

COMMISSIONERS RECORD 46
FRANKLIN COUNTY
Commissioners' Proceeding for August 10, 2005

The Honorable Board of Franklin County Commissioners met on the above date. Present for the meeting were Neva J. Corkrum, Chair Pro Tem; Bob Koch, Member; Fred Bowen, County Administrator; and Mary Withers, Clerk to the Board. Frank H. Brock, Chairman, was absent to attend the 2005 Western Council of Governments Conference in Tacoma.

OFFICE BUSINESS

Secretary Patricia Shults met with the Board.

Planning and Development

Planning Director Jerrod MacPherson met with the Board.

Final Approval Short Plat SP 2003-09

Motion – Mr. Koch: I move that we accept the final approval for Greg Mauseth on Short Plat 2003-09. This is Resolution 2005-330. Second by Mrs. Corkrum. 2:0 vote in favor. (Exhibit 1)

PROSECUTOR

Prosecutor Steve Lowe and Chief Civil Deputy Prosecutor Ryan Verhulp met with the Board.

Risk Pool

Mr. Lowe said the Board needs to decide what deductible amount the county will use in the next few weeks. Mrs. Corkrum will ask the Risk Pool for some information about the choices for deductible amounts. Mr. Lowe suggested looking at \$10,000, \$25,000 and \$50,000 deductible amounts. It is also possible to choose a \$100,000 deductible amount.

Travel budget line item

Mr. Lowe's travel line item is out of money, most notably because he is paying mileage to employees averaging almost \$200 per month for their travel to juvenile and mental health hearings and because of the large increase in gas prices. He has asked Juvenile Justice Center (JJC) Director Sharon Paradis to find out if there is any way we can set up a remote juvenile link with the JJC so we can go to the office and be present in the courtroom instead of traveling to the JJC. Ms. Paradis will be talking to the judges to

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see what they think. Mr. Lowe asked for approval to find out more about the costs for a remote link. The Board **gave approval.**

Number of cases

Mr. Lowe said his office is seeing huge growth in the number of juvenile cases. The adult cases have had some growth. In the past the JJC typically had 10 to 12 kids in custody from Franklin County but is now usually at 17 to 18 kids from Franklin County in custody of the total average of 57 kids. Dependency issues are another problem. The state is providing full funding for dependencies.

Staffing

The secretary handling juvenile matters will be going on maternity leave for more than five months. Mr. Lowe said some funding is available from some other employee line items to cover hiring a temporary employee through a temporary service for a portion of the five months.

Executive Session at 9:27 a.m. regarding personnel expected to last five minutes.

Open Session at 9:33 a.m.

Executive Session at 9:33 a.m. regarding litigation expected to last five minutes.

Open Session at 9:40 a.m.

Recessed at 9:40 a.m.

Reconvened at 10:52 a.m.

COUNTY ADMINISTRATOR

County Administrator Fred Bowen met with the Board.

Dump Truck

Franklin County has the title to the dump truck at the Benton Franklin County Fairgrounds. He does not think there is much value to the truck. It is probably a 1970s model that was purchased used in 1998. He asked if the Board wants to turn the title over to Benton County. The Board said yes.

Accounting Computer System

The AS 400 computer system is having problems in the Auditor's Office and the Public Works Department. It handles the payroll. A new AS 400 would cost

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approximately \$30,000. The existing AS 400 system is 10 years old. A five-year lease would cost around \$900 per month. Right now we're paying maintenance of \$450 on our existing AS 400. The total increase in cost will be about \$500 per month. Mrs. Corkrum asked if Public Works will help pay for the system. Mr. Bowen is not sure. Information Services Department has money in the budget for it. Mr. Bowen asked for consensus approval to order the equipment. The Board gave **consensus approval**.

AUDITOR

Connie Curiel of the Auditor's Office met with the Board. Also present: Accounting Assistant Yesenia Torres of the Auditor's Office, Engineer Tim Fife, Public Works Accountant Dennis Huston and Information Services Director Kevin Scott.

Life Insurance

Ms. Curiel explained a situation with a life insurance premium payment. The Board said this matter needs to be reviewed by Chief Civil Deputy Prosecutor Ryan Verhulp.

AS 400 Computer System

Ms. Curiel told the Board that the AS 400 computer system needs to be replaced. Mr. Huston gave examples of recent problems the computer system has had in Public Works.

Mrs. Corkrum asked if we want to replace it with another AS 400. Mr. Scott said the long-term goal is to get onto a county-wide financial computer system package but that will take at least a year to do it. He does not think it is realistic to wait that long for this payroll system computer. He said we've been working on another AS 400 computer system for quite some time and got a free used AS 400 from Kennewick General Hospital but realized it would cost \$40,000 to make it legal. A new system will cost \$30,000. It is a five-year lease with \$3300 up front to cover Compu-Tech's installation time, travel, converting data, and other work. The monthly payments would be \$817 which includes five years' worth of maintenance. Mr. Koch asked if this will get us back in shape and then start thinking about upgrading. Mr. Scott said yes. He thinks we need to keep our sights on a long-term goal of getting on a unified, more contemporary accounting system

COMMISSIONERS RECORD 46
FRANKLIN COUNTY
Commissioners' Proceeding for August 10, 2005

that all departments could access. Mrs. Corkrum asked if the Road Department pays part of that. Mr. Huston said no. He said none of the departments do. Mrs. Corkrum said you're a different entity.

Mr. Scott received an estimate from IBM. Mrs. Corkrum thinks we need to approve and go forward. Mr. Scott asked for approval.

Motion – Mr. Koch: I make a motion that we approve the signature for the AS 400 for five-year lease fee of \$817.57 a month as the estimate reads. Second by Mrs. Corkrum. 2:0 vote in favor. This is Resolution 2005-331. (Exhibit 2) Clerk's Note: The estimate originally received from IBM was \$817.57, but with further deliberation, the final monthly cost is \$544.00.

Ms. Curiel asked if there is an early out of the contract. Mr. Scott said yes.

PUBLIC WORKS

Engineer Tim Fife met with the Board.

Aurora 72 Limited Partnership Bond – Road 68 and Court Street

Mr. Fife said Aurora 72 Limited Partnership applied for a zone change and it was granted. One of the conditions was to put in curb, gutter and sidewalks. The Road 68 part of the project was not done at the time so the remaining work was bonded to be done by 1996. The bond has been renewed annually. Now the property is in the city limits. The City of Pasco will be doing sewer work at that area now so it is time to do it. It is on Road 68 south of Court on the left side. Mr. Fife asked for approval of a letter to Safeco, the bonding company, asking for the work to be completed.

Motion – Mr. Koch: I move that we send a letter to Safeco for calling up of a bond for Aurora 702 Limited Partnership. Second by Mrs. Corkrum. 2:0 vote in favor. (Exhibit 3)

OTHER BUSINESS

Mr. Koch reported on recent meetings related to the Greater Columbia Regional Support Network (GCRSN) and state funding for mental health of jail inmates.

Adjourned at 11:30 a.m.

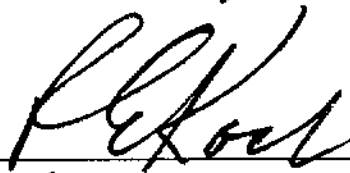
COMMISSIONERS RECORD 46
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Commissioners' Proceeding for August 10, 2005

There being no further business, the Franklin County Board of Commissioners meeting was adjourned until August 15, 2005.

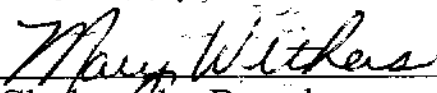
BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON


Chairman

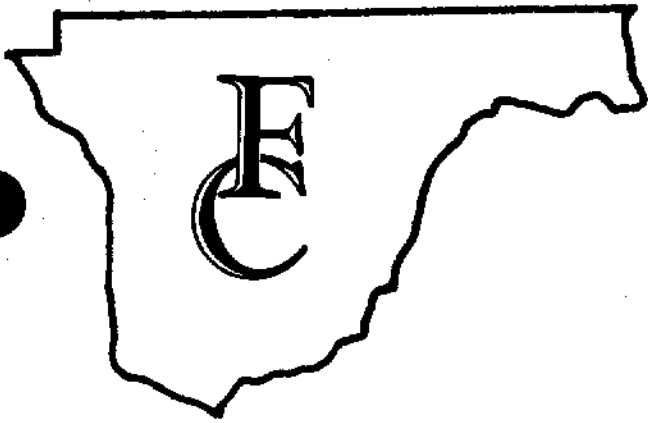

Chairman Pro Tem


Member

Attest:


Clerk to the Board

Approved and signed August 17, 2005.



FRANKLIN COUNTY

COMMISSIONERS

Courthouse - 1016 North 4th

Pasco, Washington 99301

(509) 545-3535

RESOLUTION NUMBER 2005 330

BEFORE THE BOARD OF COMMISSIONERS, FRANKLIN COUNTY, WASHINGTON:
IN THE MATTER OF COUNTY PLANNING

RE: Final Approval for SP 2003-09

WHEREAS, this Board did hold a public hearing on May 14, 2003 to
consider the short plat of Greg Mauseth and

WHEREAS, the Board of County Commissioners have determined the
following:

1. The conditions imposed when the preliminary short plat was approved have been met,
2. The requirements of the state law and County Subdivision Ordinance #3-2000 have been complied with,
3. The short plat conforms with the general purposes of the Comprehensive Plan and the Zoning Ordinance, and

WHEREAS, the public use and interest will be served by approving
the short plat of Greg Mauseth for recording,

NOW, THEREFORE, BE IT RESOLVED that the short plat of Greg Mauseth be approved and the chairman so indicate by signing the final short plat.

SIGNED AND DATED THIS 10th DAY OF AUGUST 2005.

BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON

ABSENT

Chairman

Chair Pro Tem

Member

Attest:

Mary Wilkins
Clerk of the Board

FRANKLIN COUNTY RESOLUTION NO. 2005-331

BEFORE THE BOARD OF COMMISSIONERS, FRANKLIN COUNTY, WASHINGTON

**RE: AS 400 SYSTEM - CERTIFICATE OF ACCEPTANCE AND TERM LEASE
SUPPLEMENT AGREEMENT BETWEEN FRANKLIN COUNTY AND IBM CREDIT
LLC FOR A FIVE YEAR TERM**

WHEREAS, the Franklin County Auditor notified the Board of the need to replace the existing AS 400 system in order to process payroll; and

WHEREAS, time is of the essence, the Information Services Director requested an estimate from IBM; and

WHEREAS, the estimate originally received from IBM was \$817.57, but with further deliberation, the final monthly cost was reduced to \$544.00; and

WHEREAS, the monthly cost includes maintenance and is identified within the lease as "Remarketed Servicesuite"; 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 Certificate of Acceptance and Term Lease Supplement Agreement between Franklin County and IBM Credit LLC, Customer Number 3521563, Master Agreement Number 577R735, for a five year term, to be paid as follows:

- September through December 2005 – to be paid from the Current Expense Information Services Budget, Number 001-000-350, line item 518.80.48.0005 (R&M – Maintenance Agreements).
- 2006 and thereafter – to be paid from the Current Expense Capital Outlay Budget, Number 001-000-710, line item 594.00.64.3501 (Computer Hardware).

BE IT FURTHER RESOLVED the Franklin County Board of Commissioners hereby authorize the Chair Pro Tem to sign said Certificate of Acceptance and agreement on behalf of the Board.

APPROVED this 10th day of August 2005.

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

ABSENT

Frank H. Brock, Chair

Neva J. Corkrum, Chair Pro Tem

Robert E. Koch, Member

Attest:

Clerk to the Board

Originals: Auditor – Minutes – IBM Credit – I.S.

cc: Accounting

TERM LEASE SUPPLEMENT

Date Prepared: 09/10/05

Customer No.: 3521563

Customer Address

AUDITOR

1016 N FOURTH

PASCO, WA 99301-3706

Installed at Location

AUDITOR

1016 N FOURTH

PASCO, WA 99301-3706

Supplement Number: D00C54132

IBM CSO Location: PAH

IBM CSO Location Address

IBM CREDIT LLC

NORTH CASTLE DRIVE

ARMONK, NY 10504

Term Lease Master Agreement No.: 577R735

Associated Supplement Nos.:

Summary Supplement No:

Amendment Nos.:

Addendum Nos.:

Quote Letter No.: Q0275857701

Customer Reference:

Line No.	Location/ Lessor	Installed Customer No.	State	Leased or Financed Item: Type Model/Feature Description	Plant Order or MES No.	Serial No.	(*) Purchase Option	(*) Term	Unit Purchase Price/ Amount Financed	Rate \$/1000	Rent	Estimated Commencement /Release Date	(*) Interest Rate
001	3521563/	WA	9SSR-001	REMARKETED SERVICESUITE		B500229	S'	NA	7,499.54	19.50	146.00	09/05	6.35
	6369987												
002	3521563/	WA	9405-520	ESERVER I5		CD64F	G'	00	15,725.00	19.77	311.00	09/05	6.93
	6369987												
003	3521563/	WA	9910-P15	POWERWARE 9125 1500VA		J5LBZ	G'	00	1,483.00	21.64	32.00	09/05	10.80
	6369987												

Supplier Name
AVNET INC

Supplier Customer No.
8431809

Fiscal Year Start Date
(Month/Day)
07/01

(*) Security Deposit

Total Amount
Financed
(this page)
24,707.54

(*) Interim
Rent
Applies
NO

Total Rent
(this page)
Taxes May Apply
489.00

Payment Period
MONTHLY IN ARREARS
Rent Commencement Date

(*) See page 3 for explanations, definitions and additional terms.

RATE VALIDITY DATE: 09/29/05.

THE TERM LEASE MASTER AGREEMENT (THE "AGREEMENT") REFERENCED ABOVE, IS HEREBY INCORPORATED BY REFERENCE AND LESSEE HEREBY UNDERSTANDS THAT THE COMPLETE AND EXCLUSIVE STATEMENT OF THE PARTIES WITH RESPECT TO THE AGREEMENT AS LESSEE, THE AGREEMENT, THIS SUPPLEMENT AND ANY APPLICABLE ATTACHMENTS OR ADDENDA ARE THE COMPLETE AND EXCLUSIVE STATEMENT OF THE PARTIES. BY SIGNING BELOW, LESSEE REPRESENTS AND WARRANTS THAT LESSEE'S SUBJECT MATTER HEREIN. THESE DOCUMENTS SUPERSEDE ANY PRIOR ORAL OR WRITTEN COMMUNICATIONS BETWEEN THE PARTIES. BY SIGNING BELOW, LESSEE REPRESENTS AND WARRANTS THAT LESSEE'S NAME AS SET FORTH IN THE SIGNATURE BLOCK BELOW IS LESSEE'S EXACT LEGAL NAME, AND THE INFORMATION IDENTIFYING LESSEE'S STATE OF ORGANIZATION IS TRUE, ACCURATE AND COMPLETE IN ALL RESPECTS. BY SIGNING BELOW, BOTH PARTIES AGREE TO THE TERMS REPRESENTED BY THIS SUPPLEMENT AS IT MAY BE AMENDED OR MODIFIED. IF AGREED TO IN WRITING BY LESSEE, LESSEE AUTHORIZES LESSOR TO CHANGE THE AMOUNT FINANCED AND/OR THE RENT. LESSEE FURTHER AUTHORIZES LESSOR TO INSERT MACHINE SERIAL NUMBERS ON THIS SUPPLEMENT AS THEY BECOME AVAILABLE, WITHOUT FURTHER AUTHORIZATION FROM LESSEE. DELIVERY OF AN EXECUTED COPY OF ANY OF THE DOCUMENTS REFERENCED ABOVE BY FACSIMILE OR OTHER RELIABLE MEANS SHALL BE DEEMED TO BE AS EFFECTIVE FOR ALL PURPOSES AS DELIVERY OF A MANUALLY EXECUTED COPY. LESSEE ACKNOWLEDGES THAT LESSOR MAY MAINTAIN A COPY OF THESE DOCUMENTS IN ELECTRONIC FORM AND AGREES THAT A COPY REPRODUCED FROM SUCH ELECTRONIC FORM OR BY ANY OTHER RELIABLE MEANS (FOR EXAMPLE, PHOTOCOPY, IMAGE OR FACSIMILE) SHALL IN ALL RESPECTS BE CONSIDERED EQUIVALENT TO AN ORIGINAL. IF INDICATED HERE, THE FOLLOWING ATTACHMENTS SHALL APPLY TO AND BE INCORPORATED BY REFERENCE:

Accepted by:

IBM Credit LLC

FRANKLIN COUNTY

Lessee

For or as Lessor:

By:

Authorized Signature

DOROTHY O. BROWN 9/29/05

CUSTOMER SUPPORT OPS MGR, but signed: 9/28/05

Authorized Signature

Neva J. Corkrum

Name (Type or Print)

8/10/05

Date

State of Organization: WA

accepted as of 9/28/05



TERM LEASE SUPPLEMENT CONTINUATION SHEET

Date Prepared: 09/10/05
Customer No.: 3521563
Customer Address
AUDITOR
1016 N FOURTH
PASCO WA 99301-3706

Installed at Location
AUDITOR
1016 N FOURTH
PASCO WA 99301-3706

Supplement Number: D00C54132
IBM CSO Location: PAH
IBM CSO Location Address
IBM CREDIT LLC
NORTH CASTLE DRIVE
ARMONK, NY 10504

Term Lease Master Agreement No.: 577R735
Associated Supplement Nos.:
Summary Supplement No.:
Amendment Nos.:
Addendum Nos.:

Customer Reference:

Quote Letter No.: Q00275857701

Line No.	Location/ Lessor Customer No.	Installed State	Leased or Financed Item: Type Model/Feature Description	Plant Order or MES No.	Serial No.	(*) Purchase Option	(*) Term	Unit Purchase Price/ Amount Financed	Rate \$/1000	Rent	Estimated Commencement /Release Date	(*) Interest Rate
004	3521563/ 6369987	WA	9992-003 RESELLER SOURCED IBM SW		B500224	S' NA	060	1,375.00	19.27	26.00	09/05	5.86
005	3521563/ 6369987	WA	9993-005 FINANCING OF SALES TAX		B500230	S' NA	60	1,429.00	20.44	29.00	09/05	8.34
Total Amount Financed (this page)										Total Rent (this page) Taxes May Apply	Payment Period	
2,804.00										55.00	MONTHLY IN ARREARS	

RATE VALIDITY DATE: 09/29/05.

Z125-3319-25 (07/03)

OPTION CODES

B Lease with fair market value end-of-lease options and Lessor is owner for tax purposes

B+ Lease with fair market value end-of-lease options

B' Lease with pre-stated end-of-lease options and Lessor assumes Lessee is owner for tax purposes

B\$ Lease with \$1.00 end-of-lease purchase option and Lessor assumes Lessee is owner for tax purposes

G Lease with fair market value end-of-lease options for tax exempt Lessees

option for tax exempt Lessees

IBM Credit LLC makes no representation whatsoever regarding Lessee's accounting treatment related to any transaction under the Agreement or this Supplement.

TERM.

Number: Indicates number of months of the Lease Term.

CO: Coterminal Lease. Term of Equipment and associated item of Equipment expire simultaneously.

PURCHASE OPTIONS (END-OF-LEASE ONLY).

FM: Fair market sales value at end-of-lease

CL: Contact IBM Credit for purchase price

Number: Pre-stated purchase price. Purchase price will be the Unit Purchase Price times this %.

INTEREST RATES. The Interest Rate, if stated, is the annual percentage rate ("APR") which will not exceed the lesser of the APR set forth on the front of this Supplement and the highest rate from time to time permitted by applicable law.

RATE PROTECTION. The Rates stated on the Supplement are not subject to change if the Supplement is signed and returned to Lessor by the rate validity date indicated on the face of the Supplement and Equipment is (i) supplied by IBM and installed by the last day of the month of the Estimated Commencement Date or (ii) not supplied by IBM, and a certificate of acceptance ("COA") is signed by Lessee with an acceptance date on or prior to the last day of the month of the Estimated Commencement Date stated on the Supplement and such COA is accepted by Lessor.

RENT COMMENCEMENT DATE. For personal computing equipment, including personal computer-based servers, the Rent Commencement Date shall be the date supplied by Lessor on the COA unless otherwise noted by Lessor on the face of this Supplement.

BASE EXTENSIONS. For Equipment and/or Financial Items described as "Base Extension", this Supplement amends and restates the terms of the Lease and/or Financing Transaction for such Equipment and/or Financial Items and incorporates the terms of the Agreement referenced on this Supplement.

SUPPLEMENT OPTIONS. When indicated on the face of the Supplement, the following terms and conditions shall apply to transactions indicated in this Supplement.

* **INTERIM RENT.** The Rent Commencement Date shall be the first day of the first full Payment Period following the date that would otherwise constitute the "Rent Commencement Date" under Paragraph 13 of the Agreement and Lessee will pay interim Rent from such date to the Rent Commencement Date. Such interim Rent shall be prorated based on the number of days in Payment Period.

* **PAYMENT IN ADVANCE.** Rent will be due on the first day of each Payment Period and (except for the invoice for the first Payment Period) will be invoiced one month before its due date. The invoice for any initial partial Payment Period and the first full Payment Period will be issued on the first day of the first full Payment Period following the date of installation.

* **PAYMENT IN ARREARS.** Rent will be invoiced in advance as of the first day of each Payment Period and will be due on the day following the last day of the Payment Period.

* **SECURITY DEPOSIT.** As a condition to Lessee entering into the transactions indicated in the Supplement, Lessee has granted to Lessor a security interest in cash held by Lessor as a security deposit in the amount indicated on the face of this Supplement, to secure Lessee's payment obligations under the Agreement. Lessor may apply any portion of the security deposit against any payment default and shall hold the security deposit until Lessee's obligations under the Agreement are satisfied in full.

TAX EXEMPT REQUIREMENTS (For Options G, S' and T'). Lessee represents that Lessee qualifies as a State or political subdivision of a State for purposes of Section 103(a) of the Internal Revenue Code of 1986, as amended ("Code"). Any misrepresentation of Lessee's status under Section 103(a) is an event of default under the Agreement. Lessee shall comply with all information reporting requirements of Code Section 149(e) and Treasury Regulations thereunder. Lessee shall file the appropriate Internal Revenue Service (IRS) Form 8038-G or 8038-GC. Lessee shall pay Lessor, on demand, a sum to be determined by Lessor, that will return to Lessor the economic results Lessor would otherwise have received if: (i) Lessee does not file the above IRS form on a timely basis; or (ii) IRS rules Lessee does not qualify under Section 103(a) of the Code.

AUTHORITY TO FILE FINANCING STATEMENTS. Lessee hereby authorizes Lessor to file Uniform Commercial Code (UCC) financing statements relating to the Collateral, as defined below.

Lessee hereby grants to Lessor a first priority security interest in the Equipment together with all related software (embedded therein or otherwise), all Financial Items, and all additions, attachments, accessories, and

grades thereto and any and all substitutions, replacements or exchanges for any such item of Equipment or software and any and all proceeds of any of the foregoing, including, without limitations, payments under insurance or any indemnity or warranty relating to loss or damage to such Equipment and Financial Items ("Collateral").

TRANSFER OF OBLIGATIONS. Lessee agrees that any transaction initiated under this Agreement shall be binding upon Lessee's successor and permitted assigns.

ADDITIONAL DEFAULTS AND REMEDIES. If Lessee is in default, Lessee agrees to surrender to Lessor for return to licensor or owner all licensed program materials financed hereunder and to destroy any and all copies thereof. If under applicable law, Lessor is required to comply with standards of commercial reasonableness applicable to secured financings in disposing of the Equipment, Lessee agrees that 10 days prior written notice shall constitute adequate notice of disposition, and any disposition of the Equipment will be conveyed on an "AS IS" basis and Lessor may disclaim any and all warranties.

FINANCIAL STATEMENTS. Upon request, if not publicly available, Lessee agrees to provide to Lessor audited financial statements or unaudited financial statements with Lessor's approval in such case in form satisfactory to Lessor.

ALTERATIONS; MODIFICATIONS; PARTS. Lessee agrees to (i) allow installation of any changes, additions, and/or capacity monitoring hardware or software on Equipment, as required by manufacturer, or permit manufacturer to monitor Equipment capacity; and (ii) comply with any other terms between Lessee and Equipment manufacturer, including, but not limited to, those that relate to Equipment capacity.

RETURN OF EQUIPMENT. Unless otherwise agreed to in writing by the parties and prior to return to Lessor of each item of Equipment, Lessee is responsible for removing all information and data, including, but not limited to, programs not licensed to a specific item of Equipment. Lessor has no obligations to remove Lessee's or any other party's information from an item of Equipment.

LESSEE REPRESENTATIONS. Lessee represents that: (i) any information Lessee may provide to Lessor related to the acquisition price of Equipment and/or Financial Items is the true and accurate price charged by and to be paid to Lessee's Supplier for such Equipment and/or Financial Items; and (ii) Lessee will use any funds received from Lessor for acquisition of Equipment and/or Financial Items for the sole purpose of acquiring such Equipment and/or Financial Items.

LEASE AGREEMENT AMENDMENT. The following terms and conditions only apply to Term Lease Master Agreements signed prior to January 1997.

TERM. The initial Term of the Lease or Financing transaction shall begin on the Rent Commencement Date and shall expire at the end of the number of months under "Term" in the Supplement.

OPTIONAL EXTENSION. For purposes of the Optional Extension paragraph, the Rent shall be calculated as the sum of the Lease payments over the initial Term divided by the initial Term of the Lease, but for Options B, B+ or L not less than fair market rental value.

FINANCED ITEMS. Software, program licenses, maintenance, services and other one-time charges Financed under this Supplement constitute "Financed Items" and the terms (i) of this Supplement, (ii) any applicable attachments, and (iii) the Agreement, each as may be amended by addenda, constitute the "Financing Transaction" for such Financed Items. The parties agree that all references to "Lease" in paragraphs 37 and 38 shall mean "Lease and/or Financing Transaction".

TERMS FOR USED EQUIPMENT. This Equipment is provided without any warranty by Lessor, in accordance with Paragraph 9. It is subject to prior disposition at any time prior to Lessor's signature on the Supplement. Rent Commencement Date will be the earlier of installation or 14 days after Release Date. Lessee payment of 3 months Rent as liquidated damages is required if Lessee cancels its commitment to lease after Lessor's Supplement acceptance but before the Equipment is delivered and accepted by Lessee. Lease expiration notice shall be as soon as practicable if the Term is 3 months or less. If Equipment is unmodified, manufactured and assembled by or for IBM and IBM installs and maintains the Equipment, Lessee may exercise the Lessor's quality satisfaction guarantee within 90 days of the Release Date. At Lessor's option, the Equipment will either be replaced with equivalent Equipment or returned to Lessor and the Lease terminated with any payments made to Lessor refunded.

TERMS FOR NON-IBM EQUIPMENT AND FOR EQUIPMENT NOT SOURCED FROM IBM. Notwithstanding anything to the contrary in the Agreement, for purpose of this Supplement, "Lessee's Supplier" shall be the party with whom Lessee has contracted to purchase Equipment, license program materials or acquire services leased or financed herein. Except for paragraphs 41 and 43, all references in the Agreement to "IBM" shall mean "Lessee's Supplier". Any occurrences of "or Effective Date for Additional License" in the Agreement are deleted. Any reference to "Estimated Shipment Date" shall mean "Estimated Commencement Date". Except for personal computing equipment, including personal computer-based servers, the Rent Commencement Date shall be the date Lessee designates on a COA. Any terms and conditions applicable to Option B shall also apply to Options B+ and L. Lessee shall return the Equipment in good condition and working order, wear and tear excepted and qualified for the manufacturer's approved maintenance service. Should Lessee elect to alter or modify the Equipment, any Lessor-owned Parts that Lessee removes shall remain Lessor's property and Lessee is not permitted to make such Parts available for sale, transfer, exchange or other disposition without Lessor's prior written consent. If Lessor consents to a disposition of the removed Parts, the restoration must be with parts Lessor owns or supplies, or those supplied by a source approved by Lessor. For the purposes of the Agreement, a "Part" is any component or element of the Equipment.



Credit LLC

CERTIFICATE OF ACCEPTANCE

Page 1 of 2

Customer Number: 3521563

Address

AUDITOR

1016 N FOURTH

PASCO, WA 99301-3706

IBM Office Address

NORTH CASTLE DRIVE

ARMONK, NY 10504

Agreement Number: 577R735

Supplement No: D00C54132

Customer Reference:

Summary Supplement No:

Location Customer	Leased/Financed Item Type	Plant Order or MES No.	Contract Serial No. Description	Manufacturer's Serial No.
3521563	9SSR	001	B500229 REMARKETED SERVICESUITE	B500229
3521563	9405	520	ESERVER I5	
3521563	9910	P15	POWERWARE 9125 1500VA	
3521563	9992	003	B500224 RESELLER SOURCED IBM SW	B500224
3521563	9993	005	B500230 FINANCING OF SALES TAX	B500230

THE UNDERSIGNED ("CUSTOMER") IS A LESSEE OR CUSTOMER UNDER THE AGREEMENT REFERENCED ABOVE ("AGREEMENT") WITH EITHER IBM CREDIT LLC OR INTERNATIONAL BUSINESS MACHINES CORPORATION (IN EITHER CASE, "IBM"). CUSTOMER REPRESENTS AND CERTIFIES THAT THE ITEMS LISTED ABOVE, LISTED ON INVOICES ATTACHED, OR ITEMIZED ON AN ATTACHMENT TO THIS CERTIFICATE OF ACCEPTANCE ("ACCEPTED ITEMS") HAVE BEEN ACCEPTED BY CUSTOMER ON THE ACCEPTANCE DATE INDICATED BELOW AND LABELS, IF SUPPLIED, HAVE BEEN AFFIXED TO EACH ACCEPTED ITEM OF EQUIPMENT. CUSTOMER AUTHORIZES IBM TO PAY CUSTOMER'S SUPPLIER FOR THE ACCEPTED ITEMS. AMOUNTS DUE UNDER THE AGREEMENT SHALL COMMENCE UPON THE ACCEPTANCE DATE CUSTOMER INDICATES BELOW UNLESS OTHERWISE NOTED BY LESSOR ON THE SUPPLEMENT. IF CUSTOMER IS SUBJECT TO PROCUREMENT OR APPROPRIATION LAWS OR REGULATIONS, CUSTOMER REPRESENTS AND CERTIFIES THAT IBM'S DIRECT PAYMENT TO CUSTOMER'S SUPPLIER FOR THE INVOICE AMOUNTS INDICATED ON THIS CERTIFICATE OF ACCEPTANCE WILL BE IN FULL COMPLIANCE WITH ANY AND ALL RELEVANT STATE LAWS AND REGULATIONS OR ANY OTHER LEGAL REQUIREMENTS RELATING TO CUSTOMER'S PROCUREMENT OR APPROPRIATION ACTIVITIES.

IN ORDER FOR THIS CERTIFICATE OF ACCEPTANCE TO BE EFFECTIVE, CUSTOMER MUST PROVIDE IBM WITH SERIAL NUMBERS FOR EACH ACCEPTED ITEM OF EQUIPMENT. CUSTOMER AUTHORIZES IBM TO COMPLETE OR UPDATE ANY EQUIPMENT IDENTIFICATION INFORMATION ON THE REFERENCED AGREEMENT OR SUPPLEMENT TO THE AGREEMENT FOR ANY ACCEPTED ITEM OF EQUIPMENT WITHOUT FURTHER ACTION OR CONSENT BY CUSTOMER.

DELIVERY OF AN EXECUTED COPY OF THIS CERTIFICATE OF ACCEPTANCE BY FACSIMILE OR ANY OTHER RELIABLE MEANS SHALL BE DEEMED TO BE AS EFFECTIVE FOR ALL PURPOSES AS DELIVERY OF A MANUALLY EXECUTED COPY. CUSTOMER UNDERSTANDS THAT IBM MAY MAINTAIN A COPY OF THIS CERTIFICATE IN ELECTRONIC FORM AND AGREES THAT A COPY PRODUCED FROM SUCH ELECTRONIC FORM OR BY ANY OTHER RELIABLE MEANS (FOR EXAMPLE, PHOTOCOPY, IMAGE OR FACSIMILE) SHALL IN ALL RESPECTS BE CONSIDERED EQUIVALENT TO AN ORIGINAL. BY SIGNING BELOW, CUSTOMER REPRESENTS AND WARRANTS THAT CUSTOMER'S NAME AS SET FORTH IN THE SIGNATURE BLOCK BELOW IS CUSTOMER'S EXACT LEGAL NAME AND THE INFORMATION IDENTIFYING CUSTOMER'S STATE OF ORGANIZATION IS TRUE, ACCURATE AND COMPLETE IN ALL RESPECTS.

Accepted by: FRANKLIN COUNTY

By:

Authorized Signature

Neva J. Corkrum

Name (Type or Print)

State of Organization: WA

ACCEPTANCE DATE: _____

PLEASE RETURN TO IBM OFFICE ADDRESS LISTED ABOVE
WITHIN 10 DAYS OF RECEIPT



Credit LLC

CERTIFICATE OF ACCEPTANCE

Page 2 of 2

Customer Number: 3521563

Address

AUDITOR

1016 N FOURTH

PASCO, WA 99301-3706

IBM Office Address

NORTH CASTLE DRIVE

ARMONK, NY 10504

Agreement Number: 577R735

Supplement No: D00C54132

Customer Reference:

Summary Supplement No:

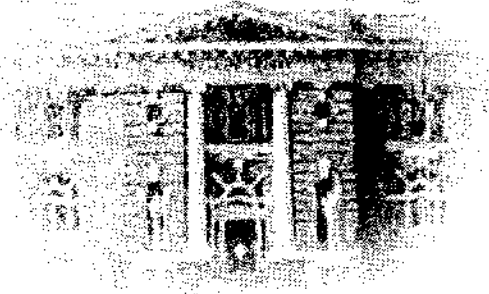
Location Customer	Leased/Financed Item Type	Plant Order or MES No.	Contract Serial No. Description	Manufacturer's Serial No.
Supplier Invoice Information (Invoices May Be Attached)				
Supplier			Invoice Number	Invoice Date
1.				Invoice Amount
2.				
3.				
4.				
5.				
6.				
TOTAL				0.00

August 10, 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

August 10, 2005

Compu-Tech, Inc.
PO Box 503
Wenatchee, WA 98807-0503

Dear Sirs:

We hereby give notice that we accept the estimate for iSeries Model 520 Express #2 system (AS 400 computer system) for Franklin County at a cost of \$29,442.54 not including sales tax with monthly payments of \$817.57.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON

ABSENT

Frank H. Brock, Chair

Neva J. Corkrum, Chair Pro Tem

Robert E. Koch, Member

cc: Auditor Zona Lenhart
Engineer Tim Fife
Information Services Director Kevin Scott
File/LB



Compu-Tech, Inc.

P.O. Box 503, Wenatchee, WA 98807-0503

Phone: (509) 884-1542 Fax: (509) 884-8982

E-Mail Address: mlchelle@compu-tech-inc.com

SOLUTIONS FOR THE FUTURE... EXPERIENCE FROM THE PAST

Email Transmittal Form

ESTIMATE

For Products

Attention:	<u>Kevin Scott</u>	PCR Reference No:	<u>2005-226 B</u>
Company:	<u>Franklin County</u>	Customer Reference:	<u>1520 Computer & Install</u>
Faxed:	<u>June 6, 2005</u>	Contact Person:	<u>Kimberly Keating</u>

In response to your recent Product Request, we have reviewed the requirements and have determined that at least the following will be required:

iSeries Model 520 Express #2	\$14,625	P05 system/No Windows Server
Additional 1 GB main memory installed	1,100	
Uninterruptible Power Supply & Cable	1,483	
(5) Additional iSeries Access Licenses	1,375	
5 Years Total IBM Software & Hardware Maintenance	7499.54	
Installation, including 4 hours on site as 28/hrs	3,360	(Not Financed)
Travel at cost	Estimated Monthly Payment on Financed amount \$957.57 (Full Payout) \$817.57	

It is estimated that these changes, billed at your current rate of \$120.00/hour, can be implemented according to the following schedule:

28	Hrs - Installation Labor	\$3,360.00	
	IBM Maintenances	7499.54	Financed
	IBM iSeries Access Licenses	1,375.00	Financed
	Equipment Total	17,208.00	Financed
	Total Cost*	\$29,442.54	* Does not include Sales Tax

The rate quoted above is our current hourly rate and is valid until written notice of rate change.

This is only an estimate based on our current understanding of the scope of the project. If we have overlooked some factors or if additional requirements are determined as the project proceeds, the actual time billed may exceed the estimate. Unless specifically designated, no documentation changes are included in the estimate.

Additionally, if programming and/or operator assistance is required after the initial implementation of this project it will be billed at our current hourly rate of \$120.00/hour.

If an approved estimate is terminated prior to completion, all work in progress will be billed at our current hourly rate.

Signature: Kimberly Keating

Date Signed: June 6, 2005

If you wish Compu-Tech to proceed with the Program Change Request, please sign and return this estimate.

Approved by: _____

Signature: _____ Date Signed: _____

ValuePlan* Lease

2005-226B

IBM Global Financing

Contact Name: Kevin Scott
 Company Name: Franklin County
 Address: 1016 North 4th
 City: Waco
 State: TX Zip Code: 76781
 Phone: 817-545-5614
 Fax: 817-545-2138
 Email: kevin.scott@franklin.wa.tx.us
 Credit Rating: N/A STANBARD
 This quote prepared by: Kimberly Keating Email: kimberly@compu-tech-inc.com Date Prepared: 8/10/05

Enter Below If Applicable:

Distributor: Arnet

Solution Provider Name: Compu-Tech, Inc.
 Address: 516 Valley Mall Parkway, Suite 212
 City: East Wrentham
 State: MA Zip Code: 01930
 Phone: 508-884-1642
 Fax: 508-884-8882
 Email: kimberly.keating@compu-tech-inc.com

Comments/Requests: This is a CISC to RISC customer, being Full Pay out.

Please Prepare Contract for: 60 Months

Options at end of lease:
 Fair Market Value (FMV) Lease: Lessee may purchase all but not less than of items at Fair Market Value, return the equipment to IBM Global Financing or continue to lease at the then current monthly payment.
 Full Payout (FPO) Lease: Lessee may purchase the equipment for one dollar or return the equipment to IBM Global Financing.

60 months

Description	IBM eServer, Total Storage		IBM PC		All Other Hardware		IBM Software Services Loan	All Other Software Services Loan
	Fair Market Value	Full Payout	Fair Market Value	Full Payout	Fair Market Value	Full Payout		
4000/320000		\$15,725.00						
UPS (battery & cable)						\$1,483.00		
5 Yrs. Maintenance							\$7,489.54	
(S) Series Access Licenses							\$1,375.00	
Total Financed	\$0.00	\$15,725.00	\$0.00	\$0.00	\$1,483.00	\$8,874.54	\$0.00	

Term (Months)	IBM eServer, Total Storage				IBM PC				All Other Hardware				IBM Software Services Loan				All Other Software Services Loan			
	24	36	48	60	24	36	48	60	24	36	48	60	24	36	48	60	24	36	48	60
Finance Rate Per 100	35.00	28.50	22.90	20.70	45.10	31.30	26.10	21.00	45.10	31.30	26.10	21.00	45.10	31.30	26.10	21.00	45.10	31.30	26.10	21.00
Monthly Payment	\$0.00	\$0.00	\$0.00	\$0.00	\$709.20	\$482.14	\$354.70	\$210.23	\$100.24	\$277.77	\$222.75	\$156.67								

Term (Months)	All Other Hardware				All Other Software Services Loan			
	24	36	48	60	24	36	48	60
Finance Rate Per 100	38.50	28.50	24.10	21.00	45.10	32.10	25.40	21.50
Monthly Payment	\$0.00	\$0.00	\$0.00	\$0.00	\$267.77	\$171.60	\$137.67	\$51.88

Term (Months)	IBM PC			
	24	36	48	60
Finance Rate Per 100	37.60	28.00	23.80	20.90
Monthly Payment	\$0.00	\$0.00	\$0.00	\$0.00

Total Financed Amount: \$20,007.54

Term (Months)	24	36	48	60
	\$1,177.21	\$817.57	\$555.12	\$548.47

This Quote is based on the following conditions:

- Subject to credit approval by IBM Global Financing review of final equipment list and proper documentation.
- Direct Deal or first month rent may be required when contract is accepted.
- Low Rate Financing with 6% IPTL Rebate available for 24 to 48 month terms only.
- Under 100K Clients can finance 100% IBM Software & Services on a transaction; non-IBM Software & Services financing limited to 200% of hardware.
- Best Credit clients and some Standard Credit clients can finance 100% IBM Software and Services on a transaction, while OEM Software and Services financing is limited to 100% of hardware.
- All other Standard Credit clients total software and services financing (IBM & OEM) is limited to 75% of hardware.
- Once the contract has been signed, IBM Global Financing may adjust lessee's monthly payment up or down, but by not more than 15%, if the actual amount financed differs from this quote, unless we notify the lessee. We will use the applicable Rate per Thousand (above) to calculate the adjustment.
- Upfront sales tax on FPO lease items (charged in certain States) will be calculated and added to the financed amount if applicable.

To decline this and pay the Tax separately, check here (type an 'x' in the yellow box)

*or Term Lease Master Agreement (TLMA) with ValuePlan Addendum

August 10, 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

August 10, 2005

Safeco
P.O. Box 34670
Seattle, WA 98124

Attn: Barbara D. Ettorre
Bond #5751616

Dear Sirs:

Aurora 702 Limited Partnership has failed to complete the road, sidewalk and curb improvements in accordance with Bond #5751616. We have allowed bond continuation certificates to date.

The City of Pasco is performing improvements to Road 68 immediately adjacent to Aurora 702 Limited Partnership Subdivision, and we need the improvements completed.

Aurora 702 Limited Partnership has failed to complete the work as required. Therefore, we are requesting you complete the work as detailed in Bond #5751616.

Please feel free to contact Tim Fife, P.E., 3416 Stearman Avenue, Pasco, WA 99301, (509) 545-3514 for any questions in regard to this matter.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, WASHINGTON

ABSENT

Frank H. Brock, Chair

Neva J. Corkrum
Neva J. Corkrum, Chair Pro Tem

Robert E. Koch
Robert E. Koch, Member

cc: Aurora 702 Limited Partnership
Doyle Heath, City of Pasco
Tim Fife, Franklin County Engineer
File/LB