (hereinafter referred to as "LPC") and **Franklin County** (hereinafter referred to as "purchaser") for the dates listed above. The parties to this contract agree to the following:

1. Purchaser will provide LPC with three nights of quality lodging – 1 room to include 2 queen beds.
2. Purchaser will provide LPC with dimensions and a map indicating the location of the performance space no less than 15 days in advance of the event.
3. Bales of hay &/or benches for seating will be provided by the purchaser prior to the first scheduled performance.
4. Purchaser will provide access to standard 110 electrical within 25'.
5. Purchaser will provide signage indicating show times and include LPC performance times in event schedules.
6. Purchaser is responsible for promoting LPC's presence at the event. LPC will provide purchaser with promotional materials. Presence of LPC representatives at promotional activities may be arranged upon request in advance of the event.
7. Entrance and parking passes for entertainers will be provided to LPC by the purchaser in advance of the event. If purchaser provides designated parking for entertainers, LPC representatives will be informed of its location prior to the start of the event and provided with access.
8. If the purchaser provides an entertainer's lounge or hospitality area, LPC representatives will be informed of its location prior to the start of the event and provided with access.
9. Payment is due upon conclusion of the event.
10. If necessary in order to maintain our schedule, LPC will be allowed to load out following the final performance at the event. If LPC cannot drive a vehicle onto the grounds to the performance area the purchaser will provide transportation assistance. LPC will inform purchaser in advance of the event if this will be necessary.
11. LPC shall not be held liable in the rare event that a performance must be cancelled due to conditions beyond our control. LPC reserves the right to determine if conditions necessitate a performance cancellation and will communicate such to the purchaser at the earliest possible time.

  
Signature

Elisa Hays, owner  
Let's Pretend Circus

\_\_\_\_\_  
Date

  
Signature

Frank H. Brock  
Printed Name

4-27-05  
Date

EXHIBIT 11  
Franklin County Auditor

April 27, 2005

1016 North 4th Avenue  
Pasco, WA 99301  
April 27, 2005

ZONA LENHART, Auditor  
509-545-3840 • Fax: (509) 545-2142  
www.co.franklin.wa.us

P.O. Box 1451  
Pasco, WA 99301

Franklin County Commissioners:

Vouchers audited and certified by the auditing officer by RCW 42.24.080, expense reimbursement claims certified by RCW 42.24.090, have been recorded on a listing, which has been sent to the board members.

Action: As of this date, April 27, 2005

Move that the following warrants be approved for payment:

<u>FUND</u> Expenditures	<u>WARRANT</u> <u>Range</u>	<u>AMOUNT</u> <u>Issued</u>
Current Expense	44856-44972	\$5,012.36
Current Expense	44973-45089	\$106,422.20
TRAC Operations Fund	8375-8416	\$46,726.89
FC RV Facility	129-134	\$3,187.27
Auditor O&M	331	\$2,119.44
Auditor O&M	332	\$689.94
Election Equip Revolving	268	\$222.29
Liability Reserve Fund	15	\$217.26
 Crime Victims/Witness	 314	 \$2,196.83
Jail Commissary	2050-2055	\$2,911.78
FC Enhanced 911	1014-1016	\$381.59
County Roads	46345	\$55.80
Flood Control	3	\$2,652.41
Solid Waste	1958	\$316.60
Law Library	936	\$213.35
FC Capital Project Fund	113	\$991.16
Courthouse Renovation Fund	339-340	\$789,227.26
FC Public Facilities Const Fund	711	\$366.88
TRAC Operations Fund	8417	\$12.29
GRAND 'OLE FOURTH		\$234.64

except for warrant 331 for \$2,119.44  
and warrant 332 for \$689.94.

In the amount of \$964,158.24. The motion was seconded by  
And passed by a vote of 3 to 0.

*Resolution 332 was approved later in the  
meeting of April 27, 2005.*

Accounting  
545-3505

Elections  
545-3538

Recording  
545-3536

Licensing  
545-3533