



AGENDA
Donnelly City Council
Regular Meeting
Monday, May 21, 2018 at 6:00 pm
Donnelly Community Center

ROLL CALL

PLEDGE OF ALLEGIANCE

ARBOR DAY / TREE CITY USA RECOGNITION: John Lillehaug presentation of award.
City will plant two pine trees at City Campground in honor of Arbor Day.

CONSENT AGENDA: *(one motion needed for the Consent Agenda)*

City Council Minutes – April 23, 2018

Vouchers April 24, 2018 thru May 17, 2018

Treasurer's Report for April 2018

Payroll Summary -- April 26th, May 5th, May 10th 2018

PUBLIC HEARING:

AB 18-44 The Glen Annexation Amendment (ACTION ITEM)

Request to approve amendment of the Glen Annexation Agreement

BUSINESS AGENDA:

AB 18-39 Intent to Convey Real Property to the Donnelly Public Library District (ACTION ITEM)

AB 18-45 Request to Approve Copier Purchase and Maintenance Agreement (ACTION ITEM)

AB 18-46 Request to Approve Donnelly Depot Center Lease Renewals (ACTION ITEM)

AB 18-47 Request to Approve Donnelly Depot Center Lease Rate Increase (ACTION ITEM)

AB 18-48 Request to Adopt Resolution 2018-12 Surplus Property – Landscaping Blocks (ACTION ITEM)

AB 18-49 Adopt Ordinance 239 Water Revenue Bond, Series 2018 (ACTION ITEM)

AB 18-50 Adopt Resolution 2018-013 Bond Anticipation Note (ACTION ITEM)

AB 18-53 Adopt Resolution 2018-014 USDA Rural Development Loan Resolution (ACTION ITEM)

AB 18-51 Request to Approve the purchase of Speed Check Sign (ACTION ITEM)

AB 18-52 Request for Fee Reduction or Abatement for Weir Residence (ACTION ITEM)

STAFF REPORTS:

ADJOURN: Monday, June 18, 2018 at 6:00 p.m. (Celebrate Arbor Day)



City of Donnelly

169 Halferty Street
P.O. Box 725
Donnelly, ID 83615
Telephone (208) 325-8859 Fax (208) 325-4091

City Council Meeting on Monday, April 23, 2018 at 6:00 pm Donnelly Community Center

MINUTES

Meeting called to order by Mayor Koch at 6:00 p.m.

Roll Call: Councilor Minshall, Councilor Stayton, Councilor Atkinson, and Councilor Davenport, were present. Clerk Hedges and Mayor Koch were also present.

Pledge of Allegiance

CONSENT AGENDA:

City Council Minutes, March 19, 2018

Vouchers dated March 20 to April 19, 2019 with addition of those read into record in the amount of \$1478.14

Treasurer's Report for March 2018,

Payroll Summary for March 29th, April 5th, April 12th

Motion by Stayton, 2nd by Minshall to approve the consent agenda with the additional vouchers with the added into record. Motion carried.

Public Hearing:

AB 18-38 Resolution 2018-010 Farmers Market Fee

Mayor Koch opened Public Hearing at 6:03 p.m.

Proposed fee is \$50 for the season, and that the City requires insurance if City property is being used.

Public Comment:

Mayor asked for those in Favor: Rene Wehrli spoke in support, Liz Jones spoke in support and Laura Bettis spoke in support.

Mayor asked for those that are Neutral: None

Mayor asked for those that are Against: None

Mayor closed the public hearing at 6:08 p.m.

Motion by Minshall, 2nd by Davenport to approve Resolution 2015-010 Establishing a Farmer's Market Fee. Motion carried.

AB 18-39 the intent to convey real property to the Donnelly Public Library District.

Mayor opened public the public hearing at 6:09 p.m.

City Clerk Hedges presented the staff report for the Request of Conveyance of Property to the Donnelly Public Library District with additional questions from the City's legal Counsel. At the March 19, 2018 meeting the DPLD requested that the City consider conveyance of the property to the newly formed District as it was the wishes of the original donors. Amy Holm and Laura Bettis, representing the DPLD answered the questions from the City's Legal counsel. Conversation has been ongoing with between the attorneys for both parties. The stated that they are bound to the wishes of the donors just as much as the City is because it was donated as a Charitable Assets. If they were to sell or use as something other than the library, they would have to prove this through the attorney general.

Mayor asked for those that are in Favor: Clerk read the 6 previously received support letters into record. Resident Lisa Marie spoke in support, Steve Kimball spoke in support, Clerk read additional support letters into record that were received after the packets were distributed.

Mayor asked for those that are Neutral: None

Mayor asked for those that are Against: None

Mayor closed the public hearing at 6:47 p.m.

Mayor asked what would happen to the assets if the district was to no longer exist. Legal Counsel for the district would investigate further and relay information to bot the City and the City's attorney for review. Councilor Stayton wants to see a written legal opinion from the City's attorney before a decision is made.

Motion by Stayton, 2nd by Atkinson, to table AB 18-39, Intent to Convey property the Donnelly Public Library District until the next City Council meeting on May 21, 2018. Motion carried.

BUSINESS AGENDA:

AB 18-40 Request to Purchase new vehicle for Public Works

At the City Council workshop on April 16, 2018 it was determined that purchasing a new vehicle at this time was warranted. City Clerk Hedges gather Idaho State Vehicle contracts and discussed with public works personnel. Request a purchase of a Dodge 3500 Regular Cab & Chassis (long bed) with a flat bed with boxes.

Motion by Davenport, 2nd by Stayton to approve AB 18-40 for approximately \$30193 to purchase a new vehicle with the remainder that is not covered by LOT funds to be taken out of Road and Street Capital Improvement budget. Motion carried.

AB 18-41 Resolution 2018-011 Request for Interim Financing for the Water System Improvement Project.

USDA Rural Development requires interim financing on any loans over \$500,000. The City's loan amount is \$549,000 therefore interim financing is required. This loan will be paid off in full when the project is completed by the USDA Rural Development funds. Zion Bank has presented the City with a loan term letter for acceptance at this time.

Motion by Minshall, 2nd by Atkinson, to approve AB 18-41 Resolution 2018-011 and to authorize Mayor to sign all necessary documents. Motion Carried.

AB 18-42 Discuss Qualifications of Planning & Zoning Commissioners.

At the last city council meeting it was asked to revisit the qualifications of the Planning & Zoning Commissioners. Our current code states "all members shall be qualified electors within the county and county residents for a minimum of two years prior; members may be appointed from outside of city limits." There is no restriction of who can serve on the City's commission. Clerk would like to send a notice to all City residents prior to publishing in the Newspaper for candidates. The Council could change the Ordinance with a public hearing if they wish to do so.

AB 18-43 Request to Schedule Budget Work Sessions

Clerk requested to set additional meetings or times to work on budget items. After discussion the Council would like to extend the regular meeting time by one hour for this work session instead of scheduling additional meetings, and then schedule if necessary prior to public hearing.

STAFF REPORTS:

Clerk provided staff report in packet. Discussion to continue the office to be closed on Fridays. When needed Clerk will come in and work but office will be closed.

Motion by Davenport, 2nd by Minshall to adjourn until the next City Council Meeting on meeting on May 21, 2018 at 6:00 p.m. Motion carried.

Adjourned at 7:43 p.m.

Approved:

05/16/18
15:30:19

CITY OF DONNELLY
Claim Details by Posted Date
For Claims from 04/24/18 to 05/16/18

Page: 1 of 9
Report ID: AP100V

* ... Over spent expenditure

Claim/ Line #	Check Invoice #	Vendor #/Name/ Inv Date/Description	Document \$/ Line \$	Disc \$	PO #	Fund Org Acct	Object Proj	Cash Account
3249	-99918E	170 ADOBE SYSTEMS INC.	14.99					
1	071116	04/11/18 pdf solutions	14.99			10 41100	620	10190
		Total for Vendor:	14.99					
3310	-99919E	6 AMAZON	24.50					
1	6343458	04/17/18 truck seat covers	24.50			10 43010	434	10190
3311	-99920E	6 AMAZON	13.36					
1	2515412	04/17/18 truck floor mats	13.36			10 43010	434	10190
3313	-99917E	6 AMAZON	40.27					
		library ink						
1	5049802	05/01/18 ink	40.27			21 41100	605	10190
3326	-99914E	6 AMAZON	15.98					
		office supplies						
1	2860202	05/07/18 envelope opener	15.98			10 41100	605	10190
		Total for Vendor:	94.11					
3327		8 ANALYTICAL LABORATORIES, INC	51.00					
		testin						
1	52851	04/30/18 coliform test	16.00			51 43400	560	10100
2	52851	04/30/18 pickup	35.00			51 43400	560	10100
		Total for Vendor:	51.00					
3295	12893S	14 BOISE OFFICE EQUIPMENT	24.11					
1	IN1612255	04/20/18 Copier Maintenance	13.98			10 41100	611	10100
2	IN1612255	04/20/18 Copier Maintenance	6.03			51 41100	611	10100
3	IN1612255	04/20/18 Copier Maintenance	4.10			52 41100	611	10100
		Total for Vendor:	24.11					
3299	12894S	150 CABLE ONE	101.65					
		internet/tele						
2	042218	04/22/18 internet	60.98			10 41100	437	10100
3	042218	04/22/18 internet	30.50			51 41100	437	10100
4	042218	04/22/18 internet	10.17			52 41100	437	10100

05/16/18
15:30:19

CITY OF DONNELLY
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Page: 2 of 9
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3329	150 CABLE ONE		63.75					
	library internet							
1	050118 05/01/18 library internet		63.75			21 41100	417	10100
	Total for Vendor:		165.40					
3301	12895S 257 CASCADE HARDWARE		38.97					
	shop supplies							
1	1804-09082 04/23/18 shop supplies		38.97			10 43010	461	10100
3302	12895S 257 CASCADE HARDWARE		9.27					
	cleaning supplies for shop							
1	1804-09083 04/23/18 shop supplies		9.27			10 43010	461	10100
3339	257 CASCADE HARDWARE		90.76					
	misc tools and supplies							
1	094244 05/16/18 tools & supplies		90.76			10 43010	460	10100
	Total for Vendor:		139.00					
3304	1745M 29 CITY OF DONNELLY - WATER		77.16					
	library water/sewer							
1	109-0418 04/26/18 library water/sewer		77.16			21 41100	415	10100
3305	1745M 29 CITY OF DONNELLY - WATER		340.00					
	ddc water/sewer							
1	101-0418 04/26/18 ddc water sewer		340.00			10 44300	415	10100
	Total for Vendor:		417.16					
3232	-99928E 202 CTC BUSINESS		165.68					
	telephone							
1	040118 04/01/18 telephone		99.41			10 41100	437	10190
2	040118 04/01/18 telephone		49.70			51 41100	437	10190
3	040118 04/01/18 telephone		16.57			52 41100	437	10190

05/16/18
15:30:19

CITY OF DONNELLY
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For Claims from 04/24/18 to 05/16/18

Page: 3 of 9
Report ID: AP100V

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3293	-99922E	202 CTC BUSINESS	67.94					
1	042618	04/26/18 telephone	40.77			10 41100	437	10190
2	042618	04/26/18 telephone	20.38			51 41100	437	10190
3	042618	04/26/18 telephone	6.79			52 41100	437	10190
		Total for Vendor:	233.62					
3340		48 FRANKLIN BUILDING SUPPLY CO.	67.63					
		podium for community center						
1	73942	05/01/18 podium supplies	67.63			10 41100	431	10100
		Total for Vendor:	67.63					
3282	1746M	66 IDAHO POWER	130.23					
		150 E State Street						
1	0182-0418	04/18/18 Library Power	130.23			21 41100	416	10100
3283	1746M	66 IDAHO POWER	99.41					
		179 Halferty - Community Center						
1	4223-0418	04/18/18 community center	57.66			10 41100	416	10100
2	4223-0418	04/18/18 community center	24.85			51 41100	416	10100
3	4223-0418	04/18/18 community center	16.90			52 41100	416	10100
3284	1746M	66 IDAHO POWER	10.26					
		159 Gestrin Road - Street Light						
1	3329-0418	04/18/18 Gestrin Street Light	10.26			10 43010	416	10100
3285	1746M	66 IDAHO POWER	87.94					
		Main Street lights						
1	8211-0418	04/18/18 main street lightening cabi	87.94			10 43010	416	10100
3286	1746M	66 IDAHO POWER	168.98					
		Street lights						
1	0078-0418	04/18/18 street lights	168.98			10 43010	416	10100

05/16/18
15:30:19

CITY OF DONNELLY
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Page: 4 of 9
Report ID: AP100V

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3287	1746M	66 IDAHO POWER	142.90					
317 N Corbet Lane								
1	3291-0418	04/18/18 water supply	142.90			51 41100	416	10100
3288	1746M	66 IDAHO POWER	7.48					
fire pump								
1	6560-0418	04/18/18 fire pump	7.48			51 41100	416	10100
3289	1746M	66 IDAHO POWER	138.41					
153 E Jordan Pump House								
1	0899-0418	04/18/18 pump house	138.41			51 41100	416	10100
3290	1746M	66 IDAHO POWER	80.30					
North Corbett - newwell								
1	2555-0418	04/18/18 new well	80.30			51 41100	416	10100
3291	1746M	66 IDAHO POWER	181.11					
1	7988-0418	04/18/18 shop/city hall	105.04			10 41100	416	10100
2	7988-0418	04/18/18 shop/city hall	45.28			51 41100	416	10100
3	7988-0418	04/18/18 shop/city hall	30.79			52 41100	416	10100
3292	1746M	66 IDAHO POWER	6.30					
1	9405-0418	04/23/18 kiosk/rest area	6.30			10 43010	416	10100
Total for Vendor:			1,053.32					
3342		243 JOHN DEERE FINANCIAL	13,674.64					
310 backhoe payment								
1	050118	05/01/18 backhoe payment	7,931.29			10 43010	435	10100
2	050118	05/01/18 backhoe payment	3,418.66			51 41100	435	10100
3	050118	05/01/18 backhoe payment	2,324.69			52 41100	435	10100
Total for Vendor:			13,674.64					
3303	12896S	165 LAKESHORE DISPOSAL	488.00					
trash collection								
1	04012018	04/30/18 trash collection	488.00			51 41100	414	10100
Total for Vendor:			488.00					

05/16/18
15:30:19

CITY OF DONNELLY
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Page: 5 of 9
Report ID: AP100V

* ... Over spent expenditure

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3328	79 LAKESHORE DISPOSAL		98.04					
	ddc trash							
1	24122772 05/01/18 trash service		98.04			10 44300	414	10100
	Total for Vendor:		98.04					
3320	85 MAY HARDWARE		349.95					
	pole saw							
1	906994 05/03/18 pole saw		349.95			10 43010	460	10100
	Total for Vendor:		349.95					
3316 -99916E	216 MICROSOFT		30.00					
	business essential email - mayor & council members							
1	05-2018 05/05/18 email service		30.00			10 41100	620	10190
3317 -99915E	216 MICROSOFT		37.88					
	email and software for office employees							
1	05-2018 05/05/18 office 365 subscription		37.88			10 41100	620	10190
	Total for Vendor:		67.88					
3336	153 MOUNTAIN WATERWORKS		250.00					
	backup water operator							
1	3322 04/30/18 backup water operator		250.00			51 41100	360	10100
	Total for Vendor:		250.00					
3337	154 NORTH LAKE RECREATIONAL SEWER &		4,800.00					
	contract							
1	050118 05/01/18 sewer contract		4,800.00			52 41100	541	10100
	Total for Vendor:		4,800.00					
3309	1246M 999999 PUBLIC SURPLUS		12.70					
	library cups and pitchures							
1	042618 04/26/18 supplies		12.70			21 41100	420	10190
	Total for Vendor:		12.70					

05/16/18
15:30:19

CITY OF DONNELLY
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Page: 6 of 9
Report ID: AP100V

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3319		261 RANDY MORELL EXCAVATION & 12 yard road mix	348.00					
1	18-1557	05/04/18 road mix	348.00			10 43010	430	10100
		Total for Vendor:	348.00					
3312		114 ROBERTSON SUPPLY, INC. water leak - state street and halferty	174.37					
1	4451828	04/30/18 water leak repair	174.37			51 43400	463	10100
3330		114 ROBERTSON SUPPLY, INC. water repair parts	48.35					
1	4453794	05/05/18 plumbing parts	48.35			51 43400	463	10100
		Total for Vendor:	222.72					
3253	1747M	120 SINCLAIR FLEET TRACK (STINKER) ford fuel	56.48					
4	610592	03/30/18 Ford Fuel OD 164279	33.89		KEN	10 43010	481	10100
5	610592	03/30/18 Ford Fuel OD 164279	16.94		KEN	51 41100	481	10100
6	610592	03/30/18 Ford Fuel OD 164279	5.65		KEN	52 41100	481	10100
3261	1747M	120 SINCLAIR FLEET TRACK (STINKER) backhoe fuel	64.84					
1	617595	04/11/18 backhoe fuel	64.84			10 43010	482	10100
3273	1747M	120 SINCLAIR FLEET TRACK (STINKER) boat dock wall removal	15.58					
1	174163	04/18/18 skidsteer	15.58		319 GR	10 44100	700	10100
3274	1747M	120 SINCLAIR FLEET TRACK (STINKER) boat dock wall removal	12.57					
1	621288	04/18/18 skidsteer fuel	14.56		319 GR	10 44100	700	10100
9900	043018	04/30/18 rebate	-1.99			10 43010	481	10100
CI	41							

05/16/18
15:30:19

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3275	1747M	120 SINCLAIR FLEET TRACK (STINKER)	31.17					
boat dock wall removal								
1	621857	04/19/18 skidsteer	31.17		319 GR	10 44100	700	10100
164								
3276	1747M	120 SINCLAIR FLEET TRACK (STINKER)	62.22					
boat dock wall removal								
1	620530	04/16/18 FORD fuel	62.22			10 44100	700	10100
164488								
3277	1747M	120 SINCLAIR FLEET TRACK (STINKER)	77.00					
boat dock wall removal								
1	621533	04/18/18 backhoe fuel	77.00		319 GA	10 44100	700	10100
666								
3308	1747M	120 SINCLAIR FLEET TRACK (STINKER)	77.07					
backhoe fuel for boat dock improvement								
1	626012	04/25/18 backhoe fuel	77.07		319 GA	10 44100	700	10100
Total for Vendor:			396.93					
3318		122 STAR NEWS	148.50					
quarterly financails								
1	51937	05/05/18 quarterly financials	89.10			10 41100	530	10100
2	51937	05/05/18 quareterly financials	7.43			21 41100	530	10100
3	51937	05/05/18 quarterly financials	44.55			51 41100	530	10100
4	51937	05/05/18 quarterly financial	7.42			52 41100	530	10100
3332		122 STAR NEWS	83.66					
glen annexation amendment publication								
1	52033	05/10/18 public hearing glen	83.66			10 41100	530	10175
Total for Vendor:			232.16					
3343		219 T.O. ENGINEERS	340.00					
road improvement planning								
1	160057-17	05/10/18 plannign for budget purpose	340.00			10 43010	340	10100
Total for Vendor:			340.00					

05/16/18
15:30:19

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Page: 8 of 9
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3338	999999 TALL TIMBER		300.00					
	fall harzard trees on fulton trail							
1	501758 05/14/18 tree cutting		300.00			10 44100	452	10100
	Total for Vendor:		300.00					
3294	-99921E 138 USPS		85.00					
	stamps							
1	042618 04/26/18 postage		51.00			10 41100	614	10190
2	042618 04/26/18 postage		25.50			51 41100	614	10190
3	042618 04/26/18 postage		8.50			52 41100	614	10190
3306	-99923E 138 USPS		6.70					
	letter to crocket ddc unit 5 for violations							
1	28777 04/17/18 letter for violations		6.70			10 41100	614	10190
3334	-99913E 138 USPS		6.70					
	violation notice to Valet Vacation sign							
1	051018 05/10/18 violation notice		6.70		VALET	10 41100	614	10190
	Violation Notice							
	Total for Vendor:		98.40					
3297	12897S 220 WELLS FARGO VENDOR FIN SERV		190.00					
1	65949581 04/20/18 copier lease		114.00			10 41100	612	10100
2	65949581 04/20/18 copier lease		57.00			51 41100	612	10100
3	65949581 04/20/18 copier lease		19.00			52 41100	612	10100
	Total for Vendor:		190.00					
3321	209 YORGASON LAW OFFICES PLLC		990.00					
1	2018-FEB 03/01/18 cell tower lease		105.00			10 41100	320	10100
2	2018-FEB 03/01/18 Ordinance Summary 238		105.00			10 41100	320	10100
3	2018-FEB 03/01/18 Library Conveyance		105.00			21 41100	320	10100
4	2018-FEB 03/01/18 Water Systems Bond Review		675.00			51 41100	320	10100

05/16/18
15:30:19

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Page: 9 of 9
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3322		209 YORGASON LAW OFFICES PLLC	585.00					
legal								
1	2018-APR 05/02/18	library conveyance	90.00			21 41100	320	10100
2	2018-APR 05/02/18	ddc violation	120.00			10 41100	320	10100
3	2018-APR 05/02/18	Water Bond	375.00			51 41100	320	10100
Total for Vendor:			1,575.00					
# of Claims			58	Total:	25,704.76			
Total Electronic Claims					509.00			
Total Non-Electronic Claims					25195.76			

** This report runs by Claim Posted Date, which is a system generated field that always shows the date on which the Claim was actually posted in the system. If a Claim was cancelled and re-posted, the posted date will show as of the date it was re-posted. **

City of Donnelly Treasurer's Report

Apr-18

Our Investments & Cash...		
Balances as of April 2018		
General Fund - Investments & Cash		
Apr-18	95,884	
Apr-17	88,358	
Local Option Tax Fund		
Apr-18	136,294	
Apr-17	96,045	
Library Fund - Investments & Cash		
Apr-18	3,424	
Restricted	50,000	
Apr-17	53,834	
Water Fund - Investments & Cash		
Apr-18	49,619	
Restricted	22,573	
Apr-17	96,370	
Water System Improvement Fund		
Apr-18	671	
Apr-17	-	
Sewer Fund - Investments & Cash		
Apr-18	60,001	
Restricted	17,836	
Apr-17	72,759	

Our Cash Flows...		
General Fund Revenues & Expenditures		% of Budget
Budget	298,184	
Cash Carryover	89,804	
Revenues to date	143,075	48.0%
Expenditures to date	109,043	36.6%
Revenues over Expenditures	123,836	
Local Option Tax Fund Revenues & Expenditures		
Budget	55,000	
Cash Carryover	91,003	
Revenues to date	37,040	67.3%
Expenditures to date	500	0.9%
Revenues over Expenditures	127,544	
Library Fund Revenues & Expenditures		
Budget	18,295	
Cash Carryover	14,796	
Revenues to date	1,207	6.6%
Expenditures to date	12,246	66.9%
Revenues over Expenditures	3,757	
Water Fund Revenues & Expenditures		
Budget	132,126	
Cash Carryover	76,341	
Revenues to date	56,513	42.8%
Expenditures to date	73,299	55.5%
Revenues over Expenditures	59,555	
Water System Improvement Fund		
Budget	1,496,000	
Revenues to date	79,250	5.3%
Expenditures to date	105,779	7.1%
Revenues over Expenditures	(26,529)	
Sewer Fund Revenues & Expenditures		
Budget	78,480	
Cash Carryover	59,640	
Revenues to date	57,943	73.8%
Expenditures to date	44,327	56.5%
Revenues over Expenditures	73,256	

Prior Year Comparison		
2017 (Includes Cash Carryover)		% of Budget
General Fund		
Fiscal Year 2017 Budget	325,892	
Revenues to Date	259,022	79.5%
Expenditures to Date	199,759	61.3%
Revenues over Expenditures	59,263	
Local Option Tax Fund		
Fiscal Year 2017 Budget	87,000	
Revenues to Date	30,616	35.2%
Expenditures to Date	12,869	14.8%
Revenues over Expenditures	17,747	
Library Fund		
Fiscal Year 2017 Budget	23,594	
Revenues to Date	13,485	57.2%
Expenditures to Date	9,821	41.6%
Revenues over Expenditures	3,663	
Water Fund		
Fiscal Year 2017 Budget	160,155	
Revenues to Date	185,883	116.1%
Expenditures to Date	125,905	78.6%
Revenues over Expenditures	59,978	
Water System Improvement Fund		
Budget	-	
Revenues to date	-	
Expenditures to date	-	
Sewer Fund		
Fiscal Year 2017 Budget	112,588	
Revenues to Date	86,883	77.2%
Expenditures to Date	48,776	43.3%
Revenues over Expenditures	38,107	

City of Donnelly

LOT Actual Dollars Earned per Month

Month	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	Increase YTD
October	-	3,758.13	3,251.06	3,984.16	5,803.94	3,513.30	3,607.20	4,200.92	4,487.11	5,085.69	7,164.19	
November	-	268.42	3,046.80	3,211.91	3,330.91	2,658.94	2,865.55	2,906.51	2,356.90	5,410.96	6,187.60	21.4%
December	-	3,128.04	2,231.20	2,164.37	2,150.31	2,085.89	1,969.71	2,928.93	2,764.05	4,794.54	5,230.22	17.7%
January	-	7,517.16	1,772.92	2,607.75	2,078.71	2,420.47	2,616.20	2,540.05	2,775.92	3,809.23	4,045.28	15.6%
February	5,068.41	293.34	2,203.45	2,346.53	1,957.49	2,115.85	2,694.07	2,928.97	916.00	4,910.57	4,951.66	12.9%
March	6,471.28	4,230.48	1,920.98	2,020.85	1,857.11	2,491.97	2,926.11	2,658.78	3,630.00	3,143.28	4,936.35	16.5%
April	4,115.79	2,536.67	1,927.76	1,727.13	1,565.91	2,515.11	2,102.75	2,842.84	2,700.00	3,348.48	3,950.94	16.4%
May	2,315.91	1,833.76	1,656.05	1,415.84	126.58	2,033.76	1,988.74	2,295.94	2,043.00	3,527.00		6.7%
June	893.62	3,502.39	2,962.68	2,392.50	2,026.88	3,050.44	2,712.14	4,702.65	3,749.95	7,215.00		-13.1%
July	8,432.87	3,854.73	3,372.45	2,609.42	7,111.05	4,078.08	3,856.99	4,738.66	5,785.51	8,326.42		-35.9%
August	7,180.47	4,682.87	5,657.05	5,978.87	2,416.71	5,995.34	7,492.76	8,592.25	9,235.85	12,015.17		-68.9%
September	16,360.63	4,524.84	5,118.40	4,425.35	4,430.56	6,015.16	6,004.02	6,441.56	7,851.76	10,876.88		-118.4%
Total Dollars Received	50,838.98	40,130.83	35,120.80	34,884.68	34,856.16	38,974.31	40,836.24	47,778.06	48,296.05	72,486.41	36,466.24	
Difference compared to prior year		(10,708.15)	(5,010.03)	(236.12)	(28.52)	4,118.15	1,861.93	6,941.82	517.99	24,190.36		
Budgeted Dollars					34,000.00	34,000.00	34,000.00	36,000.00	40,000.00	45,100.00	55,000.00	

05/16/18
15:32:19

CITY OF DONNELLY
Payroll Summary For Payrolls from 04/26/18 to 04/26/18

Page: 1 of 2
Report ID: P130

Total for Payroll Checks

	Employee	Employer	Amount
	-----	-----	-----
J001 HOURS (ROAD&STREET)	51.00		975.45
J002 HOURS (PARKS)	63.00		1,175.97
J003 HOURS (WATER OPERATOR)	14.00		259.22
J013 HOURS (WATER MONITORIN)	10.00		193.96
J014 HOURS (EQUIP MAINT)	4.00		70.00
J015 HOURS (SHOP/OFFICE)	18.00		315.00
REG HOURS (Regular Time)	82.00		1,456.00
VACA HOURS (Vacation Time Used)	32.00		744.00

GROSS PAY	5,189.60	0.00
NET PAY	3,760.86	0.00
DENTAL INS	0.00	37.00
FIT	370.45	0.00
HEALTH INS	0.00	536.00
IDAHO SIT	232.00	0.00
MEDICARE	75.25	75.25
PERSI	329.28	548.97
PERSI CHOICE 40	100.00	0.00
SOCIAL SECURITY	321.76	321.76
UNEMPL. INSUR.	0.00	41.82
VISION	0.00	8.50
ID FIRST BANK	1,519.47	0.00
STERLING SAVING	1,184.20	0.00
UMPQUA	1,057.19	0.00
FIT/SIT BASE	4,760.32	0.00
MEDICARE BASE	5,189.60	0.00
PERS BASE	4,849.60	0.00
SOC SEC BASE	5,189.60	0.00
UN BASE	5,189.60	0.00
WC BASE	5,189.60	0.00

Total	1,569.30
Total Payroll Expense (Gross Pay + Employer Contributions):	6,758.90

Check Summary

Payroll Checks Prev. Out.	\$1,809.00
Payroll Checks Issued	\$0.00
Payroll Checks Redeemed	\$1,162.00
Payroll Checks Outstanding	\$647.00
Electronic Checks	\$5,030.29

	Carried Forward	Deduction	Difference	Liab Account
	From Previous Month	Checks Issued		
	-----	-----	-----	-----
Social Security	643.52		643.52	21702
Medicare	150.50		150.50	21702
Unempl. Insur.	458.61	291.18	209.25	21713
Workers' Comp	0.00			21700

05/16/18
15:32:19

CITY OF DONNELLY
Payroll Summary For Payrolls from 04/26/18 to 04/26/18

Page: 2 of 2
Report ID: P130

FIT	370.45			370.45	21701
IDAHO SIT	232.00			232.00	21703
PERSI	878.25		878.25		21704
DENTAL INS	37.00			37.00	21706
HEALTH INS	536.00			536.00	21705
VISION	8.50			8.50	21705
PERSI CHOICE 40	100.00		100.00		21704
Total Ded.	2998.04	458.61	1269.43	2187.22	

**** Carried Forward column only correct if report run for current period.

05/16/18
15:32:29

CITY OF DONNELLY
Payroll Summary For Payrolls from 05/05/18 to 05/05/18

Page: 1 of 1
Report ID: P130

Total for Payroll Checks

	Employee -----	Employer -----	Amount -----
MCC HOURS (Mayor & City Council)	400.00		1,600.00
GROSS PAY	1,600.00	0.00	
NET PAY	1,037.68	0.00	
FIT	50.00	0.00	
IDAHO SIT	25.00	0.00	
MEDICARE	23.20	23.20	
PERSI	81.48	135.84	
PERSI CHOICE 40	250.00	0.00	
PERSI-2	33.44	46.64	
SOCIAL SECURITY	99.20	99.20	
MOUNTAM FCU	256.68	0.00	
STERLING SAVING	342.64	0.00	
US BANK	438.36	0.00	
FIT/SIT BASE	1,235.08	0.00	
MEDICARE BASE	1,600.00	0.00	
PERS BASE	1,600.00	0.00	
SOC SEC BASE	1,600.00	0.00	
WC BASE	1,600.00	0.00	

Total 304.88
Total Payroll Expense (Gross Pay + Employer Contributions): 1,904.88

Check Summary

Payroll Checks Prev. Out.	\$647.00
Payroll Checks Issued	\$1,649.00
Payroll Checks Redeemed	\$0.00
Payroll Checks Outstanding	\$2,296.00
Electronic Checks	\$4,185.58

		Carried Forward From Previous Month	Deduction Checks Issued	Difference	Liab Account
Deductions Accrued		-----	-----	-----	-----
Social Security	198.40	1678.88	1479.24	398.04	21702
Medicare	46.40	392.66	345.96	93.10	21702
Workers' Comp	0.00				21700
FIT	50.00	825.30	775.30	100.00	21701
IDAHO SIT	25.00	511.00	486.00	50.00	21703
PERSI	217.32		217.32		21704
PERSI-2	80.08		80.08		21704
PERSI CHOICE 40	250.00		250.00		21704
Total Ded.	867.20	3407.84	3633.90	641.14	

**** Carried Forward column only correct if report run for current period.

05/16/18
15:32:59

CITY OF DONNELLY
Payroll Summary For Payrolls from 05/10/18 to 05/10/18

Page: 1 of 2
Report ID: P130

Total for Payroll Checks

	Employee	Employer	Amount
	-----	-----	-----
J001 HOURS (ROAD&STREET)	62.50		1,177.89
J002 HOURS (PARKS)	31.00		585.16
J003 HOURS (WATER OPERATOR)	19.00		357.39
J009 HOURS (AIRPORT)	10.00		186.85
J013 HOURS (WATER MONITORIN)	19.00		358.57
J015 HOURS (SHOP/OFFICE)	18.50		323.75
REG HOURS (Regular Time)	120.00		2,260.00

GROSS PAY	5,249.61	0.00
NET PAY	3,591.28	0.00
DENTAL INS	19.50	55.50
FIT	392.45	0.00
HEALTH INS	267.50	804.00
IDAHO SIT	244.00	0.00
MEDICARE	76.12	76.12
PERSI	329.28	548.97
SOCIAL SECURITY	325.48	325.48
UNEMPL. INSUR.	0.00	42.30
VISION	4.00	12.50
ID FIRST BANK	1,640.88	0.00
STERLING SAVING	1,184.21	0.00
UMPQUA	766.19	0.00
FIT/SIT BASE	4,920.33	0.00
MEDICARE BASE	5,249.61	0.00
PERS BASE	4,849.61	0.00
SOC SEC BASE	5,249.61	0.00
UN BASE	5,249.61	0.00
WC BASE	5,249.61	0.00

Total	1,864.87
Total Payroll Expense (Gross Pay + Employer Contributions):	7,114.48

Check Summary

Payroll Checks Prev. Out.	\$2,296.00
Payroll Checks Issued	\$0.00
Payroll Checks Redeemed	\$0.00
Payroll Checks Outstanding	\$2,296.00
Electronic Checks	\$4,469.53

	Carried Forward	Deduction	Difference	Liab Account
	From Previous Month	Checks Issued		
	-----	-----	-----	-----
Social Security	650.96	850.60	1501.56	21702
Medicare	152.24	198.94	351.18	21702
Unempl. Insur.	42.30	125.63	167.93	21713
Workers' Comp	0.00			21700
FIT	392.45	442.45	834.90	21701
IDAHO SIT	244.00	269.00	513.00	21703

05/16/18
15:32:59

CITY OF DONNELLY
Payroll Summary For Payrolls from 05/10/18 to 05/10/18

Page: 2 of 2
Report ID: P130

PERSI	878.25		878.25		21704
DENTAL INS	75.00	75.00		150.00	21706
HEALTH INS	1071.50	1071.50		2143.00	21705
VISION	16.50	16.50		33.00	21705
PERSI CHOICE 40	0.00				21704
Total Ded.	3523.20	3049.62	878.25	5694.57	

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**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 18-44

Meeting Date 05/21/18

AGENDA ITEM INFORMATION				
SUBJECT: <i>Request to Approve the Glen Annexation Amendment</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:	Unknown			
SUMMARY STATEMENT: Donnelly Planning Zoning held a public hearing on April 2, 2018, took public comment and recommended the approval by City Council of the Amendment with the recommendation of the City Attorney. City attorney has reviewed the amendment and has provided council with his opinion. Also attached is the original annexation agreement with a copy of the amendment.				
RECOMMENDED ACTION: <ol style="list-style-type: none">1. Approve Annexation Agreement Amendment2. Authorize Mayor to sign all necessary documents.3. Record amendment with Valley County.				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

MEMORANDUM

TO: City of Donnelly

FROM: Chris Yorgason

DATE: May 4, 2018

RE: The Glen Annexation Agreement

Procedural History

June 15, 2009 The City of Donnelly approved The Glen's application for annexation (contingent upon the finalization of a development agreement) and applications for a planned unit development and phase one of the preliminary plat.

October 2014 The City and The Glen entered into The Glen Annexation Agreement. That agreement confirmed that The Glen had paid approximately \$75,000 toward an annexation fee study conducted by BBC Research & Consulting; that The Glen has annexed into the North Lake Recreational Water and Sewer District and prepaid \$600,000 in "Sewer Service Availability Fees" and \$150,000 in "Sewer Line Capacity Fees"; that the City did not have water capacity to service the project and that the parties would cooperate on methods to provide water service to the project.

The parties also agreed on a phasing plan, which included timelines within which plats would be submitted to the City. The Glen agreed to pay certain plan review and inspection fees; designate and donate land for the construction of a new City Hall; and construct a variety of other facilities in accordance with City standards.

Finally, the parties agreed that the City would adopt an amendment to annex the property into the City and zone the property R8 and CBD, as proposed in the project applications.

February 1, 2018 The Annexation Agreement was ultimately recorded in the Valley County Recorder's Office.

The property was annexed into the City pursuant to Ordinance No. 223.

The Glen owners submitted an application to extend the deadline to file the final plat for phase one of the project from December 31, 2017 for at least 12 months.

Amended Annexation Agreement

After further analysis of the project, The Glen has decided to not proceed with the project at this time and is seeking to amend the annexation agreement in the following manner:

- The Glen is withdrawing their application for an extension to file the phase one final plat;
- The annexation agreement is suspended until a new project is proposed by the owners. Consequently, the parties agree to not enforce any provision of the annexation agreement at this time. When a new project is submitted, it will be subject to all codes in effect at the time of new application is filed and the annexation agreement will be reviewed and amended by the parties as appropriate. The City's acceptance and approval of the amendment is a conditional of approval of any future project proposed by the owners.
- Ordinance 223 remains valid and in effect.

All other terms of the annexation agreement remain the same.

Result

The Amended Annexation Agreement basically pauses the development of The Glen until such time as the owner is ready to submit a new application. Certain terms of the Annexation Agreement have already been completed and remain unchanged (annexations, payments of fees and rezone).

The other items in the Annexation Agreement (the phasing plan, dedication of land for a city hall, payment of inspection and review fees and construction standards) would technically be up for negotiation when a new project is brought before the City. However, it is important to note that the Amendment requires that a condition of approval of any project proposed by the owners would be that the City accept and approve any future amendment to the annexation agreement.

In my opinion, the Amendment to the Annexation Agreement suspends the development on the property, but the City retains the authority to continue to insist that all items previously agreed to are included in a future agreement and other items may even be added. The amendment allows the owner to suspend their development plans until such time as the

market and other conditions are appropriate to continue. Both parties are agreeing to a pause in the process until such time as the owner decides to move forward, at which time the City and the owner will renegotiate a new amendment.

THE GLEN AMENDED ANNEXATION AGREEMENT

This Amended Annexation Agreement, hereinafter referred to as this “**Agreement**”, is entered into effective the ____ day of _____, 2018, by and between the City of Donnelly, a municipal Corporation of the State of Idaho, hereinafter referred to as the “**City**” or “**Donnelly**”, and **Gendreau Realty Holdings,, LLC.**, hereinafter referred to as the “**Glen**”, an Idaho limited liability company, whose address is P.O. Box 1066, McCall, Idaho, 83638, and **Patrick Gendreau**, whose address is 2061 Crown Drive, Saint Augustine, FL., 32092, hereinafter referred to as “**Gendreau**”, who are the owners of The Glen Planned Unit Development (the “**Project**”) which is more particularly described in the attached **Exhibit “A”** (the “**Property**”). The Glen and Gendreau are jointly referred to herein as the “**Owners**”.

WHEREAS, on June 15, 2009, the Donnelly City Council approved The Glen’s application for annexation into the City of Donnelly (Annexation File #AZ 08-01), contingent on the finalization of a Development Agreement between the Glen and the City.

WHEREAS, on June 15, 2009, the Donnelly City Council approved The Glen’s application for a Planned Unit Development and for approval of the Phase One Preliminary Plat (Conditional Use Permit/Preliminary Plat/Planned Unit Development File #CU-PP-PUD 08-1), contingent on the finalization of a Development Agreement between the Glen and the City.

WHEREAS, *the Findings of Fact and Conclusions of Law for Conditional Use Permit, Preliminary Plat and Planned Unit Development (CU-PP-PUD 08-01)-the Glen Development* are attached hereto as **Exhibit “B”**.

WHEREAS, *the Findings of Fact and Conclusions of Law for Annexation and Zoning (AZ 08-01)-the Glen Development* are attached hereto as **Exhibit “C”**.

WHEREAS, the City and the Glen reached agreement on the remaining issues related to the annexation of the Property and development of the Project, which agreement the City and the Glen desire to memorialize.

WHEREAS, the agreement was memorialized in “The Glen Annexation Agreement”, which was filed of record with the Valley County Office of Recorder on February 1, 2018 as Instrument No. 411465.

WHEREAS, the Property was annexed into the City by means of Ordinance No. 223, a copy of which is attached hereto as **Exhibit “D”**.

WHEREAS, the Owners have decided to not proceed at this time with the Project and the parties desire to update the said Annexation Agreement accordingly.

WHEREFORE, for and in consideration of the mutual covenants, duties and obligations herein set forth herein and in the said Annexation Agreement, the City and the Owners do agree to amend the said Annexation Agreement as follows:

1. **The Project.** Article V of the Annexation Agreement requires that the Final Plat for Phase 1 of the Project be submitted on or before December 31, 2017. The Owners, instead, submitted an Application to Extend that deadline for at least 12 months. After further evaluation, the Owners have concluded that it is not realistic to continue to promise that the Project, as approved, will move forward, because of its dependence on unknown future market conditions and demands. Therefore, the Owners have withdrawn the Application to Extend.


2. **Status of Annexation Agreement.** Owners agree and acknowledge that, because of their failure to comply with Article V of the Annexation Agreement, any project which is proposed by the Owners for the Property will have to be evaluated and processed under the City Codes then in effect, without regard to the approvals which have been granted for CUP/PUD 08-01. The Annexation Agreement is suspended, pending the submittal by the Owners of a proposed project for the Property, at which time the parties shall review and amend the Annexation Agreement as is appropriate. The amendment of the Annexation Agreement in a manner which is acceptable to and approved by the City shall be a condition of approval of any project which is proposed by the Owners for the Property. Pending such amendment, neither the Owners nor the City shall have any rights to enforce the terms of the Annexation Agreement and the Owners and the City waive any claims to the contrary.

3. **Status of Annexation.** This Amendment shall have no effect on the City's annexation of the Property or the continuing validity of Ordinance No. _____.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed, effective on the day and year first above written.

Gendreau Realty Holdings, LLC

~~THE GLEN, LLC~~

By: 
Claude Gendreau


PATRICK GENDREAU

CITY OF DONNELLY

By: _____
_____, Mayor

ATTEST:

By: _____
_____, City Clerk

STATE OF IDAHO,)
 (ss.
County of Valley.)

On this _____ day of _____, 2018, before me, _____, a Notary Public in and for said State, personally appeared _____ known or identified to me to be the Mayor of the City of Donnelly, who executed the said instrument, and acknowledged to me that said municipality executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

NOTARY PUBLIC FOR IDAHO
My Commission Expires: _____

STATE OF IDAHO,)
 (ss.
County of Valley.)

On this _____ day of _____, 2018, before me, _____, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the City Clerk of the City of Donnelly, who executed the said instrument, and acknowledged to me that said municipality executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.

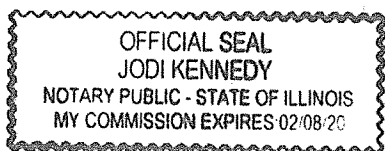
NOTARY PUBLIC FOR IDAHO
My Commission Expires: _____

STATE OF Illinois,)
(ss
County of Cook.)

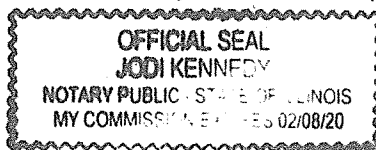
Gendreau
Realty
Holdings,
LLC

On this 5 day of March, 2018, before me, Jodi Kennedy, a Notary Public in and for said State, personally appeared Claude Gendreau the President of ~~THE GLEN~~, LLC, known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same for and on behalf of said Limited Liability Company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.



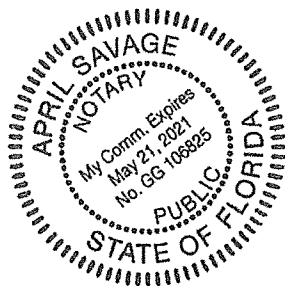
Jodi Kennedy
NOTARY PUBLIC FOR Illinois
My Commission Expires: 2/08/20



STATE OF Florida,)
(ss.
County of St. Johns.)

On this 5 day of March, 2018, before me, a Notary Public in and for said State, personally appeared Patrick Gendreau, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.



April Savage
NOTARY PUBLIC FOR Florida
Residing at: 3841 CR 210W Jacksonville, FL 32259
My Commission Expires: May 21, 2021

EXHIBIT "A"
BOUNDARY DESCRIPTION

THE GLEN
A PLANNED UNIT DEVELOPMENT

A parcel of land located in the northwest 1/4 of the southeast 1/4, and the northeast 1/4, of Section 10, T.16N., R.3E., B.M., Valley County, Idaho, more particularly described as;

COMMENCING at the north 1/4 corner of said Section 10; thence, along the north section line of said Section 10,

- A.) S.89°24'07"E., 52.60 feet to a point on the east Right-of-Way line for Highway 55, the **POINT OF BEGINNING**; thence, continuing along said section line,
- 1.) S.89°24'07"E., 1277.14 feet to a point marking the E 1/16 corner of said section; thence, continuing along said section line,
- 2.) S.89°24'07"E., 1329.51 feet to a point marking the corner common to Sections 2, 3, 10, and 11, thence, departing said north section line, along the east section line of said Section 10,
- 3.) S.00°02'15"W., 2223.34 feet; thence, departing said section line,
- 4.) N.89°18'13"W., 1331.47 feet; thence,
- 5.) S.00°04'54"W., 420.00 feet; thence,
- 6.) N.89°18'14"E., 597.27 feet; thence,
- 7.) S.00°12'41"E., 1322.40 feet to a point on the north boundary of the townsite of Donnelly, thence, along the said north boundary of said townsite,
- 8.) N.89°00'35"W., 178.54 feet; thence, continuing along the said north boundary of said townsite,
- 9.) S.00°53'55"W., 5.51 feet; thence, continuing along the said north boundary of said townsite,
- 10.) N.89°26'34"W., 514.08 feet, to a point on the east Right-of-Way line for Highway 55, thence, along the said Right-of way line,

- 11.) N.0°09'56"E., 3902.38 feet, to a Highway Right-of-Way monument, thence, continuing along said Right-of-Way,
- 12.) N.0°34'25"E., 64.57 feet, to the **POINT OF BEGINNING.**

CONTAINING 166.36 Ares, more or less.

SUBJECT TO all Covenants, Rights-of-Way and Easements of Record.

EXHIBIT "B"

**FINDINGS OF FACT AND CONCLUSIONS OF LAW
CITY OF DONNELLY
PLANNING & ZONING COMMISSION**

**CONDITIONAL USE PERMIT/PRELIMINARY PLAT/PLANNED UNIT DEVELOPMENT
File(s) # CU-PP-PUD 08-01
THE GLEN DEVELOPMENT**

A Public Hearing was held on October 7, 2008, at 6:00 p.m. at the Donnelly Community Center, 169 Halferty Street, Donnelly, Idaho, to hear testimony regarding the above referenced application. The Preliminary Plat and the Planned Unit Development Applications were tabled to November 10, 2008. A Public Hearing was held on November 10, 2008, at 6:00 p.m. at the Donnelly Community Center, 169 Halferty Street, Donnelly, Idaho to hear testimony regarding the above referenced application.

Applicant:/Property Owner: Dr. Claude Gendreau
The Glen, LLC
(Gendreau Realty Holdings, LLC)
1515 Bush Parkway
Buffalo Grove, IL 60089

Representative: Steven J. Millemann
Millemann, Pittenger, McMahan & Pemberton, LLC
PO Box 1066
McCall, ID 83638

History:

9-08-08: The City of Donnelly Planning and Zoning Commission voted unanimously to recommend approval to the City Council for Annexation and Zoning Application, File # AZ 08-01, The Glen Development, with requested zoning designations of CBD (approximately 40 acres) and Residential R-8 (approximately 126 acres).

10-7-08: The Applicant withdrew the Conditional Use Permit Application, File #CU 08-01.

Request:

The Applicant is requesting approval of a Planned Unit Development on the entire subject property, approximately 166 acres.
The Applicant is seeking approval on ONE PHASE of a Preliminary Plat, consisting of approximately 7.0 acres, on the subject property.

Location:

The subject property is located in Valley County, consists of three parcels which consist of approximately 166 total acres. The subject property is generally located east of, and contiguous to State Highway 55 and north of the current Donnelly City limits.

Donnelly Planning & Zoning Commission
November 10, 2008
File #CU/PP/PUD 08-01
FFCL'S -The Glen

FINDINGS OF FACT:

1. Applications, for the above stated purpose, were received by the City of Donnelly on 3-14-08.
2. The proper fees were paid.
3. Legal notice of the public hearing was sent to affected property owners within 300' of the property on 9-17-08.
4. Legal notice of the Public Hearing was sent to all affected agencies on 9-17-08.
5. Legal notice was published in The Long Valley Advocate on 9-17-08, 9-27-08 and 10-1-08.
6. The property was posted by the City on 8-21-08 and 9-17-08.
7. Written response was received in response to this development proposal, from the following:

9-19-08	ITD
9-22-08	Valley County Road Department
9-24-08	Donnelly Rural Fire District
10-1-08	ITD
10-2-08	Holladay Engineering
10-4-08	Donnelly Fire Protection District
10-7-08	Clayton and Gwen Lee, 2453 West Mountain Road

8. The Public Hearing was conducted at the specified date, time, and location of the public hearing notice.
9. Public testimony was solicited at the Hearing on 10-7-08 from the following citizens:

Opposed = no comments
In favor = Steve Wright
Neutral = no comments

10. No members of the public testified at the Public Hearing on 11-10-08.

CONCLUSIONS OF LAW:

The Donnelly Planning and Zoning Commission concluded that the Preliminary Plat and the Planned Unit Development applications, File # PP/PUD 08-01:

1. Comply with the Comprehensive Plan, Zoning Ordinance, and the Subdivision Ordinance of the City of Donnelly;
2. Public services will become available to accommodate the development;
3. There is adequate public financial capability of supporting services for the development, and
4. Other health, safety and environmental problems were addressed adequately.

PLANNING & ZONING COMMISSION DECISION FOR RECOMMENDATION:

The Donnelly Planning and Zoning Commission recommended Approval of the Preliminary Plat/Planned Unit Development, File #PP-PUD-05-01 for the Glen Development, with the following conditions:

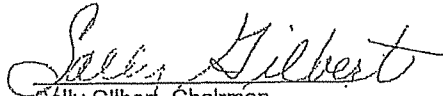
1. The Preliminary Plat shall comply with all requirements of the City of Donnelly Engineer, Donnelly Fire Protection District, North Lake Water District, ITD, Valley County Road Department and all other pertinent agencies.
2. Residential and Commercial Development shall comply with all statutory requirements of applicable agencies and districts.
3. The development shall comply with standard Conditions of Approval per adopted City of Donnelly Zoning, Subdivision, PUD and all other development Ordinances.
4. The subject property shall be maintained in a weed free state at all times and all during all stages of development, preventing a public nuisance.
5. As built plans for pressurized Irrigation systems shall be submitted for review and approved by the City of Donnelly Engineer.
6. A Plat note shall be depicted supporting the "Right to Farm Act" as per Idaho Code Title 22, Chapter 45.
7. Development standards for Single Family Residential shall comply with the effective building and zoning requirements at time of PUD and PP approval, provided the applicant shall comply with the platting requirements which are in place at the time of platting of each phase and the building and fire codes which are in place at the time of submittal of building permit applications.
8. Development standards for Central Business District shall comply with the effective Building and Zoning requirements at time of PUD and PP approval; provided, the applicant shall comply with the platting requirements which are in place at the time of platting of each phase and the building and fire codes which are in place at the time of submittal of building permit applications.
9. Requested bonding shall be required at one hundred fifty percent (150%) of installed cost, as approved by the City Engineer, for all required improvements not installed.
10. Applicant shall submit a Street Light Plan with each phase of the Final Plat Application(s).
11. CC&R's to be reviewed by Legal Counsel prior to Final Plat approval.
12. Agreements between Applicant and pertinent Irrigation Districts shall be provided at Final plat phase application.
13. Applicant/Developer and the City Council shall reach agreement on the terms of PUD and Annexation Fee Agreements, which the Commission recommends be recorded to assure that subsequent owners of the property are bound by the Agreements.
14. Applicant shall secure an Access Permit from ITD, when the main entrance off of State Highway 55 is platted, and shall comply with all requirements of the Permit.
15. Applicant shall obtain, and maintain in good standing, all other permits required under state or federal law to proceed with the project.
16. The PUD approval for Phase I, without Final Plat approval by December 31, 2015, will expire on December 31, 2015. The approval for any phase, without Final Plat approval by December 31, 2025, will expire on December 31, 2025.
17. Modifications and/or variances as to street sections and parking shall be addressed on a phase by phase basis, and shall further be approved by the City Council.

18. Recommendation for Approval of proposed Height modifications/variances shall apply only in designated areas of the CBD zone, as shown in submitted exhibits.
19. All issues and concerns raised by the City Engineer shall be addressed in a Development Agreement and shall further be approved by the City Council, prior to any development action.
21. The Applicant shall present an Amended Phasing Plan on the entire project, for City Council's review and Approval.
22. The Development/PUD Agreement shall contain language which will require the Temporary Parking, (depicted on Figure 8, Phase 1 of the Applicant's Site Plan), to be developed according to City Ordinance requirements, which will include required dust mitigation and all other conditions as deemed necessary by the City Council.
23. The Development/PUD Agreement shall contain language which will require the Temporary Parking, (depicted on Figure 8, Phase 1 of the Applicant's Site Plan) to be developed within an acceptable time (example start construction of future phase within one year – to be completed within three years). Time frame to be determined as necessary by the City Council.
24. The Development/PUD Agreement shall contain language stating all bike lanes within the subject property/project shall be striped.
25. The Development/PUD Agreement shall contain language stating that, to the extent that there are existing Osprey/Canadian Goose nests on subject property, reasonable efforts shall be made to preserve the nests and to mitigate the impacts of the development on such nests. Any action pertinent to said Osprey/Canadian Goose nests must be Approved by City Council.
26. All exhibits and reference documents attached shall become a part of this official record.
27. All utilities shall be installed underground.

PLANNING AND ZONING COMMISSION DECISION/ACTION:

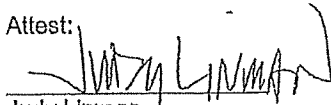
On November 10, 2008, the Donnelly Planning and Zoning Commission unanimously voted to recommend to the Donnelly City Council, APPROVAL WITH CONDITIONS, of the Preliminary Plat and Planned Unit Development for the Glen, File #PP-PUD 08-01.

Dated this 8th day of December, 2008



Sally Gilbert, Chairman
Donnelly Planning and Zoning Commission

Attest:



Judy Linman
Donnelly City Clerk

Donnelly Planning & Zoning Commission
November 10, 2008
File #CU/PP/PUD 08-01
FFCL'S -The Glen

EXHIBIT "C"

FINDINGS OF FACT AND CONCLUSIONS OF LAW
CITY OF DONNELLY
PLANNING & ZONING COMMISSION

ANNEXATION AND ZONING

File# AZ 08-01
THE GLEN

A public hearing was held on September 8, 2008, at 6:00 p.m. at the Donnelly Community Center, 169 Halferty Street, Donnelly, Idaho, to hear testimony regarding the above referenced application.

Applicant/ Property Owner: Dr. Claude Gendreau
The Glen, LLC
(Gendreau Realty Holdings, LLC)
1515 Bush Parkway
Buffalo Grove, IL 60089

Representative: Steven J. Millemann
Millemann, Pittenger, McMahan & Pemberton, LLC
PO Box 1066
McCall, ID 83638

Request:

The Applicant is requesting Annexation into the City of Donnelly, with the following zoning designations:

Central Business District (CBD) approximately 40 acres
Medium Density Residential (R-8) approximately 126 acres

Location:

The subject property is located in Valley County, consists of three parcels which consist of approximately 166 total acres. The subject property is generally located east of, and contiguous to State Highway 55 and north of the current Donnelly City limits.

Findings of Fact:

1. An application for the above stated purpose was received by the City of Donnelly on 3-14-08.
2. The proper fees were paid as required by the City of Donnelly.
3. The applicant requested annexation with zoning designations of:
R-8 (Medium Density Residential) – approximately 126 acres
CBD (Central Business District) – approximately 40 acres
4. The subject property is currently located in Valley County.
5. The subject property is contiguous to Donnelly City limits at the southern portion of the subject property.
6. The effective Comprehensive Plan future land use map is currently under revision.
7. Public hearing notices were sent to the affected property owners within three hundred feet (300') of the property on 8-20-08.

P&Z Meeting 09-08-08
Findings and Facts and Conclusions of Law
File #AZ 08-01
The Glen, LLC

8. Public hearing notices were published in the Long Valley Advocate on 8-20, 8-27 and 9-3-08.
9. Public hearing notices were sent to affected agencies on 8-20-08.
10. The property was posted with public hearing notices, by the City on 8-21-08.
11. The hearing was held at the specified date, time and location of the notice.
12. The City received no public response in writing to the proposed application.
13. The following agencies responded to the public hearing notice regarding This development proposal:

ITD - 8-19-08

Valley Soil & Water Conservation Dist - 8-27-08

14. Public testimony was solicited at the hearing, and received from the following persons:

Steve Wright – In Favor

CONCLUSIONS OF LAW:

1. The City Council has the authority to annex property upon application as per Idaho Code 50-222 (2).
2. The property owner has voluntarily requested annexation.
3. The application meets the requirements of Idaho code 50-222.
The subject land is within Donnelly's Area of Impact and the application is in compliance with the overall goals and objectives of the adopted Comprehensive Plan and Map. The Comprehensive Plan, Future Land Use Map is currently under revision.
4. The request for Residential (R-8) and Central Business District (CBD) zoning designation(s), were found to be compatible with the overall land use pattern of surrounding properties.
5. The request does not constitute a special or privileged treatment of the parcel of land.
6. The request benefits the public interest and not solely the subject landowner.
7. The actual development of the property will require public input, and City Council approval to insure that a use will not be materially detrimental to the public health, safety and welfare.

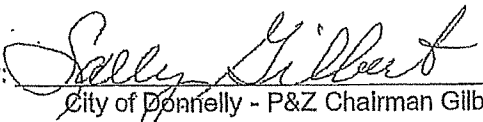
PLANNING & ZONING COMMISSION DECISION FOR RECOMMENDATION:

On September 8, 2008, the the City of Donnelly Planning and Zoning Commission determined that the request(s) by Claude Gendreau, of the Glen LLC, for Annexation of approximately 166 acres with Residential (R-8) and Central Business District (CBD) zoning designations are compatible with the overall land use pattern of surrounding properties.

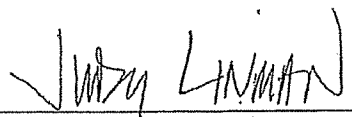
The City of Donnelly Planning & Zoning Commission voted unanimously to RECOMMEND APPROVAL TO THE DONNELLY CITY COUNCIL of the Applicant's request for Annexation of the Gendreau Realty Holdings, LLC property. The City of Donnelly Planning and Zoning Commission voted unanimously to recommend acceptance to the Donnelly City Council of the proposed zoning designations of Medium Density Residential (R-8) for approximately 126 acres, and Central Business District (CBD) for approximately 40 acres contingent upon approximate water services being acceptable to the City and closure of the legal descriptions.

P&Z Commission 09-08-08
Findings and Facts and Conclusions of Law
File #AZ 08-01
The Glen, LLC

Dated: this 10th day of November, 2008

By: 
City of Donnelly - P&Z Chairman Gilbert


Attest:


Judy Linman, City Clerk

P&Z Commission 09-08-08
Findings and Facts and Conclusions of Law
File #AZ 08-01
The Glen, LLC

EXHIBIT D

ORDINANCE NO. 223

Instrument # 393807
VALLEY COUNTY, CASCADE, IDAHO
8-31-2016 02:06:51 PM No. of Pages: 8
Recorded for : CITY OF DONNELLY
DOUGLAS A. MILLER Fee: 31.00
Ex-Officio Recorder Deputy 
Index to: ORDINANCES

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY LOCATED IN THE UNINCORPORATED AREA OF VALLEY COUNTY, IDAHO, AND CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF DONNELLY, IDAHO; ESTABLISHING THE ZONING CLASSIFICATION OF THE ANNEXED PROPERTY AS ZONE CBD-CENTRAL BUSINESS DISTRICT AND ZONE R-8 (MEDIUM DENSITY RESIDENTIAL); DIRECTING THAT COPIES OF THIS ORDINANCE BE FILED AS PROVIDED BY LAW; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Donnelly, Valley County, Idaho, is a municipal corporation duly organized and operating under the laws of the State of Idaho and is authorized to annex to and incorporate within the boundaries of the City contiguous real property in the manner provided by Section 50-222, Idaho Code; and

WHEREAS, the owners of the real property described in Section 2 of the ordinance have requested, in writing, annexation of said real property to the City of Donnelly; and

WHEREAS, the Donnelly City Council on June 15, 2009, after public notice and public hearing on the proposed annexation and zoning for the real property described in Section 2 below, as required by Section 67-6525, Idaho Code, made findings as required by law, and determined that the requested annexation should be granted and that the annexed property should be zoned *Zone CBD – Central Business District and Zone R-8 (Medium Density Residential)* pursuant to the Zoning Ordinance of the City of Donnelly.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DONNELLY, IDAHO, as follows:

Section 1: The Mayor and Council of the City of Donnelly, Idaho (the "City"), hereby find and declare that the real property described in Section 2 of this Ordinance is contiguous to the City, that said property can be reasonably assumed to be used for the orderly development of the City, that the owner of said property has requested, in writing, annexation of said property by the City, and that the requirements of Section 50-222, Idaho Code, for annexation of said property, have been satisfied.

Section 2: The real property, all located in Valley County, Idaho, particularly described in Exhibit, "A" which is annexed hereto and by reference incorporated herein, is hereby annexed to and incorporated within the territorial limits of the City of Donnelly, Idaho. From and after the effective date of this Ordinance, all property and persons within the boundaries and territory described above shall be subject to all ordinances, resolutions, regulations, taxation, and other powers of the City of Donnelly.

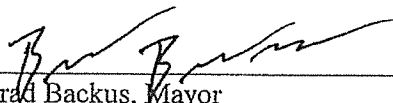
Section 3: The zoning classification for the property described in Section 2 above is hereby established as *Zone CBD – Central Business District and Zone R-8 (Medium Density Residential)*, as provided in the Zoning Ordinance of the City, and as shown on Exhibit “B”. The official zoning map of the City is hereby amended to include the real property described in Section 2 above in the *CBD – Central Business District and R-8 (Medium Density Residential)* zoning districts. The legal description of the property comprising the Central Business District is attached as Exhibit “B-1”. The legal description of the property comprising the Zone R-8 (Medium Density Residential) is attached as “Exhibit “B-2”.

Section 4: The City Clerk is hereby directed to file, within ten (10) days of passage and approval of this Ordinance, certified copies of this Ordinance with the offices of the Auditor, Treasurer, and Assessor of Valley County, Idaho, and with the Idaho State Tax Commission, Boise, Idaho, as required by Section 50-223, Idaho Code, and to comply with the provisions of Section 63-215, Idaho Code, with regard to the preparation and filing of a map and legal description of the real property annexed by this Ordinance.

Section 5: This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, shall be published once and shall take effect and be in force from and after its passage, approval, and publication.

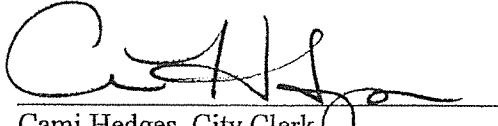
DATED the 15 day of June, 2015.

CITY OF Donnelly

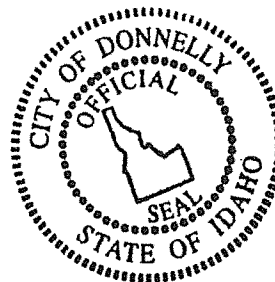


Brad Backus, Mayor

ATTEST:



Cami Hedges, City Clerk



Ordinance No. 223

EXHIBIT "A"
BOUNDARY DESCRIPTION

A parcel of land located in the northwest 1/4 of the southeast 1/4, and the northeast 1/4, of Section 10, T.16N., R.3E., B.M., Valley County, Idaho, more particularly described as;

COMMENCING at the north 1/4 corner of said Section 10; thence, along the north section line of said Section 10,

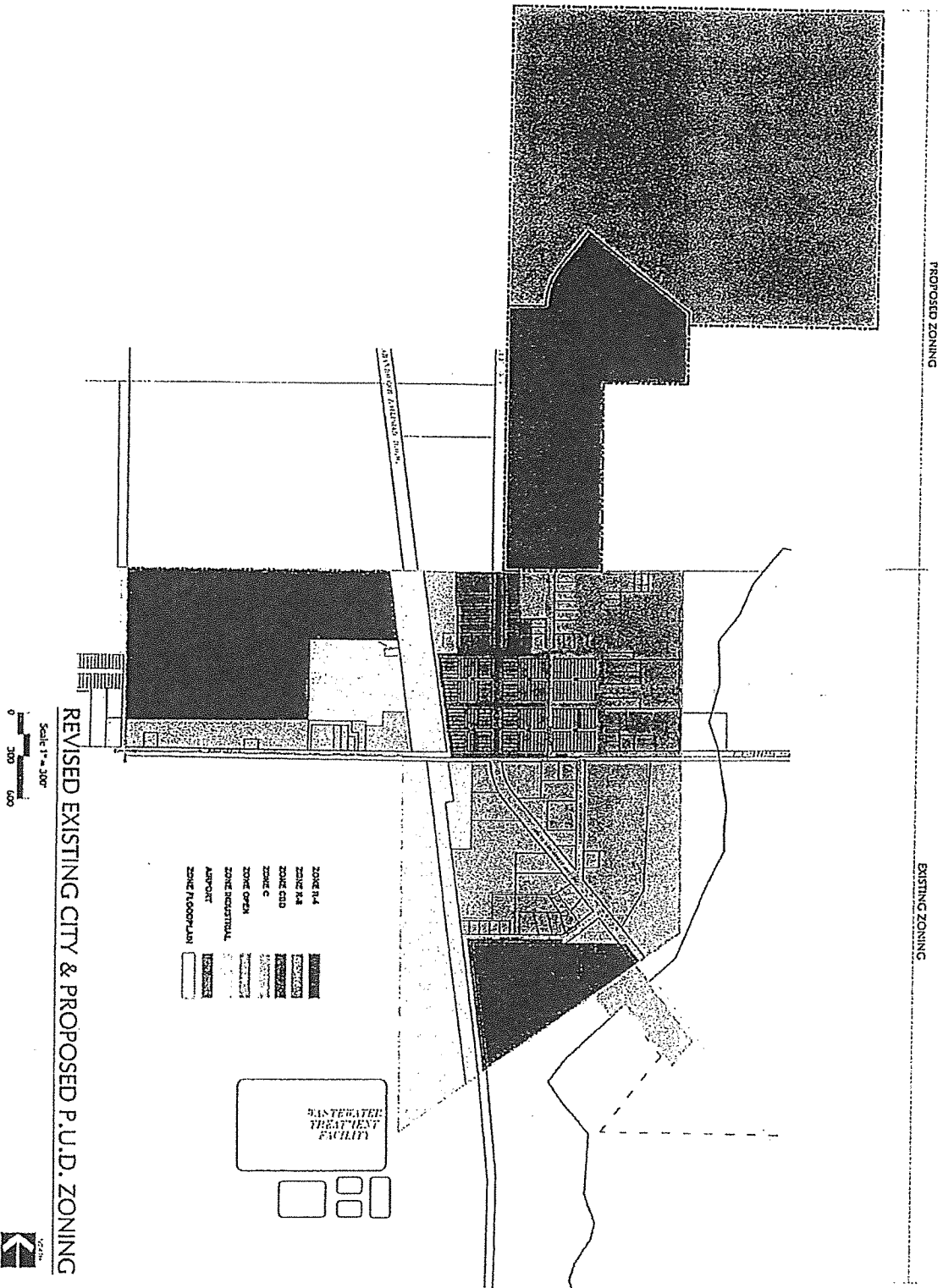
- A.) S.89°24'07"E., 52.60 feet to a point on the east Right-of-Way line for Highway 55, the **POINT OF BEGINNING**; thence, continuing along said section line,
- 1.) S.89°24'07"E., 1277.14 feet to a point marking the E 1/16 corner of said section; thence, continuing along said section line,
- 2.) S.89°24'07"E., 1329.51 feet to a point marking the corner common to Sections 2, 3, 10, and 11, thence, departing said north section line, along the east section line of said Section 10,
- 3.) S.00°02'15"W., 2223.34 feet; thence, departing said section line,
- 4.) N.89°18'13"W., 1331.47 feet; thence,
- 5.) S.00°04'54"W., 420.00 feet; thence,
- 6.) N.89°18'14"E., 597.27 feet; thence,
- 7.) S.00°12'41"E., 1322.40 feet to a point on the north boundary of the townsite of Donnelly, thence, along the said north boundary of said townsite,
- 8.) N.89°00'35"W., 178.54 feet; thence, continuing along the said north boundary of said townsite,
- 9.) S.00°53'55"W., 5.51 feet; thence, continuing along the said north boundary of said townsite,
- 10.) N.89°26'34"W., 514.08 feet, to a point on the east Right-of-Way line for Highway 55, thence, along the said Right-of way line,

- 11.) N.0°09'56"E., 3902.38 feet, to a Highway Right-of-Way monument, thence, continuing along said Right-of-Way,
- 12.) N.0°34'25"E., 64.57 feet, to the POINT OF BEGINNING.

CONTAINING 166.36 Ares, more or less.

SUBJECT TO all Covenants, Rights-of-Way and Easements of Record.

EXHIBIT "B"



THE GLEN Donnelly, Valley County, Idaho			EPKOS LAND PLANNING ARCHITECTURE 1000 N. 1st St. Donnelly, ID 83421 208-338-1111 www.epkos.com
Date: 10/15/2010 Project: 1000 N. 1st St. Drawing: 1000 N. 1st St. Scale: 1" = 300' Author: [Name] Checker: [Name] Title: [Title]	Project: 1000 N. 1st St. Date: 10/15/2010 Drawing: 1000 N. 1st St. Scale: 1" = 300' Author: [Name] Checker: [Name] Title: [Title]	Project: 1000 N. 1st St. Date: 10/15/2010 Drawing: 1000 N. 1st St. Scale: 1" = 300' Author: [Name] Checker: [Name] Title: [Title]	Project: 1000 N. 1st St. Date: 10/15/2010 Drawing: 1000 N. 1st St. Scale: 1" = 300' Author: [Name] Checker: [Name] Title: [Title]

EXHIBIT "B-1"

SECESH ENGINEERING, INC.

335 Deinhard Lane, Suite 1
P.O. Box 70
McCall, ID 83638
208-634-6336 • FAX 208-634-6322

**BOUNDARY DESCRIPTION
THE GLEN
CENTRAL BUSINESS DISTRICT ZONING PARCEL**

A parcel of land, located in the northeast 1/4 of Section 10, T.16N., R.3E., B.M., more particularly described as follows:

COMMENCING at the NW corner of said Section 10; thence, along the east line of said Section 10,

- A.) S.0°02'15"W., 2223.34 feet; thence, departing said section line,
- B.) N.89°18'13"W., 1331.47 feet to a point on the east line of the W 1/2 of the NE 1/4 of said Section 10, the **POINT OF BEGINNING**; thence, along said 1/16 section line,
 - 1.) S.0°04'54"E., 420.54 feet to the C-E 1/16 corner of said Section 10; thence, along the south line of the W 1/2 of the NE 1/4 of said Section 10,
 - 2.) N.89°18'14"W., 597.27 feet; thence, departing said 1/4 section line,
 - 3.) S.0°12'42"E., 1332.40 feet to the northeast corner of Ashley Subdivision; thence, along the boundary of said subdivision,
 - 4.) S.89°00'35"W., 178.54 feet; thence,
 - 5.) S.0°53'55"W., 5.51 feet to a point on the south line of the NW 1/4 of the SE 1/4 of said Section 10, the north limits of the City of Donnelly; thence, along said 1/16 section line,
 - 6.) N.89°26'34", 514.08 feet to a point on the east Right-of-Way line of State Highway 55; thence, along said Right-of-Way,
 - 7.) N.0°09'56"E., 1862.17 feet; thence, departing said Right-of-Way,

- 8.) S.89°50'45"E., 262.56 feet; thence,
- 9.) N.0°00'00"E., 15.48 feet to the beginning of a tangent curve; thence,
- 10.) along said curve to the right having a radius of 400.00 feet, an arc length of 265.93 feet, through a central angle of 38°05'32", and a chord bearing and distance of N.19°02'46"E., 261.06 feet; thence, tangent from said curve,
- 11.) N38°05'32"W., 331.80 feet; thence,
- 12.) S.52°09'26"E., 921.74 feet to a point on the east line of the W 1/2 of the NE 1/4 of said Section 10; thence along said 1/16 section line,
- 13.) S.0°04'54"W., 86.79 feet to the **POINT OF BEGINNING**.

CONTAINING 43.09 Acres, more or less.

EXHIBIT "B-2"

SECESH ENGINEERING, INC.

335 Delnhard Lane, Suite 1
P.O. Box 70
McCall, ID 83638
208-634-6336 • FAX 208-634-6322

**BOUNDARY DESCRIPTION
THE GLEN
R-8 (MEDIUM DENSITY RESIDENTIAL) PARCEL**

A parcel of land, located in the northeast 1/4 of Section 10, T.16N., R.3E., B.M., more particularly described as follows:

BEGINNING at the northeast corner of said Section 10; thence, along the east line of said Section 10,

- 1.) S.0°02'15"W., 2223.34 feet; thence, departing said section line,
- 2.) N.89°18'13"W., 1331.47 feet to a point on the east line of the W 1/2 of the NE 1/4 of said Section 10 thence, along said 1/16 section line,
- 3.) N.0°04'54"E., 86.79 feet; thence, departing said 1/16 section line,
- 4.) N.52°09'26"W., 921.74 feet; thence,
- 5.) S.38°05'32"W., 331.80 feet to the beginning of a tangent curve; thence,
- 6.) along said curve to the left having a radius of 400.00 feet, an arc length of 265.93 feet, through a central angle of 38°05'32", and a chord bearing and distance of S.19°02'46"W., 261.06 feet; thence, tangent from said curve,
- 7.) S.0°00'00"W., 15.48 feet; thence,
- 8.) N.89°50'45"W., 262.56 feet to a point on the east Right-of-Way line for State Highway 55; thence, along said Right-of-Way,
- 9.) N.0°10'41"E., 2104.79 feet to a point on the north line of said Section 10; thence, along said section line,
- 10.) S.89°24'07"E., 2606.65 feet to the **POINT OF BEGINNING**.

CONTAINING 123.26 Acres, more or less.

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 18-39

Meeting Date 05/21/18

AGENDA ITEM INFORMATION				
SUBJECT: <i>Conveyance of Building & Property to Donnelly Public Library District</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:	General			
TIMELINE:				
SUMMARY STATEMENT: At the Mach 19, 2018 the Donnelly Public Library District presented their request of convancy of real property. City Council requested that Clerk do proper noticing for public hearing for the intent to convey real property. District's attorney provided a new opinion letter. City Attorney's opinion letter attached.				
RECOMMENDED ACTION: <i>1. Hold Public Hearing 2. Make Decision on how to proceed.</i>				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			
3/19/18	Donnelly Public Library District made the proposal			
4/23/18	City Council held public hearing for the conveyance			

YORGASON
LAW OFFICES, PLLC

CONFIDENTIAL
ATTORNEY-CLIENT PRIVILEGED COMMUNICATION

MEMORANDUM

TO: City of Donnelly

FROM: Chris Yorgason

DATE: May 15, 2018

RE: Transfer of library property

Procedural History

July 7, 2009 The Lennox P. Milam Living Trust, the Willis B. Johnson Living Trust, the City of Donnelly and the Friends of the Donnelly Library, Inc. entered into a Memorandum of Understanding whereby the Milam Trust donated land and a structure to the City of Donnelly "to be used as the Donnelly Public Library." The City agreed to accept the land in order to open the library.

November 7, 2017 The Donnelly Library District was created by the voters of the District.

February 2018 Letters were written by the Friends of the Donnelly Library and the personal representative of the Milam and Johnson Trusts asking that the City transfer ownership of the library facilities to the District.

March 6, 2018 The City received a letter from Amy Pemberton, attorney for the District, formally requesting conveyance of the library property from the City of Donnelly to the District and briefly describing the process through which the City could facilitate the transfer.

April 13, 2018 The City received a second letter from Ms. Pemberton's firm discussing the question whether the deed restricted the property's use as a library. She explained that while the deed did not explicitly restrict the property use, the Memorandum of Understanding showed the parties' intent that the property be used solely as a library.

April 23, 2018 The City holds a public hearing to consider the conveyance of the property to the District.

May 2, 2018 The City received a third letter from Ms. Pemberton's firm discussing different options by which the City would transfer the property to the District. The first option is for the City to deed the property to the District with certain agreed-upon conditions. The second option is for the City to enter into a long term lease with the District, where the City retains ownership of the land, but the District has full control over library operations. The District preference is to transfer the property by deed with agreed restrictions.

Initial Deed Restriction

I agree with Ms. Pemberton that the 2009 warranty deed does not, on its own, restrict the use of the property to a library. However, the Memorandum of Understanding, which attaches the deed as an exhibit, does describe the intent of the parties and the purpose of the transfer. The MOU is also not explicit that the property can be used for a single purpose, nor is there a reversion clause that would require the property to be returned to the trust if the property is not used as a library. However, as Ms. Pemberton identified in her letter, there are other laws and rules that would limit the City's ability to use the land for anything but a library. While I believe the City is willing to cooperate with the District to provide library services to the community, this may be a non-issue. However, to the extent the Council wanted to keep the property and use it for something other than a library, I believe the City would be involved in potentially expensive litigation that it would have a difficult chance of winning.

It is my opinion that rather than fight the District over the use of the property, it would be in the City's best interest to cooperate with the District to facilitate the transfer, with protections for future possibilities where the library property is no longer needed.

Property Transfer

As referenced in the March 6, 2018 letter, transfers of City property are governed by Title 50, Chapter 14, Idaho Code. The City is required to hold a public hearing before disposing of the property, which I understand occurred on April 23, 2018. Once the hearing was concluded, the City then determines if it wants to dispose of the property and, if so, how to dispose of the property. Among those options, is that the City Council can, by ordinance, authorize the transfer or conveyance of the property to another taxing district (the Library District) with or without compensation. Idaho Code §50-1403(4)

If the City is willing to transfer the property to the District, the process currently being followed is the correct process.

Deed with restrictions

At this point, there are two options for the City to consider, though the City could come up with other options to transfer the property. One option, as discussed above is for the City to maintain ownership of the property and enter into a lease with the District. This would allow the City to keep control of the property in case a situation arises in the future where the District no longer needs the property. While this would preserve ownership of the property, the City would have ultimate responsibility for the property as well. At the end of the lease, no matter how many years in the future, the City receive a building and other facilities that may be well used, possibly in disrepair. The City will also continue to be obligated to use the property as a library. It is unlikely the City would be able to earn much money from the lease (the District has offered \$10 per year). So, while retaining ownership will ensure that the City keeps the property in the future, it could come at significant cost to the City.

The second option is a deed with the following restrictions:

1. The library will continue to be used as a library.
2. If the library outgrows the space it can only sell the property to a third-party buyer if 10-15% of the sale proceeds are paid to the City and if all remaining proceeds of such sale are used solely to fund a larger library. The City could also have a right of first refusal to purchase the property for the value of the improved asset less the 10-15%. There could be a prohibition that the property will not be sold for at least ten years from the date of the transfer.
3. If at any time the District is dissolved, then the title and interest in the library property reverts to the City or a successor as may be designated by the City (again only for use as a library) prior to the entry of the county commissioners' order dissolving the District. In effect, the property goes back to the City for continued use as a library.

This option has some advantages for the City. First, the City does not have any ongoing administrative responsibility for the property. The District takes on all responsibility for improvements to the property and will have all maintenance responsibility going forward. The City residents will have use of the library for so long as it is in operation. As owners, the District will have a greater incentive to care for the building than if they are just a tenant, so if the City gets the property back it may well be in better condition. The City is also fully protected in case the District no longer exists and the City can receive some financial benefit if the property is ever sold. In my opinion, the deed is likely the better

option for the City, requiring less administrative work in the near future and a potential for a greater benefit in the distant future.

If the City has other options that they would like to consider, I am happy to provide further analysis or opinion.

Personal Property

With regard to the personal property, I believe that the property likely belongs to the District due to the terms of the MOU. The MOU indicates that the City was to hold any donations in a separate library account and any donations to the library would likely belong to the library. Any assets purchased with library funds (funds donated to the library) would also likely belong to the library.

If there were assets purchased with City dollars, we may want to discuss those, but for any items that were donated for the library or purchase with money donated to the library, those items should belong to the library and be transfer to the District at the time the real property transfer is completed. If the City feels differently, please let me know and I am happy to discuss further.

Conclusion

It is my opinion that the property should continue to be used as a library. Since the District has been organized and has the ability to levy taxes for its support, it is likely in the best interest of the community that the District operate the library. If\When the transfer occurs, I think the City should ensure that there are restrictions placed on the deed to make sure that the property continues to be used as a library and that if the District no longer needs the City can either take ownership of the property or receive a financial payment from the sale of the property. The City can negotiate the terms and the percentages that it wants, but this would allow the City to have a library without having to expend any time or money in administering it. Finally, unless my understanding is incorrect, the personal property located in the library most likely belongs to the library and should be transferred to the District at the time the real property is transferred.



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May 2, 2018

VIA: EMAIL

Cami Hedges
City Clerk Treasurer
City of Donnelly
Email: chedges@cityofdonnelly.org

Chris Yorgason
Yorgason Law Offices, PLLC
Email: chris@yorgasonlaw.com

Re: Donnelly Public Library District request for conveyance

Dear Donnelly City Council Members and Mr. Yorgason:

On behalf of the Donnelly Public Library District, thank you for the conversation which occurred during the April 23, 2018 public hearing. The comments from the Council Members were insightful and important as we move forward. I understand the Council is looking to Mr. Yorgason to provide an opinion on this conveyance before final vote on the matter. This letter will serve to provide a couple options for the District to take over the library property and operation of the library. Under both options, the District would take over the responsibility and obligation of operating the library and would have autonomy and control to run the library.

While we certainly hope and intend that the District will continue to provide much needed library services in Donnelly for many years, it is a remote possibility that sometime down the road the District ceases to exist. Idaho Code provides that the District cannot be dissolved any sooner than 4 years after the date of establishment. But as was discussed at the public hearing, a group of voters could get together and could try to dissolve the District. While this seems unlikely based on the already existing community support for the District, the low tax liability for property owners in the District, and the restrictions in the District's ability to raise the tax rate, the District appreciates and shares the concern that the library property ever be transferred to the County. That was not the donors' original intent.

Under Idaho Code §33-2713, when any library district is dissolved, all property and assets of the library district shall be disposed of by the Board of County Commissioners of the home county. Simply, we think that if the District dissolved, the library could become County property. We think there are two viable options to prevent this possibility.

First, the District and the City agree to the transfer the library property with some reversion and/or restrictions in the deed. The deed specifically sets forth certain restrictions,

such as the following:

1. The library property is to be used as a library.
2. If the library outgrows the space it can only sell the property to a third-party buyer if 10-15% of the sale proceeds are paid to the City and if all remaining proceeds of such sale are used solely to fund a larger library. The City could also have a right of first refusal to purchase the library property for the value of the improved asset less the 10-15%. We may want to limit either of these from occurring any sooner than 10 years after the date of this transfer.
3. If at any time the District is dissolved, then the title and interest in the library property reverts to the City or a successor as may be designated by the City (again only for use as a library) prior to the entry of the county commissioners' order dissolving the district. In effect, the property goes back to the City.

We believe these restrictions are directly in conformity with the original donors' intent and also mitigate the City's concerns that the asset ever leaves the Donnelly Community. These restrictions ensure that the property is used as a library or in the remote chance that the library outgrows the current space, the District must use all proceeds from selling the property solely for another library.

The second option is for the District and City to enter a long-term lease. For example, the District leases the property for \$10 per year for 30 years. The parties agree to revisit the terms of the lease every 10 years. The District would ask the City to consider also leasing the strip of property directly to the north of the existing library building. The City would simply continue to own the property, and the District would control all library operations, finances, expansion, etc. This option has its drawbacks to the District because it would lose the equity the District invests in the property upon termination of the lease. The District already has donors and intends to seek continued financial support from donors for building expansion, new carpet, and an overall improved property. The problem with the lease option is that inherently the improvements are owned by the owner of the property – the City. The parties could agree that upon termination of the lease, the City shall pay the District X% of the value of the improved asset. Another issue with this option, is that the City is still bound to use this property for a library. It is hard to imagine a situation in which the District fails, no other nonprofit entity is formed to run a library, and the City is able to run and operate a library on this property. Also, in the event that the District does outgrow the space, even with the proposed expansion, the District would not have the equity in the building to use toward a larger library to serve the community.

Another issue which deserves clarifying as we work through this is the ownership of the personal property assets inside the library – the library books, furniture, and other removable personal property. The District asks that in whatever form this transfer takes place, the City declare that the District owns the personal property. It is our understanding that the shelving, computers, and printer were paid for by the Friends of the Donnelly Library and many of the books, DVDs, etc. were donated by individuals, foundations or the Friends. So, we are unclear of the ownership of those items and whether it was actually vested in the City or some of it remains vested in the Friends group. The media collections and technology are things that are

going to need to be continually updated, so the District wants to be certain it has the authority to make those decisions.

The District believes the deed with restrictions is the best option for both the City and the District as it promotes the intentions of all parties – the original donors, the other original signatories to the Memorandum of Understanding, the City, and the District. It also provides for a cleaner transfer relieving the City of its responsibilities under the Memorandum of Understanding while shifting the responsibility and independence of library operations to the District. We ask Mr. Yorgason to consider these options, and ultimately, provide an opinion to the City recommending the City agree to the deed with the above-cited restrictions. The District will also consider other terms as required by the City. I am happy to take the laboring oar to finalize the necessary documents for the City's final consideration. Please advise how the City would like to proceed, and I will draft a deed with restrictions in advance of the next regularly scheduled City Council meeting.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Amy K. Holm', written in black ink.

Amy K. Holm

AKH/cn
Cc: Client

169 Halferty Street
Donnelly, Idaho 83615



Sales Order Agreement

A Xerox Company
 330 N. Ancestor Place, Suite 100, Boise, ID 83704
 Phone: (208) 377-1047/ Fax: (208) 377-1048

Date 5/15/2018
 Buyer
 P.O. #
 Sales Rep Dane Hunt

SHIP TO	
City Of Donnelly	
169 W Halferty	
Donnelly ID	
83615	
Contact	
Phone/Fax	(208) 325-8859

BILL TO	
City Of Donnelly	
169 W Halferty	
Donnelly ID	
83615	
Billing Contact	
Phone/Fax	(208) 325-8859

Purchase Order:		Approx Delivery Date:	
Account Type:	Lease Months 60	Mo. Payment	155.43
BW CPP 0.0107	Color CPP 0	BW Base 1640	Color Base 0
BW Printer CPP	Color Printer CPP	BW Printer Base	Color Printer Base

QTY	PRODUCT #	Market Code	DESCRIPTION	TOTAL PRICE
1	100S14111	B7035H2	B7035H2 VersaLink B7035 Black & White Laser Multifunction Pri	
1	497K17810	PSCRIPT3	B7035H2 PostScript Kit	
			60 MONTH FMV LEASE PAYMENT WITH SERVICE BOE (inc PPT)	\$151.93
			NASPO 60 MONTH FMV LEASE WITH SERVICE	\$155.43
			SERVICE IN LEASE PAYMENTS	
			1640 B/W IMAGES PER MONTH	
			OVERAGES BILLED AT B/W .0107 BOE, NASPO .0081	
			ACCESS TO CUSTOMER CARE CENTER	
			INCLUDES:	
			INSTALL, SETUP, DELIVERY AND NETWORKING	
			REMOVAL OF OLD DEVICE	
			RETIRE OLD LEASE	
			OWN XEROX 6600 (MONTHLY SERVICE \$15.40)	
			PURCHASE PRICE WITH NASPO (Buy out with Purchase)	\$6,870.84
			PURCHASE PRICE BOE	\$6,800.00
			MONTHLY SERVICE WITH PURCHASE BOE	\$17.55
			MONTHLY SERVICE WITH PURCHASE NASPO	\$13.29
			1640 B/W IMAGES PER MONTH	
			BOE OVERAGES BILLED AT .0107 NASPO .0081	
			ACCESS TO CUSTOMER CARE CENTER	
			PURCHASE USED KYOCERA AND KEEP ON SERVICE	\$4,500.00
			MONTHLY SERVICE AS \$40.00 OVERAGES BILLED AT .012	

COMMENTS/SPECIAL INSTRUCTIONS					Subtotal Sales Tax Delivery/Installation TOTAL AMOUNT Less Payment (Check #____) AMOUNT DUE
Delivery Time	Stairs/Count	Elevator	Connected	Delivery Type	
DELIVERY INSTRUCTIONS:					
SPECIAL PAYMENT TERMS & DUE DATES					
MAINTENANCE AGREEMENT <input type="checkbox"/> Yes <input type="checkbox"/> No					

Cash Transactions Only: Title will be passed on to you when your cash transaction is paid in full. Until such time, to secure all of your obligations to us under this Agreement, you hereby grant us a security interest in (a) the Equipment to the extent of your interests in the Equipment, (b) anything attached or added to the Equipment at any time, (c) any money or property from the sale of the Equipment, and (d) any money from an insurance claim if the Equipment is lost or damaged. You agree that the security interest will not be affected if this Agreement is changed in any way. You hereby appoint us (our agents) as your true and lawful attorney-in-fact to affix your signature to UCC financing statements prepared and filed on your behalf by us (or our agent) with the same force and effect as if you had signed such financing statements. If we request, you agree to sign financing statements in order for us to publicly record our security interest. This Agreement or a copy of this Agreement shall be sufficient as a financing statement and may be filed as such.

CUSTOMER ACCEPTANCE			Boise Office Equipment REPRESENTATIVE	
Authorized Signature/Date	Print Name	Title	Signature	Date

Copier Lease vs Buyout

Lease include Maintenance

	Per Mo	Total	Annual	65% General	30% Water	5% Sewer
BOE	151.93	60 Months 9,115.80	1,823.16	1,185.05	546.95	91.16
Idaho Contract	155.43	9,325.80	1,865.16	1,212.35	559.55	93.26
Purchase		6,800.00				
BOE Maintenance	17.55	60 1,053.00 7,853.00	210.60	136.89	63.18	10.53
						Remainder Budget 1096
Idaho Contract	13.29	60 6,870.84 7,974.00 7,668.24	159.48	103.66	47.84	7.97
						1096
Current Machine Maintenance	40	4,500.00 2,400.00 6,900.00	480.00	312.00	144.00	24.00
Color Printer	15.4	924.00	184.80	120.12	55.44	9.24

DONNELLY CITY COUNCIL
AGENDA BILL

169 Halferty Street
Donnelly, Idaho 83615

Number AB 18-46

Meeting Date 05/21/18

AGENDA ITEM INFORMATION				
SUBJECT: <i>Request to Approval Donnelly Depot Center Tenant Lease Renewals</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:	Unknown			
SUMMARY STATEMENT: Unit #1 Black Tip Supply – Lease Renewal October 1 (October 2012) Unit #2 Idaho Grain – Lease Renewal March 1 (March 2012) Unit #3 Black Tip Supply – Lease Renewal June 1 (June 2015) Unit #4 – Hat Creek Construction – Lease Renewal November 1 (Nov 2016) Unit #5 – CC Painting – Lease Renewal June 1, (June 2013) History of the development. It was built as a buisness incubator, by definition a building to bring new bsienesses, start up businesses that brough economy and jobs to the area. There was criteria that had to be met to become a tenant. At one point the units were not being rented and the City chose to decrease the rent amount to \$500. At which time one existing and two new businesses became tenants in 2012. The criteria was agreed in one applicant but each applicant after February 2012 was not provided the criteria with the applicaion. One of the criteria is that the total number of years of tenancy would be five years. It was believed that the it was better to keep the units full and steady instead of empty. At this time we have 3 units that have met the five year cap. (The application and original criteria is attached for your information and review.) Our lease states that there is a set 2 year rate after the lease is signed but the lease is only for one year.				
RECOMMENDED ACTION: <i>1. Approve or Deny lease renewals</i>				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

ATTACHMENT A: DDC ELIGIBILITY GUIDELINES

Section 1. All requests for tenant space and lease arrangements will be reviewed and approved by the DDC Operating Board appointed by the Donnelly City Council.

Section 2. Tenants must meet the following criteria:

- A. Do not directly compete with an existing local business in Donnelly
- B. Tenant firm can be a profit or a non-profit business. Non-profit businesses will be considered for tenancy on a case-by-case basis, with emphasis on job creation.
- C. New, Start-Up Business, or
- D. An expanding existing business which has been in existence for less than two years from date of application.

“Expanding” will mean a business which can create new employment at a prescribed level as a condition of tenancy in the DDC. “Existing” will mean a business which the owner(s) have been operating the business on a more than part-time basis (more than 25 hours a week) for the previous two years; or

- E. A “Part Time” business venture in which the owner(s) are committing to operate on a full-time basis, or
- F. An existing business which presently does not have an operation in Valley County and will either re-locate or open a subsidiary in the DDC can be considered eligible for Center tenancy, providing a majority of the employees (with the exception of management) are hired from the local (Valley County) labor force.

Section 3. Eligible business activities shall be light manufacturing, advanced technology, research and development, assembly industrial (limited), and services and any other activity deemed appropriate by the DDC Operating Board. Ineligible business activities shall be firms which are primarily retail as well as the following kinds of firms:

- Automotive body and fender operations;
- Automobile sales;
- Cart washing facilities;
- Industrial laundry/dry cleaning services (except for distribution of products cleaned or laundered at another site);
- Processing and sales of firewood;
- Heavy equipment rental facilities, including truck and trailer rental and contractor rental yards;
- Sales, rental and servicing of trailers, mobile homes, farm implements and heavy equipment;
- Service stations;
- Storage facilities (personal and commercial).

Section 4. The business and business activities must be compatible with zoning requirements. The appropriate space must be available for lease.

Section 5. Other weighted tenant selection criteria will include:

- A. Job creation potential – net new jobs created at the site.
- B. Company financially sound.

- C. Company growth potential.
- D. Demonstrated need for space.
- E. A significant percentage of the business is owned by the active principals.
- F. Square footage requirements.
- G. Compatibility of tenant mix.
- H. Potential for Value-Added business activities.
- I. Potential that the business has for drawing upon local/regional/Idaho suppliers and services.

Section 6. LESSEE should expect to hold a semi-annual review meeting with the DDC Operating Board to determine whether or not projected sales levels and targeted job levels are being met, and if any business plan changes need to be addressed.

Section 7. A tenant who requires additional renovation work or utility hookups other than what is provided in the basic building layout will be expected to bear the cost of such renovation unless other arrangements are made with the DDC Operating Board.

Section 8 Maximum term of tenancy shall be 5 years, unless additional year/months of tenancy are approved by the DDC Operating Board.

Section 9. A security deposit will be required and "Delinquent Rent Policies and Procedure" have been adopted and will be part of the lease agreement. LESSEE will be responsible for their own property and liability insurance.

Section 10. The LESSEE agrees to allow the DDC board to use general information about the LESSEE business for public relations efforts to promote the DDC and will provide general information upon request of the DDC board.

ATTACHMENT B: HAZARDOUS MATERIAL POLICY

This policy applies to all tenant businesses as well as to all persons associated in any way with the tenant business. This policy covers all tenant paid and unpaid employees, contractors, consultants, delivery/receiving personnel and others.

No radioactive material that exceeds amounts described in 10 CFR 20 shall be received, handled, and/or generated in and/or at the DDC.

CONTROL OF NON RADIOACTIVE HAZARDOUS MATERIALS

CONTENTS

1. Purpose
 2. Requirements
 - 2.1 Radioactive Material Policy
 - 2.2 Tenant Responsibilities
 - 2.3 Shipping and Receiving
 - 2.4 Storage
 3. Definitions
 - 3.1 Non radioactive Hazardous Materials
 - 3.2 Hazardous Properties and/or Conditions
 - 3.3 Non radioactive Materials
 4. Guidelines for Handling Hazardous Waste
 - 4.1 Waste Handling Practices
 - 4.2 Handling Practices for Recyclable Oil
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1. PURPOSE

This section establishes the requirements and responsibilities for implementing a non radioactive hazardous material control program for the **DONNELLY DEPOT CENTER** and for **all tenant businesses**. This program applies to the acquisition, use, shipping, receiving, storage and disposal of non radioactive hazardous materials, and must comply with the Toxic Substances Control Act, the Resource Conservation and Recovery Act, the Superfund Amendments and Re-authorization Act, the Occupational Safety and Health Act, the Comprehensive Environmental Response, Compensation, and Liability Act, 49 CFR 172, and other references specified herein.

2. REQUIREMENTS

2.1 Radioactive material policy:

No radioactive material that exceeds amounts described in 10 CFR 20 shall be received, handled, and/or generated in and/or at the Business Incubation Center.

2.2 Tenant Responsibilities

- (1) Tenant Manager Shall:

- (2) Prior to the receipt, handling, and/or generating of non-radioactive hazardous waste and/or material, the tenant must submit in writing to the incubator manager the nature and conditions of such hazardous waste. The incubator must give written approval that tenant activities in any way related to hazardous material are authorized prior to the receipt, handling, and/or generating of non-radioactive hazardous waste and/or material.
- (3) Implement a written, auditable Non radioactive Hazardous Materials Program in compliance with 29 CFR 1900.1200. The program shall provide for the acquisition, shipping, receiving, storage, and disposal of non radioactive hazardous materials in accordance with all local, state and federal requirements and incubator policies.
- (4) Maintain an inventory of hazardous materials present in work area, including identifying health and safety risks associated therewith, and enforce the necessary precautions to limit the hazard of such materials.
- (5) Ensure that employees who work with non radioactive hazardous materials are trained for such work, and that proper precautions are taken to avoid adverse exposure.
- (6) Ensure that all hazardous materials have information available on each container in accordance with labeling requirements.
- (7) Maintain a material safety data sheet file for non radioactive hazardous materials that corresponds to the inventory.
- (8) Provide hazard warnings regarding toxicity, flammability, and chemical reactivity either directly on the container or in a manner immediately retrievable by the user or emergency response personnel.
- (9) Provide information on the date of receipt, job or project title, and responsible individual within the general area where the non radioactive hazardous materials are located.
- (10) Maintain an inventory of non radioactive hazardous materials which will be available for inspection by the Incubator upon reasonable notice.
- (11) Implement a hazardous materials incident contingency plan in compliance with 29 CFR 1910.120. Implementation shall include communication with local response agencies for assistance in emergency situations.
- (12) Comply with all inventory and spill reporting requirements under 40 CFR 300, 355, and 370.

2.3 Shipping and Receiving

- (1) Inspect all received non radioactive hazardous materials for condition and integrity of the packaging.
- (2) Report any transportation or packaging violations to the incubator manager.
- (3) Affix appropriate labels and warnings to non radioactive hazardous materials as they are received.

2.4 Storage

DDC Tenants storing non radioactive hazardous materials shall:

- (1) Store non radioactive hazardous materials per local, state, and federal requirements.
- (2) Follow manufactures recommended "Shelf Life" where applicable for any material that ages to form chemically reactive products, e.g., peroxide-forming chemicals.
- (3) Ensure that information concerning chemical types, nature of the hazard, and quantities present in each area is available for emergency response personnel.
- (4) Maintain good chemical and laboratory housekeeping.

- (5) Dispose of hazardous materials whose storage time exceeds the shelf life.
- (6) Develop spill control plans where hazardous materials are stored.

3.0 DEFINITIONS

3.1 Non radioactive Hazardous Materials - substances having a hazardous characteristic, substances identified as hazardous in a list, or in some instances substances containing an element identified as hazardous but not radioactive, in one or more of the following regulations:

- 29 CFR 1910 and 1926
- 40 CFR 240 through 280
- 40 CFR 300 through 310
- 40 CFR 355 through 372
- 40 CFR 702 through 799
- 49 CFR 172

3.2 Some of the properties or conditions that cause materials to be listed as "hazardous" are as follows:

- (1) Toxic - A substance which at a specified dose causes harmful effects to living tissue, organs, or systems when ingested, inhaled, contacted, or absorbed through the skin.
- (2) Flammable - A material that will ignite easily and burn rapidly.
- (3) Chemically Reactive - A substance susceptible to release of energy due to detonation, explosion, decomposition, or chemical change.
- (4) Pyrophoric - A material that undergoes spontaneous ignition below 54.4 degrees C (130 degrees)
- (5) Pathogenic - A substance producing or capable of producing disease.
- (6) Corrosive - A material that burns, irritates, or destructively attacks organic tissues.
- (7) Explosive - A compound that can detonate or deflagrate as a result of shock or heat.
- (8) Mutagenic - A substance that increases the frequency of permanent change in genetic material.
- (9) Carcinogenic - A substance that produces abnormal cell growth.
- (10) Teratogenic - A substance that may cause developmental malformations, e.g., biological monstrosities.
- (11) Asphyxiant - A gas that can displace air and deprive organisms of oxygen.

3.3 Non radioactive materials: Substances that do not exceed the amounts described in 10 CFR 20.

4. GUIDELINES FOR HANDLING HAZARDOUS WASTE

4.1 Waste Handling Practices:

- (1) Label containers with red Hazardous Waste labels before adding any waste.
- (2) Don't date the Hazardous Waste label - the date space on the label indicates the date the waste is removed from your lab for disposal.
- (3) Remove a number label from the inventory booklet and affix it to the waste container.
- (4) Keep a current record of the waste added to the container on the inventory with the same number as the container. Be accurate, specific, and complete. Instead of "heavy metals in acid" put "PB 20 ppm, AS 50 ppm in .05M HN03". Be sure and put the pH of the final content in the space provided.

- (5) When possible, refrain from mixing wastes. When it is not possible, only mix wastes that are compatible. Mixing wastes almost always increases the cost of disposal.
- (6) Keep a lid on your waste. The only time a waste container should be open is while waste is being added.
- (7) Keep outside of waste containers clean.
- (8) A piece of tape will be placed over the lid of waste container each time waste it is inventoried. If more waste is added to the container after inventory has been performed, remove tape from across the lid and throw the tape away.
- (9) DOT regulations prohibit the use of certain containers for waste.

4.2 Handling Practices for Recyclable Oil:

- (1) Put a number sticker on the oil container.
- (2) Do NOT put a hazardous waste label on the container, use a Recyclable Oil Label.
- (3) Enter complete information in the waste inventory booklet. BE as complete as possible (e.g. recyclable silicon based oil from vacuum rough pump).
Used/Unused oils that are acceptable for recycle are:
 - 1. Use or off-specification (unused) motor oils with viscosities up to, including 90 weight oil.
 - 2. Used or unused mineral oils.
 - 3. Used or unused hydraulic oils.
 - 4. Used or unused water soluble cutting oils; these oils must be handled separately.
 - 5. Silicone-based synthetic oils.
 - 6. Used and unused fuel oils (No. 1, No. 2, and No. 3), as well as used and unused diesel fuel (No. 1 and No. 2) - Note: the oil must be thin enough to pump without preheating.
- (4) These oils must not contain: (Samples may be required by the recycle facility prior to acceptance)
 - 1. Greater than 1000 ppm of total halogens
 - 2. Greater than or equal to 50 ppm polychlorinated biphenyl (PCB's).
 - 3. Greater than 10% by volume, of basic sediments and water.
 - 4. Added hazardous waste, including but not limited to, paint thinners, gasoline, solvents, corrosives, and acids.
 - 5. Phosphorus.
 - 6. Phosphate ester or phosphate diester synthetic oil.
 - 7. Radioactive material.

DONNELLY CITY COUNCIL
AGENDA BILL

169 Halferty Street
Donnelly, Idaho 83615

Number AB 18-47

Meeting Date 05/21/18

AGENDA ITEM INFORMATION				
SUBJECT: <i>Request to Increase Lease Rates On Depot Center Units</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:	Unknown			
<p>The initial lease was made for 1 year with a fixed rate for 2 years. The last rent increase was in June 2016 which moved the rent from \$550.00 to \$600.00. Current market rate for warehouse/office rate is much higher than our current \$0.40 / sq ft. They are ranging around \$0.60 / sq ft.</p> <p>Each unit is 1500 sq ft including office area.</p>				
RECOMMENDED ACTION: <i>1. Set new Lease Rate with effective date of July 1, 2018</i>				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

Tenant application: tenant selection guidelines

Lease rate is based on current market value.

Eligible applications are evaluated on the following criteria/

- A. Do not directly compete with an existing local business in Donnelly.
- B. Tenant firm can be a profit or a non-profit business. Non-profit businesses will be considered for tenancy on a case-by-case basis, with emphasis on job creation.
- C. New, start-up business, or
- D. An expanding existing business which has been in existence for less than two years from date of application.
"Expanding" will mean a business which can create new employment at a prescribed level as a condition of tenancy in the DDC. "existing" will mean a business which the owner(s) have been operating the business on a more than part-time basis (more than 25 hours a week) for the previous two years; or
- E. A "part time" business venture in which the owner(s) are committing to operate on a full-time basis, or
- F. An existing business which presently does not have an operation in valley county and will either re-locate or open a subsidiary in the DDC can be considered eligible for center tenancy, providing a majority of the employees (with the exception of management) are hired from the local (valley county) labor force.

Services included with lease

- Utilities
Water, sewer and regular trash pickup
- Snow removal

Note: in the event that a business generates large quantities of trash, the DDC reserves the right to negotiate with the company to pay a portion of this extra trash collection cost.

Services NOT included with lease

- Heat and electricity
- Interior cleaning
- Maintenance of privately owned equipment
- Excess trash

Signs

Signs are limited to signs that can be placed inside the 3 ft. x 8 ft. framed area on each bay and to information on operation hours lettered on the front door.

DONNELLY CITY COUNCIL
AGENDA BILL

169 Halferty Street
Donnelly, Idaho 83615

Number **AB 18-48**

Meeting Date **05/21/18**

AGENDA ITEM INFORMATION				
SUBJECT: <i>Adopt Resolution 2018-012 Surplus Property</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:	Unknown			
<p>After demolition of the retaining wall at the Donnelly Boat Dock we have approximately 450 landscaping blocks that can be listed as surplus.</p> <p>The amount collected from the sale of these can be used to off set some of the match portion of the grant that was received to replace the retaining wall.</p>				
RECOMMENDED ACTION: <i>1. Adopt Resolution 2018-012 for surplus property.</i>				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

CITY OF DONNELLY

RESOLUTION 2018-012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DONNELLY, IDAHO RELATING TO SURPLUS PERSONAL PROPERTY; DECLARING PERSONAL PROPERTY SURPLUS; AUTHORIZING AND DIRECTING THE DISPOSAL OF SURPLUS PROPERTY; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City of Donnelly, Idaho has acquired certain personal property for the purpose of carrying out services in the public interest;

WHEREAS, the City Council has deemed it unnecessary to maintain ownership of surplus personal property of the City of Donnelly; and

WHEREAS, the City Council, desires to sell as surplus the following property:

- (a) Landscaping Blocks approximately 450 pieces

NOW THEREFORE BE IT RESOLVED that the City Council of Donnelly, Idaho as follows:

Section 1: The City Council finds and declares that the City no longer has a use for the surplus property listed above.

Section 2: The City Clerk is authorized and directed to sell and or dispose of the surplus property above.

Section 3: This Resolution shall take effect and be in force immediately upon its passage and approval

Passed and approved this 21st day of May 2018

Brian Koch, Mayor

ATTEST: _____
Cami Hedges, City Clerk

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 18-49

Meeting Date 05/21/18

AGENDA ITEM INFORMATION				
SUBJECT: <i>Ordinance 239 Water Revenue Bond, Series 2018 Bond Resolution</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:	Unknown			
An ordinance relating to the Water System of the City of Donnelly, Valley County, Idaho Authorizing the issuance of a water revenue bond series 2018; providing for the collection and disposition of the revenues derived from said system; providing other details in connection therewith, and providing an effective date.				
RECOMMENDED ACTION: <i>1. Adopt Ordinance 239 2. Authorize Mayor to Sign all necessary documents.</i>				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

ORDINANCE NO. 239

AN ORDINANCE RELATING TO THE WATER SYSTEM OF THE CITY OF DONNELLY, VALLEY COUNTY, IDAHO; AUTHORIZING THE ISSUANCE OF A WATER REVENUE BOND, SERIES 2018; PROVIDING FOR THE COLLECTION AND DISPOSITION OF THE REVENUES DERIVED FROM SAID SYSTEM; PROVIDING OTHER DETAILS IN CONNECTION THEREWITH; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the City of Donnelly (herein the “City”), Valley County, State of Idaho, is a municipal corporation duly organized and existing under the general laws of the State of Idaho; and

WHEREAS, the City now owns and operates, and does hereby determine that it shall continue to operate a water system as a utility for the benefit of the City (herein the “System”); and

WHEREAS, the System is presently in need of renovation, improvement, extension, upgrading and betterment; and

WHEREAS, the City Council (herein the “Council”) has determined and does hereby determine that the interest of the community and the public interest and necessity require the immediate improvement of the System by making the following improvements and acquisitions: construction of certain capital improvements, including a new well, pumps, waterline replacements and other related water system improvements, or any other comparable alternative construction, renovation and improvements to the System as otherwise determined by the City, and all other related costs, items and appurtenances necessary, useful and convenient for the adequate supply and distribution of water within the City (herein the “Project”); and

WHEREAS, for the purpose of permanently financing a portion of the cost of the Project, the Council further deems it necessary to issue its water revenue bond in the principal amount of \$549,000, payable solely from the revenues of said System pursuant to the Revenue Bond Act (herein the “Act”), cited as Sections 50-1027 through 50-1042, Idaho Code, as amended, and all laws thereunto enabling; and

WHEREAS, at a special bond election duly held on November 8, 2016, there was submitted to the qualified electors of the City the following question:

Shall the City of Donnelly, Idaho, be authorized to issue its water revenue bonds, in one or more series of bonds, in the aggregate principal amount for all such bonds of not more than \$1,200,000, or so much thereof as may be necessary, for the purpose of providing funds with which to renovate, improve, upgrade, and better the water system of the City, said bonds to be payable annually or at such

lesser intervals as determined by future City ordinances, and to mature serially commencing at the expiration of at least one (1) year from their date and ending not more than forty (40) years from their date, and to bear interest at a rate or rates to be determined by an ordinance or resolution of the City, as more fully provided in Ordinance No. 232, signed and approved on the 6th day of September, 2016, the principal of and the interest on said bonds to be payable solely from the net revenues to be derived from the operation of the City's water system?

WHEREAS, said question was approved by more than a majority of the qualified electors of the City voting at said election and the results were then and are hereby so declared.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DONNELLY, VALLEY COUNTY, IDAHO:

Section 1. Short Title. This Ordinance may be designated by the short title "2018 Water Revenue Bond Ordinance".

Section 2. Definitions. The terms defined in this Section, except where the context requires otherwise, shall have the following meanings:

"Act" means the Revenue Bond Act as defined herein.

"Bond Fund" means the "2018 Water Revenue Bond Fund" (which designation will be changed to reflect the calendar year in which the Bond is issued).

"Bond", or "Bonds" means the bond or bonds entitled "City of Donnelly Water Revenue Bond, Series 2018" (which designation will be changed to reflect the calendar year in which the Bond is issued) or any bonds issued in substitution therefor.

"Bond Ordinance" means this 2018 Water Revenue Bond Ordinance.

"Bond Registrar" means the Bond Registrar, the City Clerk for the City, so designated for registration and transfer of the Bond pursuant to this Bond Ordinance and the Idaho Registered Public Obligations Act, Chapter 9, Title 57, Idaho Code, as amended.

"City" means the City of Donnelly, Valley County, State of Idaho.

"Consulting Engineer" means Mountain Waterworks, Inc, or any other qualified registered or licensed professional engineer practicing under the laws of the State of Idaho.

"Gross Income", "Gross Revenues", "Income" or "Revenues" means all income and revenue derived by the City from any rates, fees, tolls and charges for the services furnished by, or the use of, the System as the same may at any time exist to serve customers within or outside the municipal limits, whether resulting from improvements or otherwise.

“Fiscal Year” means the twelve (12) months commencing October 1 of any year and ending September 30 of the following year or such other fiscal year as may subsequently be required by state law.

“Holder” means the registered owner of the Bond.

“Independent Accountant” means any certified public accountant practicing under the laws of the State of Idaho who is independent and not an officer or employee of the municipality.

“Insured Bank” means a bank qualified to accept public deposits under state law which is a member of the Federal Deposit Insurance Corporation.

“Net Income” or **“Net Revenues”** means the remaining revenues of the System after deducting Operation and Maintenance Expenses from the Revenues and amounts due for payment of the Parity Bonds.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the municipality, paid or accrued, for operating, maintaining and repairing the System, including legal and overhead expenses of the municipality directly related to the administration of the System, insurance premiums, audits, charges of depository banks and paying agents, professional services, salaries, administrative expenses, labor, and the cost of materials and supplies for current operation, but not including depreciation, legal liabilities not based on contract, the cost of improvements to the System, or charges for the accumulation of reserves.

“Parity Bond” or **“Parity Bonds”** means the City’s Water Revenue Bond, Series 1996A dated February 1, 1996, initially held and purchased by the United States of America as evidence and security for a United States of America loan of \$200,000; and any other bonds of the City issued on a parity with the Bond.

“Paying Agent” means the Treasurer of the City, so designated to serve as the Paying Agent for the Bond.

“Project” means the improvement and construction program to be financed in part by the Bond and described above.

“Project Engineer” means the Consulting Engineer hired by the City for the Project.

“Purchaser” means the United States of America or other purchaser of the Bond.

“Registrar” means the Bond Registrar, the City Clerk for the City, so designated for registration and transfer of the Bonds pursuant to this Bond Ordinance and the Idaho Registered Public Obligations Act, Chapter 9, Title 57, Idaho Code, as amended.

“Reserve Fund” means the “2018 Water Revenue Bond Reserve Fund” (which designation will be changed to reflect the calendar year in which the Bond is issued).

“Revenue Bond Act” or **“Act”** means Sections 50-1027 through 50-1042, Idaho Code, as amended.

“Short-Lived Asset Reserve Fund” means the “2018 Short-Lived Asset Reserve Fund” (which designation will be changed to reflect the calendar year in which the Bond is issued).

“System” means all of the City’s water system and facilities and properties now owned or hereafter acquired, whether situated within or without the City boundaries.

“USA” or **“United States of America”** means the United States of America, and may include Rural Development of the United States Department of Agriculture.

Section 3. Ratification. All consistent action taken previously by the Council and the municipal officers directed toward the Project and toward the issuance of its water revenue bond for that purpose is ratified, approved and confirmed.

Section 4. Authorization of Project. The Project is authorized at a total cost of approximately \$1,539,000 and the necessity thereof is hereby declared. Of this amount, approximately \$990,000 will be defrayed from sources other than the Bond proceeds. The Project is briefly and generally described as consisting of the improvement of the System by making the following improvements and acquisitions: construction of certain capital improvements, including a new well, pumps, waterline replacements and other related water system improvements, or any other comparable alternative construction, renovation and improvements to the System as otherwise determined by the City, and all other related costs, items and appurtenances necessary, useful and convenient for the adequate supply and distribution of water within the City, or any other comparable alternative construction, renovation and improvements to the System as otherwise determined by the City, and all other related costs, items and appurtenances necessary, useful and convenient for the storage, collection, treatment and distribution of water within the City, all as more particularly described in the Consulting Engineer’s report, as supplemented, and plans and specifications which have heretofore been prepared and filed by the Consulting Engineer, a qualified firm of consulting engineers chosen for that purpose, which report and plans and specifications are available for inspection in the Office of the City Clerk.

Section 5. Authorization of Bonds and Sale Thereof. For the purpose of providing funds to pay a portion of the cost of the Project, the Bond in the principal amount of \$549,000 shall be issued and be payable both as to principal and interest, solely from the Net Revenues of the System, and the City shall pledge irrevocably such Net Revenues to the payment of the Bond and the interest thereon, the proceeds thereof to be used solely for the aforesaid purpose, pursuant to the Revenue Bond Act. The sale of the Bond to the Purchaser in accordance with any Loan/Grant Approval Conditions, as amended, is hereby accepted and confirmed. The Mayor, City Clerk, and City Treasurer are hereby authorized to execute such documents as may be necessary to effect the sale of the Bond.

In the event that the Bond is purchased by the United States of America, the City hereby agrees to comply with the requirements of the United States of America as contained in the letter entitled "Loan and Grant Approval Conditions, City of Donnelly, Water System Improvement Project" dated July 31, 2017, as amended (the "Loan Conditions") and in the RUS Bulletin 1780-27, Loan Resolution, dated May 21, 2018(the Loan Resolution"), pertaining to the Project.

Section 6. Description of Bond. The Bond is anticipated to be issued in calendar year 2018 and the designation of the Bond is hereby authorized to be modified to accurately reflect the year it is delivered, and shall be dated the date of closing and delivery of the Bond, shall consist of one bond in the denomination of \$549,000 numbered one (1), shall bear interest from the date of delivery at the lower rate charged by the United States of America at the time of loan approval or at the time of loan closing, and together with equally amortized payments of principal, shall be payable to the Holder on the anniversary date of the Bond date (i.e., date of closing) of each year until maturity, and shall be substantially in the form set forth in Exhibit "A" attached hereto and by this reference incorporated herein. The principal of and interest on the Bond shall be fully paid within its term, which shall not exceed forty (40) years from its date.

Section 7. Payment of Bonds; Pledge of Net Revenues.

A. The principal of and interest on the Bond are payable in lawful money of the United States of America to the Holder thereof, without deduction for exchange or collection charges, whose name and address shall appear on the registration records of the City (the "Bond Register") maintained by the Bond Registrar.

B. The Bond, upon the surrender thereof at the Office of the City Clerk for the City, with a written instrument of transfer duly executed by the registered owner or its duly authorized attorney, may, at the option of the registered owner and at its expense, be exchanged for serial bonds, in registered form, in the aggregate principal amount then remaining unpaid, bearing the same interest rate, maturing annually on the anniversary date of the Bond date of each of the remaining years of the original term of this Bond and dated as of the year during which the surrender and exchange is effected. Serial bonds so issued shall be redeemable according to the provisions of this Bond Ordinance.

C. The City hereby pledges the Net Revenues to the punctual payment of the Bond.

Section 8. Prior Redemption and Prepayment. Prepayments shall be made on the date, at the place, and in the manner provided herein for making regularly scheduled annual installments, and partial prepayments shall be in the amount of or in integral multiples of \$1,000, plus accrued interest to the date of such prepayments, and any such prepayments shall be applied in inverse order of maturity of the principal payments due under the terms of the Bond. No partial prepayment shall extend or postpone the due date of any subsequent annual installment. Any such prepayment shall be made without penalty, without additional interest or charges. If serial bonds are issued in substitution for the Bond, such serial bonds shall be subject to redemption prior to their respective maturities, in inverse numerical order, on any principal and interest payment date without premium or penalty.

Notice of prior redemption or prepayment shall be mailed at least thirty (30) days prior to the redemption date to each Holder whose name and address appears on the registration books. So long as any Bond is owned or insured by the United States of America, notice of prepayment or redemption shall be mailed to the United States of America at least thirty (30) days prior to the prepayment or redemption date at such address as the United States of America may designate. Any notice of redemption or prepayment shall identify the Bond to be redeemed or prepayment to be made, specify the redemption or prepayment date, and state that on such date the principal amount thereof and accrued interest to the redemption or prepayment date will become due and payable and thereafter interest will cease to accrue. After such notice and presentation of said Bonds, the Bonds called for redemption will be paid.

Section 9. Bond Registration. Each Bond shall be registered for payment as to both principal and interest. The City Clerk of the City, is appointed bond registrar (herein the “Registrar” or “Bond Registrar”) and shall maintain books for the registration, transfer and conversion of Bonds, and do all things authorized by the Idaho Registered Public Obligations Act, Chapter 9, Title 57, Idaho Code, as amended. The Registrar shall register or permit to be transferred or discharged from registration any Bond presented for such purpose subject to said act and such reasonable regulations as the Registrar may prescribe and after the City is reimbursed for any tax or governmental charge payable in connection therewith. For the purposes of said Registered Public Obligations Act, this Bond Ordinance shall constitute a “system of registration” within the meaning, and for all purposes, of said act.

The Bond may be transferred only upon the books for the registration and transfer of bonds, upon the surrender thereof at the office of the Bond Registrar, together with a form of transfer duly executed by the registered owner or his attorney duly authorized in writing, substantially in the form of Bond set forth in Exhibit “A”. Upon the transfer of any Bond, there shall be issued in the name of the transferee or transferees a new fully registered Bond or Bonds of any authorized denomination or denominations and of the same maturity and interest rate, and of the same aggregate principal amount as the surrendered Bond. The new Bond or Bonds shall be dated as of the year during which the surrender and exchange is effected, and shall bear interest from the immediately preceding interest payment date to which interest has been paid or duly provided for.

The Bond Registrar shall not be required to exchange or transfer any Bond within fifteen (15) days of an interest payment date or, in the case of any redemption of Bonds, within fifteen (15) days of the redemption date.

Section 10. Ownership of Bonds. The City and its officers shall treat the person in whose name any Bond is registered as the absolute owner, whether or not such Bond shall be overdue. All payments made as provided in this Ordinance shall be valid and effectual to discharge the liability upon any Bonds to the extent of the amount so paid.

Section 11. Execution of Bonds. If their facsimile signatures are to be printed on the Bond, the Mayor, City Clerk and City Treasurer shall file their manual signatures with the Secretary of State. Without reasonable delay, the City shall cause a definitive Bond to be prepared, executed, and delivered, which Bond may be typewritten, lithographed or printed with engraved or

lithographed borders at the option of Purchaser. The Bond shall be signed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Treasurer, which signatures shall be attested by the manual or facsimile signature of the City Clerk, and the seal of the City or a facsimile thereof shall be imprinted thereon.

In case any of the officers who shall have signed or countersigned the Bond shall cease to be such officer or officers of the City before the Bond so signed or countersigned shall have been delivered or issued by the City, such Bond may nevertheless be delivered and issued and, upon such delivery and issue, shall be as binding upon the City as though those who signed and countersigned the same had continued to be such officers of the City. Any Bond may also be signed and countersigned on behalf of the City by such persons as at the actual date of execution of such bonds shall be the proper officers of the City although at the original date of such Bond any such person shall not have been such Officer of the City.

Section 12. Incontestable Recital. Pursuant to the Revenue Bond Act the Bond herein authorized shall recite that it is issued pursuant to said Act, which recital shall be conclusive evidence of its validity and of the regularity of its issuance.

Section 13. Special Obligations. Principal of and interest on the Bond shall be payable solely out of the Net Income of the System. The Net Income of the System is pledged for that purpose. The Holder may not look to any general or other fund for the payment of Bond principal or interest, except any special funds pledged therefor. The Bond shall not constitute an indebtedness nor a debt within the meaning of any constitutional or statutory provision or limitation and shall not be considered general obligations of the City. The Bond shall constitute the City's special obligation.

Section 14. Period of Facilities' Usefulness. The facilities to be acquired with Bond proceeds will be useful for at least forty (40) years, i.e., until at least the maturity date of the Bond.

Section 15. Bond Preparation, Execution and Delivery. The Mayor, City Clerk and City Treasurer are directed to prepare and execute the Bond. Thereafter, the City Treasurer shall deliver the Bond to the Purchaser on receipt of the agreed purchase price.

Section 16. Capital Improvement Fund; Disposition of Bond Proceeds. There is hereby created a special fund and account known as the "City of Donnelly Water Project Capital Improvement Fund" (the "Capital Improvement Fund"). The proceeds of the Bond shall be deposited in the Capital Improvement Fund and shall be used to repay, in part or in whole, the City's interim loan financing obtained for acquisition and construction of a portion of the Project. Any proceeds of the Bond thereafter remaining, shall be disbursed for payment of the costs of issuance of the Bond and the costs of the Project.

Section 17. Fiscal Year. For the purpose of this Bond Ordinance, the System shall be operated upon a Fiscal Year commencing October 1 in each year and ending on September 30 of the following year or such other Fiscal Year as may subsequently be required by state law.

Section 18. Income Fund. A special fund and bank account or subaccount shall be maintained separate and distinct from all other funds and accounts of the City to be known as the “Income Fund.” So long as any Bonds shall be outstanding all income and revenues derived from the operation of the System, less any amounts due in connection with payment of the Parity Bond, shall be deposited into the Income Fund.

Section 19. Administration of Income Fund. The following payments shall be made from the Income Fund:

A. Operation and Maintenance Expenses. Firstly, there shall be set aside each month such reasonable percentage of the Income Fund as the City shall determine to be reasonable and necessary for the proper operation and maintenance of the System. Any surplus remaining at the end of the Fiscal Year and not used for operation and maintenance purposes shall be transferred back to the Income Fund.

B. Bond Fund Payments. Secondly, from any moneys remaining in the Income Fund there shall be deposited into a separate account known as the “2018 Water Revenue Bond Fund” (which designation will be changed to reflect the calendar year in which the Bond is issued) (herein the “Bond Fund”), the following:

(1) Commencing on the first day of the month immediately following delivery of the Bond, an amount, in monthly installments, which, with other monies available therefor, will be equal to at least one-twelfth (1/12) of the principal and interest to become due on the next principal and interest payment date on the Bond. The monies allocated shall be used solely to pay currently maturing installments of principal of and interest on the Bond.

(2) If serial bonds have been substituted for the Bond, then

(a) Commencing on the first day of the month immediately following such substitution, an amount in equal monthly installments which, with other monies available therefor, will be equal to at least one-sixth (1/6) of the next installment of interest on the outstanding Bonds, and on the first of each and every month thereafter, one-sixth (1/6) of the amount necessary to pay the next maturing installment of interest on the outstanding Bonds.

(b) Commencing on the first day of the month immediately following such substitution, an amount in equal monthly installments which, with other monies available therefor, will be sufficient to pay the next semi-annual installment of principal of the outstanding Bonds, and on the first of each and every month thereafter, one-sixth (1/6) of the amount necessary to pay the next maturing installment of principal on the outstanding Bonds.

(3) If the City for any reason shall fail to make such monthly deposits, then an amount equal to the deficiency shall be set apart and deposited in the Bond Fund out of the Net Revenues in the ensuing month or months, which amount shall be in addition to the regular monthly deposit required during such succeeding month or months.

C. Debt Service Reserve Fund. There is hereby created a separate account in the Bond Fund known as the “2018 Water Revenue Bond Debt Service Reserve Fund,” (which designation will be changed to reflect the calendar year in which the Bond is issued) (herein the “Reserve Fund”), which shall be maintained by the City Treasurer.

(1) Deposits. Concurrently with the above payments into the Bond Fund, commencing on the first day of the month immediately following the delivery date of the Bond, the City shall begin depositing amounts to the Reserve Fund to accumulate annually by each anniversary date of the Bonds at least one-tenth of the annual payment of principal and interest on the Bond in the Reserve Fund. Such deposits shall continue each year until the Bonds have been fully paid and retired, or until the amount on deposit reaches but does not exceed the least of (i) 10% of the original par amount of the Bond, (ii) maximum annual debt service on the Bond, or (iii) 125% of the average annual debt service on the Bond.

(2) Withdrawals. Whenever any monies are withdrawn from the Reserve Fund to pay the principal of or interest on the Bond, then the City Treasurer shall, on or before the 15th day of the month preceding the next principal and interest payment date, deposit from the Income Fund into the Reserve Fund an amount sufficient to restore the amount withdrawn.

(3) Refunding. In the event refunding bonds are ever issued, the amount set aside into the Reserve Fund to secure the payment of the Bonds shall be used to retire Bonds.

(4) Investments. Subject to the limitations set forth in the Tax Certificate of the City with respect to the Bonds, all monies in the Reserve Fund may be kept in cash or deposited in institutions permitted by law in an amount in each institution not greater than the amount insured by any department or agency of the United States government, or may be invested and reinvested in any legal investment permitted for City monies maturing not later than the last maturity date of any outstanding Bonds. Interest earned on any such investment shall be deposited into the Bond Fund.

(5) The monies in the Reserve Fund shall be maintained as a continuing reserve to be used only to pay principal of and interest on Bonds, if necessary to prevent a default. With prior written approval of the United States of America, funds may also be used and withdrawn for:

(a) Capital Costs. To pay the cost of reconstruction or improving the System; and

(b) Major Maintenance Costs. To pay the costs of extraordinary and major repairs, renewals, replacements, or maintenance items appertaining to such System of a type not recurring annually and not defrayed as Operation and Maintenance Expenses.

D. Short-Lived Asset Reserve Fund. There is hereby created a separate account in the Bond Fund known as the “2018 Short-Lived Asset Reserve Fund” (which designation will be changed to reflect the calendar year in which the Bond is issued) (herein the “Asset Reserve Fund”), which shall be maintained by the City Treasurer. On the date of closing and delivery of the Bond, the City shall deposit and maintain the sum of \$11,500 in the Asset Reserve Fund. Such sum shall be used exclusively by the City to pay for repairs and/or replacement of assets of the System. Amounts in the Asset Reserve Fund are not pledge to pay debt service on the Bond.

E. Payment for Additional Obligations. After making the above payments, any balance in the Income Fund may be used for the payment of principal and interest on additional bonds including reasonable reserves therefor. The lien of additional Bonds on Net Income shall be on a parity with, or subordinate to, the lien and pledge of the Parity Bond and the Bond. Any payments in respect of additional parity bonds shall be made concurrently with those required by this Section.

F. Use of Surplus Revenues. After making the above payments, the remaining Net Income shall be applied for any of the following purposes:

- (1) The additional renovation, improvement, extension, upgrading and betterment of the System;
- (2) The payment of debt service on other obligations incurred in the acquisition, construction or improvement of the System;
- (3) The redemption or prepayment, in whole or in part of the Bond, or purchase in the open market or prior redemption of any Bonds payable from Net Revenues at the best reasonable price obtainable;
- (4) Any other lawful purpose.

Section 20. General Administration of Funds. The funds and accounts hereof shall be administered as follows:

A. Places and Times of Deposits or Transfers of Funds. The above accounts and funds shall be separately maintained and deposited in one or more bank accounts in an Insured Bank or Banks. Each account shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any other

purpose. Payments shall be made into the proper account on the first day of the month or year, as the case may be, except when the first day shall be a Sunday or legal holiday, then payment shall be made on the preceding secular day. At least five (5) days prior to any principal and interest payment date, monies sufficient to pay interest and principal then due shall be transferred to the Paying Agent. Nothing in this Ordinance shall prevent the City from establishing one bank account for any of the funds required by this Bond Ordinance.

B. Investment of Monies. Monies in any fund not immediately needed may be invested as provided by state and applicable federal statutes and regulations, provided that the City shall take no step or make any investment which would imperil the exemption of the interest on the Bond from income taxation under any federal law now in force or hereafter existing or which is contrary to the limitations set forth in the Tax Certificate of the City with respect to the Bonds.

Section 21. Lien of the Bonds. The Bond constitutes an irrevocable lien upon the Revenues, subject to the payment of all necessary and reasonable Operation and Maintenance Expenses, and on a parity with the lien of and payment for the Parity Bond.

Section 22. Additional Bonds.

A. Earnings Test. This Bond Ordinance shall not prevent the issuance of additional bonds payable from and constituting a lien upon Net Income on a parity with the lien of the Bond. Before any such additional parity bonds are actually issued, it must be determined that:

(1) The City is not, and has not been in default of this Bond Ordinance during the Fiscal Year immediately preceding the issuance of such additional bonds, or if the Bonds have not been outstanding for a full Fiscal Year, then for the longest period of time the Bond has been outstanding; and

(2) The Net Income derived from the operation of the System for the Fiscal Year immediately preceding the date of the ordinance authorizing the issuance of any such parity lien obligations shall have been sufficient, or future Net Income as projected by a Consulting Engineer shall be sufficient, to pay an amount representing 120% of the maximum annual principal and interest requirements on the outstanding Bond constituting a lien upon Net Revenues, and on the bonds proposed to be issued (excluding reserves). As used in this Section, "maximum annual principal and interest requirements" shall be the largest amount of principal and interest coming due on the then outstanding Bond and proposed parity lien obligations during any subsequent Fiscal Year; and

(3) In the event United States of America is the Holder of the Bond, the prior written consent to the issuance of such parity bonds has been obtained.

The foregoing limitations upon the issuance of parity bonds shall not apply in the case of the issuance of additional parity bonds necessary to complete the Project in accordance with the plans and specifications.

B. Certification of Revenues. A written certificate by the Consulting Engineer that Net Income is sufficient shall conclusively determine the right of the City to issue additional parity bonds. The Consulting Engineer may utilize the results of any annual audit to the extent it covers the applicable period.

C. Consideration of Additional Expenses. In determining whether additional parity bonds may be issued, the Consulting Engineer shall consider any probable increase (but not reduction) in Operation and Maintenance Expenses.

D. Subordinate Obligations Permitted. The City may issue bonds or other obligations having a lien on Net Revenues subordinate to the lien of the Bond. In the event United States of America is the Holder of the Bond, the prior written consent to the issuance of such subordinate bonds has been obtained.

E. Superior Obligations Prohibited. The City shall not issue any bond or other obligation having a lien prior and superior to the Bond.

Section 23. Refunding Bonds. The provisions of Section 22 hereof are subject to the following exceptions:

A. Privilege of Issuing Refunding Obligations. If at any time the City shall find it desirable to refund any outstanding Bonds or obligations constituting a lien upon System Revenues, said Bonds or other obligations may be refunded (but only with the consent of the Holders, unless the Bonds or other obligations shall then mature, or be callable without penalty) regardless of whether lien priority is changed hereby (except as provided in paragraph E of Section 22 hereof and in paragraphs B and C of this Section 23); provided however that the Bonds shall not be defeased by the City through refunding or otherwise as long as the United States of America is the registered owner thereof unless the United States of America gives its prior written consent thereto.

B. Limitations Upon Issuance of Parity Refunding Obligations. No refunding bonds or obligations refunded shall be on a parity with the Bond, unless:

(1) The lien of the obligations refunded is on a parity with the lien of the Bond, or

(2) The refunding bonds or obligations are issued in compliance with paragraph A of Section 22 hereof.

C. Refunding Part of an Issue. The refunding bonds or obligations shall enjoy complete equality of lien with any portion of the same issue which is not refunded. The Holders of such refunding bonds or obligations shall be subrogated to all of the rights and

privileges enjoyed by the Holders of the bonds or obligations of the same issue refunded thereby.

D. Limitation Upon Issuance of Any Refunding Obligations. Any refunding bonds or obligations payable from System Revenues shall be issued with such details as the City may provide, but without impairing any contractual obligation imposed by any proceedings authorizing any unrefunded portion of any issue (including the Bond). If only a part of any issue is refunded, then there may be no refunding without the consent of the Holders of the unrefunded portion, unless the refunding Bonds or obligations do not increase the aggregate principal and interest requirements for any Fiscal Year commencing prior to the last maturity date of such unrefunded obligations.

Section 24. Equality of Bonds. The Bond shall not be entitled to any priority one over the other in the application of Net Revenues, regardless of the times of their issuance.

Section 25. Protective Covenants. The City covenants and agrees with each and every Holder that:

A. Use of Bond Proceeds. The proceeds of the Bonds shall be used to finance acquisition and construction of the Project in accordance with Section 16 hereof.

B. Payment of Bonds Herein Authorized. The City will pay Bond principal and interest at the place, on the dates, and in the manner specified according to the true intent and meaning thereof.

C. Use Charges. Rates for services rendered by the System shall be reasonable and just, taking into account the cost and value of the System, operation and maintenance expenses, possible delinquencies, proper allowances for depreciation, contingencies, and the amounts necessary to retire all Bonds payable from Net Revenues, and the reserves therefor. There shall be charged against all users, including the State and its subdivisions, rates and amounts sufficient to produce revenues to pay the annual operation and maintenance charges, and the annual principal of and interest on all Bonds and other obligations payable from Net Revenues, including reserves. No free service shall be furnished by the City. Any use of the System by the City will be paid for from the City's general fund at the reasonable value of the use so made. Income so derived from the City shall be treated in the same manner as any other System income.

D. Levy of Charges. Prior to the delivery of the Bond, the City will establish and levy the required rates and charges. No reduction in any initial rate schedule may be made unless there is prior written approval by the United States of America or:

(1) The City has complied with Section 19B for at least two (2) Fiscal Years immediately preceding such reduction; and,

(2) The audits for the full two (2) Fiscal Years immediately preceding such reduction disclose that the estimated revenues resulting from the proposed rate

schedule will be sufficient to meet the requirements of paragraph C of this Section 25.

E. Efficient Operation. The City shall make such improvements and repairs to the System as may be necessary to insure its economical and efficient operation and its ability to meet demands for service.

F. Records. Separate records will be kept showing complete and corrected entries of all transactions relating to the System. Such records shall include monthly entries showing:

- (1) The number of customers;
- (2) The revenues received; and
- (3) A detailed statement of expenses.

G. Right to Inspect. The Purchaser, any Holder, or their duly authorized agents, shall have the right at all reasonable times to inspect the System, and all records, accounts, and data relating thereto.

H. Audits. The City agrees that it will, within nine (9) months following the close of each Fiscal Year, furnish to the Holder an audit made by an Independent Accountant. Each such audit, in addition to matters thought proper by the accountant, shall include:

- (1) A statement for the Fiscal Year just closed, of the income and expenditures of the System, including gross revenues, net revenues, the amount of any capital expenditures and profit or loss;
- (2) A balance sheet as of the end of such Fiscal Year, including all funds created by proceedings authorizing Bonds payable from System revenues;
- (3) The accountant's comment regarding the City's methods of operation and accounting practice;
- (4) A list of the insurance policies in force, setting out the amount of each policy, the risks covered, the name of the insurer, and the expiration date;
- (5) A recapitulation of each fund or account created by the various proceedings showing deposits and withdrawals for said Fiscal Year. Any Holder shall have the right to discuss the contents with any person making the audit;
- (6) The accountant's statement that to the best of his knowledge the City is in compliance with the provisions of this Bond Ordinance, or if the City is not in compliance, specifying where and how the City has failed to comply with this Bond Ordinance.

I. Budgets. The City agrees that it will comply with State budget laws in preparing annual budgets and in keeping accounts and records. The City will establish an acceptable method of bookkeeping for the System, and if the Holder of the Bond is the United States of America, the City will obtain the prior approval of such bookkeeping method from the United States of America. The City will prepare an annual operating budget for the System, and if the Holder of the Bond is the United States of America, the City will submit a copy of each such budget to the United States of America as soon as available but not later than thirty (30) days prior to the beginning of the budget year.

J. Billing Procedure and Discontinuance of Service. All bills shall be sent out on a regularly established day of each month in advance or after service is rendered. Bills shall be due within twenty (20) days from date, or such lesser time prescribed by City resolution. In lieu of monthly billings the City may require by resolution that rates and charges established by the City shall be paid by the 20th of each month, or such lesser time prescribed by City resolution. If bills are not paid sixty (60) days after such date or such lesser time prescribed by City resolution, they shall be collected in any lawful manner, including the denial or discontinuance of service.

K. Use of Bond and Reserve Funds. The Bond Fund and the Reserve Fund shall be used solely and only, and said funds are hereby pledged, for the purposes set forth above.

L. Charges and Liens Upon System. The City will pay all taxes and governmental charges lawfully levied in respect of the System when due. The City will comply with all valid requirements of any governmental authority relative to the System. It will not create or permit to be created any lien or charge upon the System or the Revenues except as permitted herein. The City will satisfy all claims and demands within sixty (60) days after the same shall accrue which might by law become a lien upon the System or upon the Revenues unless the validity thereof is being contested in good faith by appropriate legal proceedings.

M. Construction Contract and Bond. The City will require each person, firm or corporation with whom it may contract for labor or materials to furnish a performance and payment bond in the full amount of any contract. Any such contract will meet the reasonable requirements of the Purchaser as are not inconsistent with state law.

N. Insurance. Fire and extended coverage insurance on the System will be in such minimum amounts as are reasonable and prevalent for similar municipalities and systems in the State of Idaho and under such other terms and conditions as determined with the assistance of the Project Engineer, provided that such coverage amount shall not be less than the replacement cost of the system. The City will maintain liability insurance coverage of not less than \$2,000,000 with regard to personal injury and adequate property damage insurance on all structures, including equipment and machinery located therein, of not less than an amount equal to the insurable value for such structures, equipment and machinery. The City will carry worker's compensation coverage on all full-time employees in accordance with applicable state laws. The City will carry a fidelity bond

on the position of City Clerk/City Treasurer in an amount of not less than \$52,000, and if the United States of America is the Holder of the Bond, the United States of America will be named as a co-obligee on such fidelity bond and the United States of America will be furnished a copy of such fidelity bond with the appropriate power of attorney form attached.

O. Competing System or Works. The City shall not grant any franchise or license to a competing System, or permit any person or organization to sell sewer service within the City.

P. Alienating System. The City will not sell, lease, mortgage, pledge, or otherwise alienate, the System, or any part thereof, except any portion which shall have been replaced by other property of at least equal value or which shall cease to be necessary for the efficient operation of the System. In the event of any sale as aforesaid, the proceeds of such sale shall be distributed as Net Income.

Q. Extension of Interest Payments. The City will not extend or be a party to the extension of the time for paying any claim for interest. Any installment of interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Bond Ordinance except subject to the prior payment in full of the principal of all Bonds and interest which has not been extended.

R. Management of the System. If an "event of default" shall occur or if the Net Revenues in any Fiscal Year fail to equal principal, interest and reserves for all Bonds payable from Net Revenues, the City shall retain a Consulting Engineer to assist the management of the System so long as such default continues or the Net Revenues are less than the amount designated.

S. System Operation and Maintenance. The City will adopt adequate Rules and Regulations for the operation of the System, and such Rules and Regulations shall be approved by the United States of America. The City will prepare an Operation and Maintenance Manual for the System, and such Manual shall be approved by the United States of America. The City will provide the United States of America with a summary of the training provided or to be provided to System employees in the operation and maintenance of the System.

T. Number of Users. Prior to issuance of the Bond, the City will certify to the United States of America that there are at least 240 equivalent dwelling units who will connect or are connected to the System and pay the monthly service charge.

U. Indemnification. So long as the United States of America is the Holder of the Bond, the City will indemnify the United States of America for any payments made or losses suffered by the United States of America on behalf of the City. Such indemnification shall be payable from Revenues or from any other legally permissible source.

V. Compliance with Agreements. So long as the United States of America is the Holder of the Bond, the City will comply with all of its agreements and obligations in or under this Bond Ordinance, the Loan Resolution adopted by the City with respect to the Bonds, the Bond and any other security agreements or other documents executed by the City in connection with the Bond.

W. Providing Adequate Service. The City will provide adequate service to all persons within the System's service area who can feasibly and legally be served. So long as the United States of America is the Holder of the Bond, the City will obtain the United States of America's concurrence prior to refusing new or adequate services to such persons. It is understood that upon the City's failure to provide services which are feasible and legal, such person shall have a direct right of action against the City.

X. City's Existence. The City will maintain its corporate identity and existence so long as the Bond remains outstanding, unless another political subdivision by operation of law succeeds to the liabilities and rights of the City, without adversely affecting to any substantial degree the privileges and rights of any Holder.

Y. Floodplain Area. The City agrees to not purvey or sell water services to any new users located in the identified floodplains or in the areas outside the City limits that would also be considered to be within a 100-year floodplain based on the best information available, unless a registered professional engineer certifies to the City that a particular development proposal will not increase the level of the 100-year floodplain.

Z. Non-Waiver of Contest Period. The Council and the City, in consideration of the purchase of the Bonds, hereby covenant and agree with the holders of the Bond from time to time that neither the City nor the Council will ever waive, or agree to waive, as to the November 8, 2016, bond election, the time limitation provisions of subsection B of Section 34-2001A of the Idaho Code.

Section 26. Non-Arbitrage. The proceeds of the sale of the Bond shall not be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause the Bond to be an arbitrage bond within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The City shall also comply with all the terms of the Tax Certificate furnished by the City at closing of the Bonds and shall take such measures as needed in order to assure that interest on the Bonds is excluded from federal income tax under Section 103 of the Code.

Section 27. Issuance Limitation. The City hereby represents that the City (including all "subordinate entities" of the City within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year that the Bond is issued obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.00.

Section 28. Designation as Qualified Tax-Exempt Obligation. Pursuant to Section 265(b)(3) of the Code, the City hereby specifically designates the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code.

Section 29. Events of Default. It is an “event of default” if:

- A. Non-Payment of Principal. Payment of principal of the Bond is not made when due at maturity or upon prior redemption.
- B. Non-Payment of Interest. Payment of interest is not made when due.
- C. Incapable to Perform. The City is not capable of fulfilling its obligations hereunder.
- D. Default of any Provision. The City defaults in the punctual performance of its covenants hereunder for sixty (60) days after written notice shall have been given by the Holders of 25% or more of the outstanding Bonds.

Section 30. Remedies of Defaults. Upon the happening of any event of default, the Holder or Holders of not less than 25% in principal amount of the outstanding Bonds, or a trustee therefor, may protect and enforce the rights of any Bondholder by proper legal or equitable remedy deemed most effectual, including mandamus, specific performance of any covenant, the appointment of a receiver (the consent to such appointment being hereby granted), injunctive relief, or requiring the governing body of the City to act as if it were the trustee of an express trust, or any combination of such remedies. All proceedings shall be maintained for the equal benefit of all Holders. Any receiver appointed to protect the rights of Bondholders may take possession and operate and maintain the System in the same manner as the City itself might do. The failure of any Holder to proceed does not relieve the City or any person of any liability for failure to perform any duty hereunder. The foregoing rights are in addition to any other right and the exercise of any right by any Bondholder shall not be deemed a waiver of any other right.

Section 31. Duties Upon Default. Upon the happening of any event of default, the City will perform all proper acts to protect and preserve the security created for the prompt payment of the principal of and interest on Bonds. The Holder or Holders of not less than 25% in principal amount of the outstanding Bonds, after written demand, may proceed to protect and enforce the rights provided by this Section.

Section 32. Prior Charge Upon Lower Rates. If any commission or authority lawfully prescribes a lower schedule of rates than that contemplated by this Bond Ordinance, then the payment of principal and of interest on the Bond, and any additional parity bonds, shall constitute a first and prior charge on Revenues of the System.

Section 33. Amendment of Ordinance. This Bond Ordinance may be amended, without receipt by the City of any additional consideration, but with the written consent of the Holders of three-fourths (3/4) of the Bonds then outstanding (not including Bonds which may be held for the

account of the City); but no ordinance adopted without the written consent of the Holders of all outstanding Bonds shall have the effect of permitting:

- (1) An extension of the maturity of any Bond; or
- (2) A reduction in the principal amount or interest rate of any Bond; or
- (3) The creation of a lien upon revenues ranking prior to the lien or pledge created by this Bond Ordinance; or
- (4) A reduction of the principal amount of bonds required for consent to such amendatory ordinance; or
- (5) The establishment of priorities as between Bonds issued and outstanding under the provisions of this Bond Ordinance; or
- (6) The modification of or otherwise affecting the rights of the Holders of less than all of the outstanding Bonds.

Section 34. Ordinance Irrepealable. After any of the Bonds are issued, this Bond Ordinance shall be irrepealable until the principal of and interest on all outstanding Bonds have been paid in full.

Section 35. Severability Clause. The invalidity or unenforceability of any provision of this Bond Ordinance shall not affect the remaining provisions.

Section 36. Ordinance Subject to Loan Resolution and Loan Conditions; Repealer Clause.

The provisions of this Bond Ordinance and the Bonds are subject to all of the provisions contained in the Loan Resolution and the Loan Conditions. All other bylaws, orders and ordinances inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 37. Publication. This Bond Ordinance, or a summary thereof, upon passage, shall be recorded, authenticated and published in the official newspaper of the City within thirty (30) days of the date hereof.

Section 38. Post Issuance Tax Compliance Procedures. The City hereby adopts and agrees to follow the Post Issuance Tax Compliance Procedures set forth in Exhibit "B" attached hereto.

Section 39. Effective Date. That, pursuant to the affirmative vote of one-half (1/2) plus one (1) of the members of the Council, the rule requiring two (2) separate readings by title and one (1) reading in full be, and the same is hereby, dispensed with, and accordingly, this Ordinance shall be in full force and effect immediately upon its passage, approval, and publication, as provided by law..

PASSED by the City Council of the City of Donnelly, Valley County, Idaho, this 21st day of May, 2018.

APPROVED by the Mayor of the City of Donnelly, Valley County, Idaho, this 21st day of May, 2018.

MAYOR

ATTEST:

By: _____
CITY CLERK

(S E A L)

EXHIBIT "A"

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF IDAHO
COUNTY OF VALLEY

Registered No. R-1

\$549,000

CITY OF DONNELLY
WATER REVENUE BOND, SERIES 201__

INTEREST RATE

_____%

MATURITY DATE

DATED DATE

REGISTERED OWNER:

UNITED STATES OF AMERICA

PRINCIPAL AMOUNT: *** FIVE HUNDRED FORTY-NINE THOUSAND AND 00/100
DOLLARS***

KNOW ALL MEN BY THESE PRESENTS: That the City of Donnelly, Valley County, Idaho (the "City"), for value received, promises to pay solely from the "201__ Water Revenue Bond Fund" (the "Bond Fund") created by Ordinance No. 239, adopted on May 21, 2018 (the "Bond Ordinance"), to the Registered Owner identified above, or registered assigns, the principal amount identified above, and to pay interest thereon from the aforesaid Bond Fund from _____, 201__, or the most recent date to which interest has been paid or duly provided for, at the rate specified above. Annual installments of principal and interest in the amount of \$_____ shall be paid beginning on _____, 201__, and on _____ annually thereafter for a period of forty (40) years from the date hereof. The final payment may be in such lesser or greater amount as is necessary to pay the balance of principal and interest then remaining due.

Both principal of and interest on this Bond are payable in lawful money of the United States of America to the registered owner hereof whose name and address appear on the registration books of the City (the "Bond Register") maintained by the Bond Registrar, which shall be the City Clerk of the City of Donnelly, Idaho.

Payments of all installments of principal and interest on this Bond shall be made to the registered Holder, without presentation or demand.

This Bond is issued by the City for the purpose of paying a portion of the cost of constructing, improving and bettering the City's municipal water system (the "System") as more fully described in the Bond Ordinance. This Bond is issued pursuant to and in full compliance

with the Constitution and statutes of the State of Idaho, particularly Sections 50-1027 through 50-1042, and Title 57, Chapter 2, Idaho Code, and proceedings duly adopted and authorized by the City, more particularly the Bond Ordinance, and also pursuant to the legal authorization of a special election noticed, held, and conducted within the City on November 8, 2016.

This Bond may be called for redemption and payment in full, or in part in integral multiples of \$1,000, plus accrued interest to the date of such prepayment, without penalty and without additional interest or charges, at the option of the City upon any installment due date, and any such prepayments shall be applied in inverse order of maturity of the principal payments due under the terms of this Bond. If serial bonds are issued in substitution for the Bond, such serial bonds shall be subject to redemption prior to their respective maturities, in inverse numerical order, on any principal and interest payment date without premium or penalty.

THIS BOND DOES NOT CONSTITUTE A DEBT OR GENERAL OBLIGATION OF THE CITY OF DONNELLY OR OF THE COUNTY OF VALLEY OR OF THE STATE OF IDAHO, OR OF ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER SAID CITY, COUNTY, STATE OR ANY SUBDIVISION THEREOF SHALL BE LIABLE HEREON, NOR HAS THE FULL FAITH AND CREDIT OF SAID CITY, COUNTY OR STATE BEEN PLEDGED TO THE PAYMENT OF THIS BOND.

The income and revenues obtained by the City from the operation of the System financed in whole or in part with the proceeds of this Bond or with the proceeds of any grant made in connection with the issuance of this Bond, are hereby pledged for the repayment hereof, and the City hereby covenants and agrees that it will neither make any pledge of income or revenues from said System or the funds of any grants which it may receive in connection with the issuance of this Bond, nor dispose of the said System so financed by sale, lease or otherwise, without first obtaining the written consent of the registered Holder of this Bond.

This Bond creates a lien and charge upon the Net Revenues (as said term is defined in the Bond Ordinance) of the System, superior to all other charges of any kind or nature, except that said lien is on a parity with the lien of the City's Water Revenue Bond, Series 1996A dated February 1, 1996. This Bond is a limited obligation of the City and is payable as to principal and interest solely from a special fund created by the Bond Ordinance and designated "201__ Water Revenue Bond Fund." For a more particular description of said Bond Fund, the revenues to be deposited therein, and the nature and extent of the security afforded thereby, reference is made to the provisions of the Bond Ordinance pursuant to which this Bond is issued and such Bond Fund will be maintained.

The City covenants and agrees with the registered Holder hereof that it will keep and perform all the covenants of the Bond Ordinance, including its covenant against the sale or mortgage of the System or any part thereof unless provision has been made for the payment of this Bond and its covenant that it will fix, maintain and collect rents sufficient to pay operation and maintenance expenses and 100% of both the principal and interest on this Bond and any other obligation payable from the revenues of the System (including reserves).

This Bond shall be registered as to principal and interest in the name of the original

purchaser and any subsequent purchasers in a registration book in the Office of the City Clerk of the City of Donnelly, Idaho, who shall be the Registrar, and each registration is to be noted therein by the Registrar. This Bond is transferable only upon said book, by notation thereon, by the registered owner hereof in person or by his attorney duly authorized in writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the City, duly executed by the registered owner or his attorney duly authorized in writing; thereupon, a new Bond in the same form as this Bond shall be issued to and registered in the name of the transferee.

In the event of default in the payment of any installment due upon this Bond, or in the event of default or breach in carrying out any of the covenants and conditions contained in said Bond Ordinance, the holder hereof shall have the right to apply to a court of competent jurisdiction for the appointment of a trustee, in whom shall be vested the right to take possession of the System and so long as the City shall continue in default, to retain such possession and use, operate and manage said System, and to collect the income and revenues obtained therefrom which the trustee shall pay proportionately to all Holders of Bonds upon which payment is delinquent, after deducting therefrom the actual expenses of the Operation and Maintenance of said System. Furthermore, upon any such default or breach, the Holder of this Bond shall have all rights and remedies provided by law or authorized by law to be conferred hereby.

It is hereby certified, recited and declared that all requirements of law have been complied with by the City in the issuance of this Bond, and that the total indebtedness of said City, including that represented by this Bond, does not exceed any limitation of such indebtedness prescribed by the Constitution or the laws of the State of Idaho. It is further hereby certified, recited and declared that all conditions, acts and things essential to the validity of this Bond do exist, have happened, and have been done and that every requirement of law affecting the issue hereof has been duly complied with; that the Net Revenues to be derived from the operation of the System, including any future improvements, additions or extensions thereto, have been and are hereby pledged and will be set aside into the Bond Fund of the City to be used for the payment of principal of and interest on this Bond.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, The City has executed this Bond by causing it to be signed by the Mayor, countersigned by the City Treasurer and attested by the City Clerk, and its official seal affixed hereto as of the ____ day of _____, 201__.

CITY OF DONNELLY
Valley County, Idaho

(manual or facsimile signature)
By: _____
MAYOR

COUNTERSIGNED:

(manual or facsimile signature)
By: _____
CITY TREASURER

[SEAL]

ATTEST:

(manual or facsimile signature)
By: _____
CITY CLERK

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Name of Transferee: _____

Address: _____

Tax Identification No. _____

the within Bond and hereby irrevocably constitutes and appoints

_____ to transfer
said Bond on the books kept for registration thereof, with full power of substitution in the
premises.

Dated: _____.

Registered Owner

NOTE: The signature on this Assignment must
correspond with the name of the registered owner as
it appears upon the face of the within Bond in every
particular, without alteration or enlargement or any
change whatever.

SIGNATURE GUARANTEED:

Bank, Trust Company or Member Firm
of the New York Stock Exchange

By: _____
Authorized Officer

EXHIBIT B

POST ISSUANCE TAX COMPLIANCE PROCEDURES

City of Donnelly, Valley County, State of Idaho Post-Issuance Tax Compliance Procedures For Tax-Exempt Bond

May 21, 2018

The purpose of these Post-Issuance Tax Compliance Procedures is to establish policies and procedures in connection with tax-exempt bonds (“Bonds”) issued by the City of Donnelly, Valley County, State of Idaho (the “City”) so as to ensure that the City complies with all applicable post-issuance requirements of federal income tax law needed to preserve the tax-exempt status of the Bond.

General

Ultimate responsibility for all matters relating to City financings and refinancings rests with the City Treasurer of the City for all City financings (the “Treasurer”).

Post-Issuance Compliance Requirements

External Advisors / Documentation

The Treasurer and other appropriate City personnel as applicable shall consult with bond counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bond will continue to qualify for the appropriate tax status. Those requirements and procedures shall be documented in a City resolution(s), Tax Certificate(s) and / or other documents finalized at or before issuance of the Bond. Those requirements and procedures shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bond.

The Treasurer and other appropriate City personnel as applicable also shall consult with bond counsel and other legal counsel and advisors, as needed, following issuance of the Bond to ensure that all applicable post-issuance requirements in fact are met. This shall include, without limitation, consultation in connection with future contracts with respect to the use of Bond-financed assets and future contracts with respect to the use of output or throughput of Bond-financed assets.

Whenever necessary or appropriate, the City shall engage expert advisors (each a “Rebate Service Provider”) to assist in the calculation of arbitrage rebate payable in respect of the investment of Bond proceeds.

Role of the City as Bond Issuer

Unless otherwise provided by City resolutions or ordinances, unexpended Bond proceeds shall be held by the City, and the investment of Bond proceeds shall be managed by the Treasurer. The Treasurer shall maintain records and shall prepare regular, periodic statements to the City regarding the investments and transactions involving Bond proceeds.

If a City resolution or ordinance provides for Bond proceeds to be administered by a trustee, the trustee shall provide regular, periodic (monthly) statements regarding the investments and transactions involving Bond proceeds.

Arbitrage Rebate and Yield

Unless a Tax Certificate documents that bond counsel has advised that arbitrage rebate will not be applicable to an issue of Bonds:

- the City shall engage the services of a Rebate Service Provider, and the City or the Bond trustee shall deliver periodic statements concerning the investment of Bond proceeds to the Rebate Service Provider on a prompt basis;
- upon request, the Treasurer and other appropriate City personnel as applicable shall provide to the Rebate Service Provider additional documents and information reasonably requested by the Rebate Service Provider;
- the Treasurer and other appropriate City personnel as applicable shall monitor efforts of the Rebate Service Provider and assure payment of required rebate amounts, if any, no later than 60 days after each 5-year anniversary of the issue date of the Bonds, and no later than 60 days after the last Bond of each issue is redeemed; and
- during the construction period of each capital project financed in whole or in part by Bond, the Treasurer and other appropriate City personnel as applicable shall monitor the investment and expenditure of Bond proceeds and shall consult with the Rebate Service Provider to determine compliance with any applicable exceptions from the arbitrage rebate requirements during each 6-month spending period up to 6 months, 18 months or 24 months, as applicable, following the issue date of the Bond.

For working capital financings, the City shall follow procedures set forth in the applicable Tax Certificate and/or instructions delivered at bond or note closing.

The City shall retain copies of all arbitrage reports and trustee statements as described below under "Record Keeping Requirements".

Use of Bond Proceeds

The Treasurer and other appropriate City personnel as applicable shall:

- monitor the use of Bond proceeds, the use of Bond-financed assets (e.g., facilities, furnishings or equipment) and the use of output or throughput of Bond-financed assets throughout the term of the Bond (and in some cases beyond the term of the Bond) to ensure compliance with covenants and restrictions set forth in applicable City ordinances, resolutions and Tax Certificates;
- maintain records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bond;
- consult with Bond Counsel and other professional expert advisers in the review of any contracts or arrangements involving use of Bond-financed facilities to ensure compliance with all covenants and restrictions set forth in applicable City resolutions and Tax Certificates;
- maintain records for any contracts or arrangements involving the use of Bond-financed facilities as might be necessary or appropriate to document compliance with all covenants and restrictions set forth in applicable City ordinances, resolutions and Tax Certificates;
- meet at least annually with personnel responsible for Bond-financed assets to identify and discuss any existing or planned use of Bond-financed, assets or output or throughput of Bond-financed assets, to ensure that those uses are consistent with all covenants and restrictions set forth in applicable City ordinances, resolutions and Tax Certificates.
- take timely remedial actions under section 1.141-12 of the Treasury Regulations (or other remedial actions authorized by the Commissioner of the IRS under Section 1.141-12(h) of the Regulations) to prevent from being considered “deliberate actions” any actions of the City which cause the conditions of the private business tests or the private loan financing test to be met resulting in private activity bonds.

All relevant records and contracts shall be maintained as described below and in the applicable Tax Certificate.

Investment of bond proceeds in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Treasurer.

- Guaranteed investment contracts (“GIC”) will be purchased only using the three-bid “safe harbor” of applicable Treasury regulations, in compliance with fee limitations on GIC brokers in the regulations.
- Other investments will be purchased only in market transactions.
- Calculations of rebate liability will be performed annually by outside consultants.
- Rebate payments will be made with Form 8038-T no later than 60 days after (a) each fifth anniversary of the date of issuance and (b) the final retirement of the issue. Compliance with rebate requirements will be reported to the bond trustee and the issuer.

- Identify date for first rebate payment at time of issuance. Enter in records for the issue.

Record Keeping Requirements

Unless otherwise specified in applicable City ordinances, resolutions or Tax Certificates, the City shall maintain the following documents for the term of each issue of Bond (including refunding Bond, if any) plus at least three years:

- a copy of the Bond closing transcript(s) and other relevant documentation delivered to the City at or in connection with closing of the issue of Bond;
- a copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, as well as documents relating to costs reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds;
- a copy of all contracts and arrangements involving private use of Bond-financed assets or for the private use of output or throughput of Bond-financed assets; and
- copies of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements.

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 18-50

Meeting Date 05/21/18

AGENDA ITEM INFORMATION				
SUBJECT: <i>Adopt Resolution 2018-013 Bond Anticipation Note</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:	Unknown			
A RESOLUTION OF THE CITY OF DONNELLY, VALLEY COUNTY, IDAHO, AUTHORIZING THE ISSUANCE OF A BOND ANTICIPATION NOTE PENDING THE ISSUANCE OF A WATER REVENUE BOND; PROVIDING A FORM OF THE BOND ANTICIPATION NOTE; PROVIDING FOR THE MANNER OF ISSUANCE OF THE BOND ANTICIPATION NOTE; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL THEREOF AND THE INTEREST THEREON; PROVIDING TERMS, COVENANTS, AND OTHER MATTERS RELATING THERETO; AND PROVIDING AN EFFECTIVE DATE				
RECOMMENDED ACTION: <i>1. Adopt Resolution 2018-013 2. Authorize Mayor to Sign all necessary documents</i>				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

RESOLUTION NO. 2018-013

A RESOLUTION OF THE CITY OF DONNELLY, VALLEY COUNTY, IDAHO, AUTHORIZING THE ISSUANCE OF A BOND ANTICIPATION NOTE PENDING THE ISSUANCE OF A WATER REVENUE BOND; PROVIDING A FORM OF THE BOND ANTICIPATION NOTE; PROVIDING FOR THE MANNER OF ISSUANCE OF THE BOND ANTICIPATION NOTE; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL THEREOF AND THE INTEREST THEREON; PROVIDING TERMS, COVENANTS, AND OTHER MATTERS RELATING THERETO; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Donnelly, Valley County, Idaho (the "City"), is a municipal corporation organized and existing under the laws of the State of Idaho; and

WHEREAS, at a special bond election of the City held on November 8, 2016, the qualified electors voting at said election authorized the issuance of water revenue bonds in the principal amount not to exceed \$1,200,000 for improvements to the City's domestic water system (the "Project"); and

WHEREAS, by Ordinance No. 239, adopted on May 21, 2018 (the "Bond Ordinance"), the City Council authorized the issuance of a Water Revenue Bond, Series 2018, in a principal amount not to exceed \$549,000 (the "Bond") and provided for the sale and delivery of the Bond to the United States of America, Department of Agriculture; and

WHEREAS, the City Council is authorized and empowered by the Revenue Bond Act, being Idaho Code Sections 50-1027 through 50-1042, inclusive, to issue bond anticipation notes for temporary financing of the construction of authorized improvements, such bond anticipation notes to be issued, sold, and delivered from time to time until moneys are available from the first proceeds of the issuance and sale of the Bond; and

WHEREAS, the City has received an offer from ZB, N.A. ("Zions") to provide interim financing for the Project, pending the issuance of the Bond, and the City Council desires to accept such offer and to authorize the issuance, sale, and delivery of a bond anticipation note in accordance with such offer.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DONNELLY, IDAHO, as follows:

Section 1: For the purpose of paying any contractor for the costs of construction and installation of improvements and betterments to the domestic water system of the City (the "Project"), as provided in the Bond Ordinance, or otherwise defraying any cost of the Project authorized thereby as the same become due, the Mayor and City Clerk-Treasurer are hereby authorized and directed, on behalf of the City, to cause to be issued, sold, and delivered a bond

anticipation note in the manner hereinafter provided, all as authorized by Section 50-1036, Idaho Code.

Section 2: The bond anticipation note is hereby authorized to be issued, sold, and delivered to Zions, and shall be designated the “City of Donnelly Water Revenue Bond Anticipation Note, Series 2018” (the “Note”). The Note shall be issued in the aggregate principal amount of \$549,000, shall be substantially in the form which is annexed hereto as Exhibit “A,” shall be dated as of the date of delivery thereof, and shall mature on August 1, 2022.

At the closing of the Note on June 1, 2018, or on such other date as shall have been mutually agreed upon by the City and Zions (the “Closing Date”), the full amount of \$549,000 shall be drawn on the Note and deposited with and held by ZB, National Association dba Zions Bank, Zions Corporate Trust (the “Custodian”) in a fund designated the “City of Donnelly Bond Anticipation Note Custodial Fund” (the “Custodial Fund”). The City may make a maximum of one (1) draw per month on the Custodial Fund of no minimum size by submitting to the Custodian applicable documentation relating to the draw, including but not limited to the related invoices and/or letter of approval of the draw from the United States Department of Agriculture - Rural Development (“USDA”). Funds held in the Custodial Fund will be invested in a money market account until drawn by the City, and all interest earnings thereon shall become the property of the City to be used for any lawful purpose of the City related to the Project.

The Note shall bear interest at the fixed rate of 2.85% from its date until May 31, 2020. On June 1, 2020, and each year thereafter until maturity, the Note shall bear interest at 1-year LIBOR, plus 0.50%. Interest on the Note shall be paid each June 1 and December 1, beginning December 1, 2018, and such interest shall be computed on the basis of a 30-day month and 360-day year.

Section 3: The Note shall be sold at private sale for not less than par value thereof to Zions, in accordance with Zions’ Term Sheet dated April 19, 2018, a copy of which is annexed hereto as Exhibit “B” and a Note Purchase Contract between the City and Zions. The execution of the Term Sheet by the Mayor is hereby ratified and the Mayor, the City Treasurer and the City Clerk are hereby authorized to execute and deliver the Note Purchase Contract, and are further authorized to execute and attest, respectively, the Note on behalf of the City.

Section 4: There has heretofore been created by the Bond Ordinance, the City of Donnelly Water Project Capital Improvement Fund (“Capital Improvement Fund”) held by the City, into which shall be deposited all amounts drawn on the Custodial Fund by the City. The amounts so drawn on the Custodial Fund by the City shall be expended for the purpose of paying the costs of acquisition and construction of the domestic water system improvement Project and of the expenses incidental thereto, including but not limited to the costs of issuing the Note, and for no other purpose. All moneys so expended shall be charged to the moneys credited to said Project.

Section 5: The Note shall be subject to call and redemption at any time at the option of the City when the proceeds of the Bond become available. In the event of call and redemption prior to the stated date of maturity of the Note, the City Clerk shall give written notice to the registered owner at least thirty (30) days prior to the call and redemption date. Interest on the Note shall cease to accrue after the date fixed for call and redemption, provided that funds equal to the amount of call and redemption, including any accrued interest have been deposited at the place of payment at that time.

Section 6: The principal of and unpaid accrued interest on the Note shall be payable on the maturity date or upon prior redemption of the Note in lawful money of the United States of America to the registered owner thereof, at the address of such registered owner, from the proceeds of the Bond.

Section 7: The Note shall be executed in the name of the City of Donnelly, shall be signed by the Mayor, countersigned by the City Treasurer, and attested by the City Clerk, and shall be authenticated by the seal of the City affixed thereto. The Note shall be registered with the City Treasurer in the name of Zions or its assignee, both as to principal and as to interest, and any transfer thereof must likewise be registered.

Section 8: The first proceeds of the Bond and the Net Revenues of the City's domestic water system (such capitalized terms shall have the meanings set forth in the Bond Ordinance) are hereby pledged for the payment and redemption of the principal of and any unpaid interest on the Note. The first proceeds of the Bond shall not be pledged to pay any other obligation of the City until all principal and interest payments on the Bond Anticipation Note have been paid to the registered owner. The first proceeds of the Bond are defined as all of the monies received from the sale of the City's Bond, as such term is defined in the Bond Ordinance, before any fees are paid or deductions are made.

Section 9: The City covenants with the registered owner of the Note as follows:

A. The Note is hereby designated as a "qualified tax-exempt obligation" within the meaning and for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code"), and the City, including all aggregated issuers as described in Section 265(b)(3)(E), does not reasonably anticipate that it will issue more than \$10,000,000, including the Note, as qualified tax-exempt obligations during the calendar year 2018.

B. None of the proceeds of the Note will be used directly or indirectly (i) to make or finance loans to persons or (ii) in any trade or business carried on by any person (other than use as a member of the general public). For purposes of the preceding sentence, the term "person" does not include a government unit other than the United States or any agency or instrumentality thereof, and the term "trade or business" means any activity carried on by a person other than a natural person.

C. The City has general taxing powers. The Note is not a “private activity bond” within the meaning of Section 141 of the Code. 95% or more of the net proceeds of the Note are to be used for the local governmental activities of the City. The City has no subordinate bond-issuing entities. The City has not issued, and does not reasonably anticipate that it will issue, tax-exempt obligations in calendar year 2018 in a face amount which exceeds \$5,000,000. Accordingly, under Section 148(f)(4)(D) of the Code, the City is not required to pay rebates to the United States under Section 148(f) of the Code.

D. No portion of the original proceeds of the Note will be invested in higher-yielding non-purpose obligations beyond a temporary period determined as the earlier of three (3) years after the date the Note is issued or the date the Project is substantially completed.

E. The City will take no action which would cause the Note to become an arbitrage bond within the meaning of Section 148 of the Code. The City shall also comply with all the terms of the Tax Certificate furnished by the City at closing of the Note and shall take such measures as needed in order to assure that interest on the Note is excluded from federal income tax under Section 103 of the Code.

F. The City will comply with the information reporting requirements of Section 149(e) of the Code.

G. None of the proceeds of the Note will be used to reimburse the City for capital expenditures made prior to July 8, 2016.

H. The Note, when executed pursuant to the terms of this Resolution, will be a legal, binding and valid obligation of the City. In executing the Note, the City has not defaulted on any other obligations of the City and the Note is not adverse to any other existing contracts the City has entered into.

I. All official actions taken by the Mayor and Council of the City with respect to the approval of this Resolution occurred at open and public meetings of the City Council which were duly called, noticed, held, and conducted in compliance with the laws of the State of Idaho relating to public meetings of the City Council.

J. The City certifies that there is no litigation now pending questioning the organization of the City, the proceedings pursuant to which the Note will be issued, or the means provided for payment of the principal of and interest on said Note, or in any manner questioning the City’s right and power to execute and deliver said Note or otherwise questioning the validity of said obligation.

Section 10: EVENTS OF DEFAULT

It is an “event of default” if:

A. Non-Payment of Principal. Payment of principal of the Note is not made when due at maturity or upon prior redemption.

B. Non-Payment of Interest. Payment of interest is not made when due.

C. Incapable to Perform. The City is not capable of fulfilling its obligations hereunder.

D. Default of any Provision. The City defaults in the punctual performance of its covenants hereunder for thirty (30) days after written notice shall have been given by the Holders of 25% or more of the outstanding Note.

E. Remedies of Default.

Upon the happening of any event of default, the Holder or Holders of not less than 25% in principal amount of the outstanding Notes, or any trustee therefore, may protect and enforce the rights of any Holder by proper legal or equitable remedy deemed most effectual, including mandamus, specific performance or any covenant, the appointment of a receiver (the consent to such appointment being hereby granted), injunctive relief, or requiring the governing body of the City to act as if it were the trustee of an express trust, or any combination of such remedies. All proceedings shall be maintained for the equal benefit of all Holders. Any receiver appointed to protect the rights of the Holders may take possession and operate and maintain the System in the same manner as the City itself might do. The failure of any Holder to proceed does not relieve the City or any person of any liability for failure to perform any duty hereunder. The foregoing rights are in addition to any other right and the exercise of any right by any Holder shall not be deemed a waiver of any other right.

Upon the happening of any event of default, the City will perform all proper acts to protect and preserve the security created for the prompt payment of the principal of and interest on the Note(s). The Holder or Holders of not less than 25% in principal amount of the outstanding Notes, after written demand, may proceed to protect and enforce the rights provided by this Section.

Section 11: This Resolution shall take effect and be in force from and after its passage and approval.

(The remainder of this page is intentionally left blank.)

DATED this 21st day of May, 2018.

CITY OF DONNELLY
Valley County, Idaho

By _____
Mayor

ATTEST:

City Clerk

(S E A L)

EXHIBIT "A"
FORM OF NOTE

Registered No. R-1

Not To Exceed \$549,000

UNITED STATES OF
AMERICA STATE OF IDAHO

County of Valley

CITY OF
DONNELLY
WATER REVENUE BOND ANTICIPATION NOTE, SERIES
2018

On or before August 1, 2022, the City of Donnelly, Valley County, Idaho (the "City"), will pay in lawful money of the United States of America, to ZB, N.A., the sum of not exceeding

FIVE HUNDRED FORTY-NINE THOUSAND AND NO/100THS DOLLARS

(\$549,000), together with any unpaid interest thereon from the date hereof at the rate of 2.85% until May 31, 2020. On June 1, 2020, and each year thereafter until maturity, the Note shall bear interest at 1-year LIBOR, plus 0.50%. Interest shall be paid semi-annually, commencing December 1, 2018, and every June 1 and December 1 thereafter until the Note is fully paid, and such interest shall be computed on the basis of a 30-day month and 360-day year.

On the date hereof the full amount of \$549,000 shall be drawn on the Note and deposited with and held by ZB, National Association dba Zions Bank, Zions Corporate Trust (the "Custodian") in a fund designated the "City of Donnelly Bond Anticipation Note Custodial Fund" (the "Custodial Fund"). The City may make a maximum of one (1) draw per month on the Custodial Fund of no minimum size by submitting to the Custodian applicable documentation relating to the draw, including but not limited to the related invoices and/or letter of approval of the draw from the United States Department of Agriculture - Rural Development ("USDA"). Funds held in the Custodial Fund will be invested in a money market account until drawn by the City, and all interest earnings shall become the property of the City to be used for any lawful purpose of the City related to the Project (defined below).

This Bond Anticipation Note is issued, sold, and delivered in anticipation of the issuance of a Water Revenue Bond, Series 2018 (which designation will be changed to reflect the calendar year in which it is issued) (the "Bond") pursuant to Idaho Code Section 50-1036, and under and by virtue of and in full conformity with the Constitution and laws of the State of Idaho and Resolution No. 2018-013 of the City, adopted on May 21, 2018 (the "Note Resolution"), for

the purpose of paying any contractor for the construction and installation of improvements and betterments to the domestic water facilities as described in Ordinance No. 239 of the City, adopted on May 21, 2018 (the "Bond Ordinance") and in the Note Resolution (the "Project"), or otherwise defraying any costs of the Project as the same become due.

This Note creates a lien on the proceeds of the Bond and charge upon the Net Revenue of the City's domestic water System (as such capitalized terms are defined in the Bond Ordinance), superior to all other charges of any kind and nature, except the charges necessary to pay the principal of and interest on any future parity bonds until the principal and interest on the Note are paid in full. This Note is a limited obligation of the City and is payable as to principal and interest from the proceeds of the Bond or in the event that the Bond is not issued, the Net Revenue of the City's domestic water System.

This Note is registered, both as to principal and interest, with the Registrar, and any transfer hereof must likewise be registered. This Note is a negotiable instrument, payable from the proceeds of the issuance and sale of the Bond, approved by the electorate of the City at a special election held within the City on November 8, 2016. The proceeds of the Bond, will be placed in the City of Donnelly Water Project Capital Improvement Fund, created by the Bond Ordinance, which special fund is hereby pledged for the payment of both the principal of and interest on the Note.

This Note is subject to prior call and redemption at any time at the option of the City when proceeds of the Bond, become available. Notice of such prior call and redemption shall be given in accordance with the Note Resolution. In the event of such call and redemption, interest on the principal amount of this Note shall cease to accrue after the date fixed for call and redemption in the notice thereof and funds equal to the amount of call and redemption have been deposited at the place of payment at that time.

Throughout the term of the Note, the City shall repair and maintain the System and the City shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the System excepting ordinary wear and tear, and the City hereby covenants and agrees that it will comply with all vendors' and manufacturers' maintenance and warranty requirements pertaining to the System.

The City will, from time to time, duly pay and discharge, or cause to be paid and discharged, any taxes, assessments, utilities or other governmental charges lawfully imposed upon any of the properties of the System or upon the Net Revenues when the same shall become due, and will duly observe and conform to all valid requirements of any governmental authority relative to any such properties. The City will keep the System and all parts thereof free from judgments, mechanics' and materialmen's liens (other than those arising by mere operation of law from the construction of the Project and other improvements to the System which are promptly discharged in due course) and free from all other liens, claims, demands and

encumbrances of whatsoever prior nature or character, to the end that the priority of the lien of this Note and the Note Resolution on the proceeds and the Net Revenue may at all times be maintained and preserved, and free from any claim or liability which might embarrass or hamper the City in conducting its business.

The City agrees to procure and maintain, or cause to be procured and maintained public liability insurance, casualty insurance, and property damage insurance on the System in such amounts and against such risks as are acceptable to the Purchaser.

All terms defined herein, unless the context otherwise requires, shall have the same meaning as defined in the Bond Ordinance and/or the Note Resolution.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all matters, acts, conditions, and things required by law to make this Note a valid limited obligation of the City of Donnelly have happened, have been done, and have been performed and the first proceeds of the issuance and sale of the City's Water Revenue Bond, Series 2018 (which designation will be changed to reflect the calendar year in which it is issued), are pledged for the payment of the same.

IN WITNESS WHEREOF, the City of Donnelly, by its City Council, has caused this Bond Anticipation Note to be executed in its behalf and under its official seal by the manual or facsimile signature of its Mayor, countersigned by the manual or facsimile signature of its Treasurer, and attested by the manual or facsimile signature of its City Clerk, all as of the ____ day of _____, 2018.

CITY OF DONNELLY
Valley County, Idaho

By _____
Mayor

COUNTERSIGNED

By _____
Treasurer

ATTEST:

City Clerk

(S E A L)

This Bond Anticipation Note is registered in the name of the registered owner whose name and address appear last below, and both principal and interest are payable only to said owner.

NOTE: There must be no writing in the space below except by the Registrar.

<u>Date of Registration</u>	<u>Name and Address of Registered Owner</u>	<u>Signature of Treasurer</u>
_____, 2018	ZB, N.A. 800 W. Main Street Boise, ID 83702	

EXHIBIT "B"
ZB, N.A. TERM SHEET

(attached)



April 19, 2018

Mayor Brian Koch
169 Halferty Street
Donnelly, ID 83615

Dear Mayor Koch,

Zions Bank Public Finance (Zions) presents the following indicative terms for the City's interim financing. These terms are contingent upon final credit approval and receipt of additional items and information including, but not limited to, USDA's Commitment Letter.

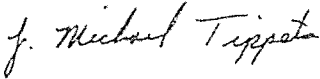
- a) **Purchaser:** ZB, N.A.
- b) **Interest Rate:** 2.85% fixed through June 1, 2020
- c) **Repayment:** Semi-annual interest due each June 1 and December 1, beginning December 1, 2018. The City will be required to make semi-annual interest payments, but can reimburse itself via a draw on the Note before or after the due date with USDA approval.
- d) **Maximum Loan:** \$549,000
- e) **Closing Date:** On or around June 1, 2018
- f) **Maturity:** August 1, 2022
- g) **Custody Account:** At closing, the full amount of the Note will be drawn and deposited with Zions Corporate Trust as Custodian. Draws on the funds will be processed through the Custodian. Undrawn funds will be invested in a money market account, currently yielding approximately 1.25%-1.35%, and all interest earnings become the property of the City to be used for any lawful purpose.
- h) **Custodian Fees:** Annual fee of \$1,000 with first year's fee due at closing
- i) **Bank Fees:** Purchaser's Fee of \$5,000 due at closing
- j) **Prepayment:** Pre-payable at any time at par plus accrued interest without penalty
- k) **Draw Feature:** The City can make monthly draws of no minimum size by submitting applicable documentation (e.g. invoices, letter of USDA approval for draw, etc.) to the Custodian. Maximum of one (1) draw per calendar month. Requests received before noon will fund the next day via ACH deposit. Rush draws (same day if received before noon) can be fulfilled with a \$15 wire transfer fee.
- l) **Rate Reset:** On June 1, 2020, and each year thereafter until maturity, the Note interest rate will reset to 1-year LIBOR plus 0.50%. The final maturity of the Note has been set to match the expiration date for USDA's loan approval, but the interest rate of 2.85% is based on the anticipated construction timeline and USDA payoff of the Note. In the event that construction extends beyond June 1, 2020, the Note will remain outstanding rather than forcing the City to issue a new Note. This provision is meant to save the City considerable

time and expense if construction is delayed.

- m) **Other Conditions:** Subject to legal, valid, and binding opinion from Skinner Fawcett designating the note as a qualified tax-exempt obligation pursuant to Section 265(b)(3) of the IRS code.
- n) **Expiration:** Terms valid for 60 days if accepted within 15 days

Thank you for your consideration of our proposal. Please direct all communication to Michael Tippetts at (208) 501-7481 or michael.tippetts@zionsbancorp.com

Sincerely,



J. Michael Tippetts
Asst. Vice President
Zions Bank Public Finance

Acceptance:


Mayor Brian Koch

Date: 4/23/18



Zions Bank

Disclosure Regarding the Direct Purchase of a Bank Loan, Municipal Lease, or Municipal Security

Identified Transaction: City of Donnelly 2018 Bond Anticipation Note (USDA
Interim)

For the transaction identified above, Zions Bank including all of its affiliates (the Bank) is not recommending an action to you as the potential issuer. The Bank is not acting as a municipal advisor to you for this issue and does not owe you a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 with respect to the information and material contained in this communication. The Bank is acting in its own best interests and you may wish to discuss any information or material provided to you by the Bank with any internal or external experts that you deem appropriate before acting on that information.

If the Bank has previously provided any advice to you regarding the transaction or project identified above, the Bank will not be allowed to purchase the transaction.

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 18-53

Meeting Date 05/21/18

AGENDA ITEM INFORMATION				
SUBJECT: <i>Resolution 2018-14</i> <i>USDA Rural Development Loan Resolution</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:	Unknown			
Loan Resolution required for the Loan from USDA Rural Development for the Water System Improvement Project.				
RECOMMENDED ACTION: 1. <i>Adopt Resolution</i> 2. <i>Authorize Mayor to sign all necessary documents.</i>				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

LOAN RESOLUTION
(Public Bodies)A RESOLUTION OF THE City CouncilOF THE Donnelly, City ofAUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A
PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITSDrinking Water

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Donnelly, City of

(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

Five Hundred Forty-Nine Thousand & 00/100pursuant to the provisions of Idaho Statute Title 50; and**WHEREAS**, the Association intends to obtain assistance from the United States Department of Agriculture,
(herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921
et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event
that no other acceptable purchaser for such bonds is found by the Association:**NOW THEREFORE**, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ 447,000.00

under the terms offered by the Government; that the Mayor

and N/A of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yeas _____ Nays _____ Absent _____

IN WITNESS WHEREOF, the City Council of the

Donnelly, City of has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this _____, _____ day of 2018

(SEAL)

Attest:

By Brian Koch
Title Mayor

Cami Hedges
Title City Clerk

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as _____ of the Donnelly, City of
hereby certify that the City Council _____ of such Association is composed of
_____ members, of whom , _____ constituting a quorum, were present at a meeting thereof duly called and
held on the _____ day of _____ ; and that the foregoing resolution was adopted at such meeting
by the vote shown above, I further certify that as of _____ ,
the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been
rescinded or amended in any way.

Dated, this _____ day of _____

Title _____

DONNELLY CITY COUNCIL
AGENDA BILL

169 Halferty Street
Donnelly, Idaho 83615

Number AB 18-51

Meeting Date 05/21/18

AGENDA ITEM INFORMATION				
SUBJECT: <i>Approve the Purchase for Speed Check Sign</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:	Unknown			
<p>In 2015 the Donnelly Planning & Zoning commission had obtained funds from Local Option Tax dollar awards to place a speed check sign at the North Bound Traffic 25 mph sign. The continued to receive awards for the past several years and now have \$5000 set aside for an additional sign to be placed at the South bound 25 mph sign. The quote attached is for the same sign as previously purchased with the addition of a data collector. The total amount needed for the purchase of this is approx. \$5363.00 (\$5k from LOT and \$363 from public safety)</p>				
RECOMMENDED ACTION: <i>1. Authorize Purchase and Installation of Speed Check Sign</i>				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

**TRAFFIC SAFETY SUPPLY CO., INC**

2324 SE UMATILLA ST.
PORTLAND OR 97202-7495
503 235-8531
800-547-8518
FAX# 503-235-5112

email: sales@tssco.com

CONTACT NAME CAMI HEDGES

551

Billed To: CITY OF DONNELLY
PO BOX 725
DONNELLY ID 83615

Ship To: CITY OF DONNELLY
169 W HALFERTY ST
DONNELLY ID 83615

QUOTATION

QUOTE#: 141873

DATE: 05/15/2018

TERMS: NET 30 DAYS

FREIGHT: PP/ADD

QUOTE ENDS: 30 DAYS

PHONE # (208) 325-8859

FAX # (208) 325-4091

<u>QTY</u>	<u>PART#</u>	<u>SIZE</u>	<u>ITEM</u>	<u>BID</u>	<u>U/M</u>
1.00	14205020	15"	SC-15 SPEEDCHECK SIGN, SOLAR POWERED 15" AMBER LED'S APPROACH ONLY RADAR, SOLAR 30"x42" YOUR SPEED FACEPLATE, WHT, HIP SHEETING	4,008.00	EA
1.00	14205040	EACH	S-65-WATT SOLAR SYSTEM INLCUDES: MOUNTING HARDWARE, SOLAR PANEL, WIRING, POLE-MOUNTED ENCLOSURE (CHARGE CONTROLLER AND 55AH BATTERY) *SOLAR SIZE AND PRICE IS AN ESTIMATE. PLEASE FILL OUT THE REQUIRED SOLAR SIZING FORM BEFORE ORDERING SO WE CAN ADJUST THE SIZE AND PRICE ACCORDINGLY	1,155.00	EA
1.00	14205045	EACH	PKG-02, SCH PRO, TRAFFIC ANALYZER, DEVICE MGR	395.00	
1.00	14204912	EACH	FLAT SURFACE MOUNTING BRACKETS	159.00	
			SUBTOTAL:	5,717.00	
1.00			APPROX. FREIGHT	200.00	

All material used in this contract is guaranteed to be as specified, and the entire job is to be done in a neat and workmanlike manner. Any deviation or alteration from the specification herein agreed upon involving extra cost of labor and/or materials will be accepted only upon a written order or instructions, and will become an extra charge over costs as mentioned in this contract.

TRAFFIC SAFETY SUPPLY CO., INC.

BRITTNEE

Service Quote

Continued...

Invoice#: 141873

Date: 05/15/2018

<u>QTY</u>	<u>PART#</u>	<u>SIZE</u>	<u>ITEM</u>	<u>BID</u>	<u>U/M</u>
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TOTAL:				5,917.00	
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*NOTES:

1. FURNISH ONLY, INSTALLATION NOT INCLUDED
2. SOLAR SITE SURVEY MUST BE COMPLETED PRIOR TO ORDERING AND INSTALLATION TO DETERMINE THE ACTUAL SIZE OF SOLAR PANEL NEEDED FOR EACH LOCATION. SOLAR SIZE AND PRICE ARE SUBJECT TO CHANGE
3. EQUIPMENT HAS NOT BEEN UL TESTED. CUSTOMER SHALL ACCEPT RESPONSIBILITY OF CERTIFYING EQUIPMENT, SHOULD IT BE REQUIRED
4. LEAD TIME IS 4-6 WEEKS UPON APPROVAL OF ORDER
5. LEAD TIME MAY CHANGE DUE TO PRODUCTION SCHEDULE AT TIME OF ORDER



TRAFFIC SAFETY SUPPLY COMPANY

Your Traffic Sign & Supplies Resource Since 1956

Driver Feedback Signs

Speeding drivers put others at risk, especially when pedestrians are present in school zones, neighborhood streets and work zones. Well-designed radar speed signs are highly effective in getting drivers to slow down in these areas.

Radar speed signs detect the speed of oncoming vehicles and display the speed in bright LED digits. The display is combined with an FHWA MUTCD-compliant YOUR SPEED sign face, making it easy for drivers to understand the intended message at a glance--and react to it by slowing down.

DeviceManager™

Two-way wireless
communication

Alerts, set-up,
diagnostics,
upgrades

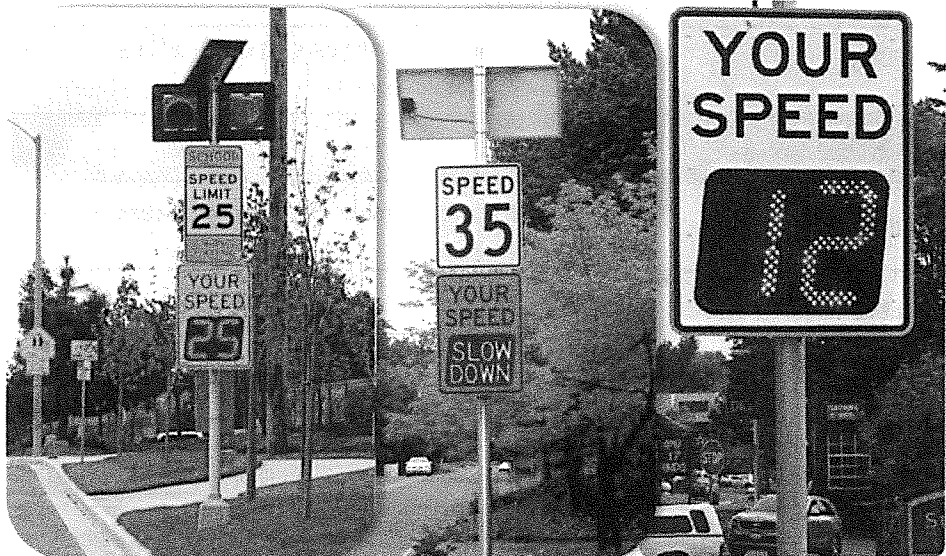
Local: Onsite™ Bluetooth®
Remote: CentralOffice™
Failure Alerts:
OfficeAlert™

SchedulePro™

Program with ease,
unlimited schedules,
modes, exceptions

TrafficInfo™

Traffic data, reporting



- Highest contrast UltraClear™ display technology for best viewability in all weather and lighting conditions
- Unique SafetyMask™ driver safety feature to prevent hazardous "rubbernecking" when drivers take their eyes off the road to look at the sign while passing it
- Integrated ViolationAlert™, high-speed cut-off, and optional Slow Down message at user-defined speed thresholds
- Lowest power consumption on the market for cost saving up-front and over time
- Most durable construction throughout, using heavy 11-gauge welded aluminum and stainless steel and brass hardware
- Best vandal-resistant design with ability to absorb up to two inches of impact deflection without damage to internal components
- Modular design for easy repair in the field using standard tools

Driver Feedback Specifications	
15-inch digits (SC-15) Seven segment design, white or amber	Recommended for use in speed zones 45MPH or lower. Includes static YOUR SPEED sign (30" x 42", 36 lbs or 30" x 30", 33 lbs.)
18-inch digits (SC-18) Seven segment design, white or amber	Recommended for use in speed zones 45MPH or higher Includes static YOUR SPEED sign (36" x 48", 45 lbs.)
AC Power	Supports 110-240VAC, 25 watts.
Solar Power	Industry-standard 12VDC. Solar power systems designed for specific geographic location and sign application. Performance guaranteed 24/7/365.
Environmental specifications	Conformal-coated electronics. NEMA 3R cabinet, sealed ventilated. Operating temperature: -40°C to +75°C, -40°F to +167°F. 90% RH non-condensing, 5-30Hz 3-axis vibration, ½-sine 3-axis shock, FCC 15.107 and 15.109 Class A radiated and conducted emissions compliance. Radar FCC part 15 low-power device.
Warranty	Three years on products, five years on white LED panels, 10 years on amber LED panels. Free technical support for three years.
Options	
SchedulePro™	Sets operation hours by time of day and day of week with perpetual calendar; two-year exception calendar.
Output Manager™	Triggers external devices, e.g. flashing beacons or cameras, by speed threshold, schedule, or remotely from your Traffic Management Center.
TrafficInfo™	Collects date, time, and speed of vehicle for over 200,000 cars and generates speed compliance reports. Easy pre-set reports and advanced data windowing and statistics.
SLOW DOWN Message	(45" only) Alternately displays speed limit and 6" character amber Slow Down message.
TimeKeeper™	Automatic daily time clock synchronization via GPS satellite signal.
Mounting Options	Mounting brackets support poles, posts, portable stands, and lockable QuickChange™ bracket for our DuraTrailer™ or for moving the sign to different locations.
OnSite™	Enables onsite communication using laptop with Bluetooth® wireless to program, update, and download speed data, conduct diagnostics.
CentralOffice™	Enables remote communication from TMC to program, update, download speed data, conduct diagnostics via NTCIP, fiber, WAN TCP/IP, cellular modem, radio/RF modem, serial, or Ethernet.
OfficeAlert™	Speed data and battery condition alerts sent via email or text. Requires CentralOffice.

Solar Panel Sizing Form

Help us right-size your solar equipment to guarantee sufficient power at the site 24/7/365.

Fax to 503-626-3417

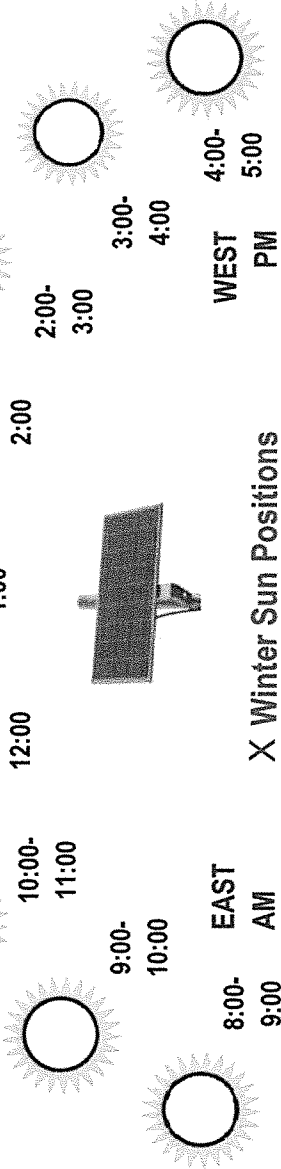
Org Name:
City/State:
By:
Title:

Circle: Written By phone

Mark shading at location
Write T on sun circles to show times of day TREES may shade location
Mark B to show times BUILDINGS may cast shadow on solar location

SOUTH
True south, not magnetic south

Sign applications only	
Time	Traffic volume
X Peak: 6am-3pm	
X Off-peak: 3pm-7pm	
X Night: 7pm-6am	



✓	Main equipment
	SpeedCheck™
	AdvisorySpeed™
	Flashing System
	FlashAlert™
	TrafficInfo™
	Slow Down Alert
	TravelTime™ Guide
	TrafficFlow™ Guide
	TollRate™ Guide
	VariableSpeed™
	VariableSpeed™ Matrix

Describe optional equipment requiring power at this location				
Options	No. or Type	# Hrs/Day	# Days/Wk	Watts
Radar				
Cellular Modem				
Beacons				
Strobe				
Camera				
Video				
Other				
Message sign				
# of guide sign panels				

Office use only	
Time	% This location
8-9	2%
9-10	7%
10-11	13%
11-12	18%
12-1	20%
1-2	18%
2-3	13%
3-4	7%
4-5	2%
Total %	

**DONNELLY CITY COUNCIL
AGENDA BILL**

169 Halferty Street
Donnelly, Idaho 83615

Number AB 18-52

Meeting Date 05/21/18

AGENDA ITEM INFORMATION				
SUBJECT: <i>Request for Fee Reduction or Abatement</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		Clerk/Treasurer		Cami
		Public Works		
COST IMPACT:				
FUNDING SOURCE:				
TIMELINE:	Unknown			
<p>Janet Weir of 165 W State Street, located in the Central Business District applied for a design review permit for a development of 5 to 6 tiny homes on her lot (fee collected \$334.38 1/16) Then in June 2016 she applied for another design review permit to change from tiny homes to a single family residence. (fee collected \$332.12 6/16) Home was permitted in February 2017 and was completed in late 2017. At this time she would like to build a storage shed/garage building on her property. (temporary structure).</p> <p>Since her property is in the Central Business District all applications must go through the design review process. She is asking that the City reduce or abate the design review fee for this application, since she has paid it twice already. Letter attached.</p>				
RECOMMENDED ACTION: 1.				
RECORD OF COUNCIL ACTION				
MEETING DATE	ACTION			

Re: 164 W State Street

SAMARA, LLC

Donnelly, ID 83615

Janet Wier 208-794-2447

To: Design Review Committee

This is a request to expedite approval for an addition of a 240 square foot portable building to serve as a shed/garage for the project already approved by the Design Review Committee in 2017.

Approved specifications were followed in the building of the residence, proposed site plan, erosion control, water drainage, snow storage and the rest of the requirements.

Occupancy permit was issued on November 14, 2017.

With no changes to the originally approved specifications for the above mentioned items, we now request an approval for the mentioned building to be used as a storage and or garage.

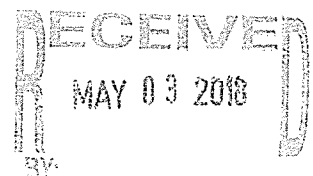
This building will resemble the residence already constructed with the same color scheme, and will comply with the purpose of the Design Guidelines, to beautify downtown Donnelly.

We realize that we should have applied for this building with the original application. Seeing how our budget did not allow for the building to be constructed at that time we left it out. Please excuse our oversight and allow a quick approval so the project can be finished faster and the trees and plants can have the summer to grow.

A quick approval will in fact allow for the landscape to be finished much sooner and make Donnelly beautiful.

We also, respectfully request a Design Review fee reduction.

Janet Wier





City of Donnelly

169 Halferty Street

P.O. Box 725

Donnelly, ID 83615

Telephone (208) 325-8859 Fax (208) 325-4091

To: Mayor & City Council

From: Cami Hedges, City Clerk Treasurer

Re: Staff Report

Date: May 21, 2018

Water Accounts: As of Wednesday, May 16, 2018 we have \$793.82 past due 30 days or more, in water billings. They have been notified to pay by the 21st or they will be disconnected. This amount reflects 3 businesses and 3 Residents.

Local Option Tax: Our local option tax receipts for sales in April were \$3950.94 which is an increase from last year. We are currently up 16.4% in collection for this fiscal year compared to last year. New applications are now available and due by June 4th for funding. The Committee will meet and hear presentations on June 26th and make recommendations to City Council for the July meeting.

Clerk Report: I found a mistake in the Resolution to increase trash fees. Lakeshore brought up that our rates that we had in our resolution did not match with what they presented, and I found that it also did not include the City's administrative fee. Since we still do not have a contract with Lakeshore to review and we proposed the increase to be on June 1st, I would like to publish the correct amounts for public comment again to become effective on the June 26th billing cycle. The correct cost should be \$11.34 (2.74 + .60 admin) this is a 7% difference. We could also discuss whether we want to charge an administrative fee, reduce the fee or discontinue the fee. Let's discuss further. (See attached email). We have received one catering permit, one sign permit and one building permit for the month. June will be a public hearing on budget amendments to include cash carryover amounts and contingency spending.

Parks & Recreation: The construction of the wall has been completed. Ken and Greg will be planting some native plants from the area to help with the soil conservation in the area. It looks nice. We will use the income from the surplus of the landscaping blocks to help offset the out of pocket match. The trees on the Fulton trail have been taken down and maintenance will remove the debris. Brett Shepherd who has been streamlining the Donnelly pathway project has received a construction estimate for a portion of the trail as well as has placed stakes along Roseberry to see the ROW area. He is anticipating having some information for the council to review this summer.

Planning & Zoning: The May meeting was held. The Commission recommended that Clerk take the proposal to purchase an additional speed check sign for the South bound entrance of Donnelly. We have received only one resident interested in being part of the Commission. And

ad was placed last week in the Star News. We have not received any response. June we will need to appoint 2 of the 3 applicants for the 2 open seats.

Road & Streets: Streets need to have some additional material placed and compacted. Am currently obtaining quotes for this. Would like to do this prior to the dust abatement in June.

Office Closed / Vacation: Boise Dr. App on June 12th. Office will be closed but phone forwarded to cell phone during office hours.

Upcoming Meeting Dates: June 18th City Council.

Cami Hedges

From: Scott Carnes <Scott.Carnes@WasteConnections.com>
Sent: Tuesday, February 6, 2018 2:41 PM
To: Cami Hedges
Subject: Lake Shore Disposal New Rates

Dear Cami,

Lake Shore Disposal has looked over the relationship with the City of Donnelly. With the amount of customer's we are not going to be seeking a contract. However we need to increase our monthly fee from \$8 to be current with the rest of Valley County Lake Shore customer's current rate \$16.22, this includes \$1 cart rent per month and tax. Each year there is a CPI increase, of which Lake Shore uses the National percentage. This is how we are going to increase the City of Donnelly;

- June 1, 2018 there will be an increase of \$2.74 per month bringing monthly service to \$10.74 per customer
- January 1, 2019 an increase of \$2.74 per month plus CPI (% rate TBD)
- January 1, 2020 increase of \$2.74 per month plus CPI (% rate TBD)

This will bring the City of Donnelly, Id to current rate with the rest of Valley County Idaho.

We will need an accurate count of customer's, we will deliver new 96 gal. carts to the city to be distributed to the residence. We will also provide extra carts to replace damaged carts to the City of Donnelly.

Please let me know if you have any questions regarding this change.

Scott Carnes
Site Manager
Lake Shore Disposal
Mobile: 208-271-6358



"Safety is not a goal, It's a priority"