

City of Prosser, WA
601 7th Street
Prosser, WA 99350

CITY COUNCIL
REGULAR MEETING AGENDA
7:00 P.M.
TUESDAY, MAY 13, 2014

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. CITIZEN PARTICIPATION
5. MAYOR AND CITY COUNCIL REPORTS AND COMMENTS
 - a. Chamber of Commerce Quarterly Report (*Humberto Rodriguez, Executive Director*)
 - b. Historic Downtown Prosser Association Quarterly Report (*Dan Smith, Executive Director*)
 - c. First Quarter 2014 Operation Summary (*Police Chief Giles*) **Page 3**
6. CONSENT AGENDA
 - a. Approve Payment of Payroll Checks Nos. 600045 through 600057 in the Amount of \$21,417.43, and Direct Deposits in the Amount of \$102,496.55, for the Period Ending April 30, 2014..... **Page 11**
 - b. Approve Payment of Claim Checks Nos. 10530 through 10539 and 10541 through 10625, in the Amount of \$212,377.29, and Electronic Payments in the Amount of \$77,831.91, for the Period Ending May 13, 2014..... **Page 14**
 - c. Accept Monthly Report by Prosser Economic Development Association for the Month of April 2014 and Authorize Payment for Those services in the Amount of \$2,166.66, and Authorize Payment in the Amount of \$1,416.67, for Grant Writer Services **Page 26**
 - d. Approve Maintenance Contract Renewal with Abadan for Konica Minolta Bizhub 751 Copier and Authorize the Mayor to Sign the Contract **Page 31**

***The first Ordinance passed will be Ordinance 14-2889
The first Resolution passed will be Resolution 14-1457***

- e. Approve the April 8, 2014 Meeting Minutes..... *Page 34*
- f. Approve the April 22, 2014 Meeting Minutes..... *Page 38*

7. COUNCIL ACTION

- a.) **Approve Payment of Claim Check No. 10540 in the Amount of \$60,091.20 for the Period Ending May 13, 2014..... *Page 43***

RECOMMENDATION: Move to approve payment of claim check no. 10540 in the Amount of \$60,091.20 for the Period Ending May 13, 2014.

- b.) **Adopt ORDINANCE 14-_____ Amending the Zoning Map for the City of Prosser for a Site Specific Rezone at 804 6th Street *Page 45***

RECOMMENDATION: Adopt ORDINANCE 14-_____ Amending the Zoning Map for the City of Prosser for a Site Specific Rezone at 804 6th Street.

8. DISCUSSION ITEM

- a.) **Review ORDINANCE 14-_____ Closing Fund 442 and 443 Regarding the 1997 Water/Sewer Refunding Bond and Amending the 2014 Budget *Page 51***

9. ADD ON ITEMS

10. ADJOURNMENT

*The first Ordinance passed will be Ordinance 14-2889
The first Resolution passed will be Resolution 14-1457*



Prosser Police Department

601 7th Street (Mailing Address) • 1227 Bennett Ave (Physical Address) Prosser, Washington 99350
(509) 786-1500 • Fax (509) 786-2292 • www.cityofprosser.com • www.crimetips@prosserpd.org

First Quarter 2014 Operational Summary

Patrol

The calls for service and self initiated activity have increased 15% from fiscal year 2013, 2,206 to 2,597. Below are possible reasons for this increase.

- Patrol units are more proactive.
- Residents are more comfortable with calling police for service.
- In 2013 the Department was down 2-3 officers during most of the year reducing our pro-activity.
- MDT's were just been introduced in June 2013, Officers have now become more familiar with their use, resulting in more accurate activity statistics and better productivity on the part of the officers.
- New implementation of monthly emphasizes patrols and implementation of department policy which requires a minimum staffing level of two officers on duty 24/7.
- Increased calls for assistance from outside law enforcement agencies.

Training

Year to date training hours combined with pre-scheduled training for department personnel is up around 332 hours, we are right on track for everyone to meet the mandatory 24 hours of in service training for 2014.

Investigation

Clearance rate of Part I Offenses has decreased by 19% from last year.

- Clearance rate for Part I Offenses investigated first quarter in 2013 is 45%. Out of 68 cases, 31 were cleared.
- Clearance rate for Part I Offenses investigated first quarter in 2014 is 37%. Out of 67 cases, 25 were cleared.
- **See attachments (A) and (B) for a comparison of clearance percentages between first quarters of fiscal year 2013 and 2014.**

Clearance rates are dictated by the type of crime and the resources available to follow up the crime. It is anticipated that once the department is fully staffed and fully operational, a full time detective will be put in place, which should increase clearance rates.

Charts show the number of offenses. Cases can have multiple offenses which is why there is a difference between the number of cases and the number of offenses.

Part I Offenses 2014

Offense	Amount
Sex Offenses-Forcible	1
Assaults/Harassment	9
Burglary	6
Larceny-Theft	19
Motor Vehicle Theft	4
Counterfeiting/Forgery	2
Fraud	1
Stolen Property	2
Destruction/Damage/Vandalism of Property	15
Drug Offenses	6
Violation of No Contract Order	1
Weapons Offense	1
TOTAL PART I OFFENSES	67
Part II Offenses	21
COMBINED TOTAL OFFENSES	88

Part I Offenses 2013

Offense	Amount
Sex Offenses-Forcible	0
Assaults/Harassment	9
Burglary	6
Larceny-Theft	16
Motor Vehicle Theft	4
Counterfeiting/Forgery	0
Fraud	2
Stolen Property	1
Destruction/Damage/Vandalism of Property	19
Drug Offenses	11
Violation of No Contact Order	0
Weapons Offense	0
TOTAL PART I OFFENSES	68
Part II Offenses	29
COMBINED TOTAL OFFENSES	97

Reserves

- Prosser Police Reserves contributed approximately 76 hours during the 1st quarter 2014.

P-40

Dates Worked	Approximate Hours Based on Call Times
01/22-01/23	10
01/31-02/01	10
02/15-02/16	8
02/28-03/01	9

P-41

Dates Worked	Approximate Hours Based on Call Times
1/26/14	11
2/23/14	10
3/23/14	12
TOTAL	33

3/24/2014	6
TOTAL	43

- Currently we have one new Reserve, Brienne Colvig who is attending the Reserve Academy put on by the Franklin County Sheriff's Department with a graduation date of June.
- Currently we have one new full time Officer, Matt Shanafelt attending the state of Washington Basic Law Enforcement Academy in Burien, with a graduation date of June.
- We also have brought on board a new full time lateral officer, Will Spurgeon, who has recently been released from our Police Training Program (PTO), and is currently enrolled in the State of Washington Lateral Officer Certification Wavier Academy.

Burglar Alarm Responses

- During the 1st quarter of 2014 the Prosser PD has responded to 74 total burglar alarms, all of which have been false. Assuming that the current rate does not increase or decrease for the remainder of the 2014 fiscal year, the PD will have responded to a total of 296 burglar alarms, a 22% increase over fiscal year 2013.

Domestic Violence Incidents

- Decrease in domestic violence (DV) related incidents in the first quarter of 2014 by 33% from 3 incidents in 2013 to 2 in 2014. This statistic does not include outside law enforcement requests for DV assists that the Prosser PD has provided.

Summary

As stated earlier, during the 1st quarter of 2014, calls for service are up 15% from the 1st quarter of 2013, 2,206 to 2,597. We are seeing a slight decrease in Part I Crimes by 1%, and a decrease in part 2 crimes of 27%. Felony arrests are up by 33%.

- **Part I Crimes, - 1st Quarter 2014 is showing a 1% decrease over 1st quarter of 2013.**

2014	2013
67	68

- **Part II Crimes, - 1st Quarter 2014 is showing a 27% decrease over 1st quarter 2013.**

2014	2013
21	29

Part II Offenses consist of the following incidents

- Bad Checks

- Curfew/Loitering/Vagrancy
 - Disorderly Conduct
 - Driving Under the Influence
 - Drunkenness
 - Family Offenses
 - Liquor Laws Violations
 - Peeping Tom
 - Runaway
 - Trespass of Real Property
 - All Other Offenses
- **Infractions Written- 1st Quarter of 2014 indicates a 137% increase over 1st quarter of 2013.**

2014	2013
270	114

- **Criminal Citations Written- 1st Quarter of 2014 indicates a 23% decrease over 1st quarter of 2013.**

2014	2013
48	63

- **Felony Arrests- 1st Quarter of 2014 indicates a 33% increase over 1st quarter of 2013.**

2014	2013
8	6

Prosser PD - Summary of Offense

For 01/01/2014 through 03/31/2014

NIBRS Offenses	Attempt	Complete	Total	Arrest	Exception	Total Clear	Percent Cleared
Murder and Non-Negligent Manslaughter	0	0	0	0	0	0	0.00 %
Forcible Sex Offenses	1	0	1	0	0	0	0.00 %
Forcible Rape	0	0	0	0	0	0	0.00 %
Forcible Sodomy	0	0	0	0	0	0	0.00 %
Sexual Assault With Object	0	0	0	0	0	0	0.00 %
Forcible Fondling	1	0	1	0	0	0	0.00 %
Robbery	0	0	0	0	0	0	0.00 %
Aggravated Assault	0	3	3	3	0	3	100.00 %
Simple Assault	0	10	10	2	0	2	20.00 %
Intimidation	0	6	6	6	0	6	100.00 %
Non-Forcible Sex Offenses	0	0	0	0	0	0	0.00 %
Incest	0	0	0	0	0	0	0.00 %
Statutory Rape	0	0	0	0	0	0	0.00 %
Kidnapping	0	0	0	0	0	0	0.00 %
Human Trafficking	0	0	0	0	0	0	0.00 %
Human Trafficking - Commerical Sex Acts	0	0	0	0	0	0	0.00 %
Human Trafficking - Involuntary Servitude	0	0	0	0	0	0	0.00 %
Burglary/Breaking And Entering	1	5	6	0	0	0	0.00 %
Arson	0	0	0	0	0	0	0.00 %
Larceny	0	19	19	4	1	5	26.32 %
Pocket-Picking	0	0	0	0	0	0	0.00 %
Purse-Snatching	0	0	0	0	0	0	0.00 %
Shoplifting	0	3	3	2	0	2	66.67 %
Theft From Building	0	3	3	1	1	2	66.67 %
Theft From Coin-Operated Machine or Device	0	0	0	0	0	0	0.00 %
Theft From Motor Vehicles	0	3	3	0	0	0	0.00 %
Theft From Motor Vehicles Parts/ Accessories	0	5	5	0	0	0	0.00 %
All Other Larceny	0	5	5	1	0	1	20.00 %
Motor Vehicle Theft	1	3	4	1	0	1	25.00 %
Extortion/Blackmail	0	0	0	0	0	0	0.00 %
Counterfeiting/Forgery	0	2	2	1	0	1	50.00 %
Fraud	0	1	1	0	0	0	0.00 %
False Pretenses/Swindle/Confidence Game	0	1	1	0	0	0	0.00 %
Credit Card/Auto Teller Machine Fraud	0	0	0	0	0	0	0.00 %
Impersonation	0	0	0	0	0	0	0.00 %
Welfare Fraud	0	0	0	0	0	0	0.00 %
Wire fraud	0	0	0	0	0	0	0.00 %
Embezzlement	0	0	0	0	0	0	0.00 %
Stolen Property Offenses	0	0	0	0	0	0	0.00 %
Destruction/Damage/Vandalism of Property	0	15	15	1	0	1	6.67 %
Drug/Narcotic Offenses	0	6	6	4	0	4	66.67 %
Drug/Narcotic Violations	0	4	4	3	0	3	75.00 %
Drug Equipment Violations	0	2	2	1	0	1	50.00 %
Pornography/Obscene Material	0	0	0	0	0	0	0.00 %
Gambling Offenses	0	0	0	0	0	0	0.00 %
Prostitution Offenses	0	0	0	0	0	0	0.00 %
Prostitution	0	0	0	0	0	0	0.00 %
Assist or Promote Prostitution	0	0	0	0	0	0	0.00 %

Purchasing Prostitution	0	0	0	0	0	0	0.00 %
Violation of No Contact Order	0	1	1	1	0	1	100.00 %
Bribery	0	0	0	0	0	0	0.00 %
Weapon Law Violations	0	1	1	1	0	1	100.00 %

ATTACHMENT (B)

Prosser PD - Summary of Offense

For 01/01/2013 through 03/31/2013

NIBRS Offenses	Attempt	Complete	Total	Arrest	Exception	Total Clear	Percent Cleared
Murder and Non-Negligent Manslaughter	0	0	0	0	0	0	0.00 %
Forcible Sex Offenses	0	0	0	0	0	0	0.00 %
Forcible Rape	0	0	0	0	0	0	0.00 %
Forcible Sodomy	0	0	0	0	0	0	0.00 %
Sexual Assault With Object	0	0	0	0	0	0	0.00 %
Forcible Fondling	0	0	0	0	0	0	0.00 %
Robbery	0	0	0	0	0	0	0.00 %
Aggravated Assault	0	0	0	0	0	0	0.00 %
Simple Assault	0	10	10	7	0	7	70.00 %
Intimidation	0	0	0	0	0	0	0.00 %
Non-Forcible Sex Offenses	0	0	0	0	0	0	0.00 %
Incest	0	0	0	0	0	0	0.00 %
Statutory Rape	0	0	0	0	0	0	0.00 %
Kidnapping	0	0	0	0	0	0	0.00 %
Human Trafficking	0	0	0	0	0	0	0.00 %
Human Trafficking - Commerical Sex Acts	0	0	0	0	0	0	0.00 %
Human Trafficking - Involuntary Servitude	0	0	0	0	0	0	0.00 %
Burglary/Breaking And Entering	1	5	6	0	0	0	0.00 %
Arson	0	0	0	0	0	0	0.00 %
Larceny	0	16	16	5	0	5	31.25 %
Pocket-Picking	0	0	0	0	0	0	0.00 %
Purse-Snatching	0	0	0	0	0	0	0.00 %
Shoplifting	0	2	2	2	0	2	100.00 %
Theft From Building	0	2	2	1	0	1	50.00 %
Theft From Coin-Operated Machine or Device	0	0	0	0	0	0	0.00 %
Theft From Motor Vehicles	0	7	7	1	0	1	14.29 %
Theft From Motor Vehicles Parts/ Accessories	0	0	0	0	0	0	0.00 %
All Other Larceny	0	5	5	1	0	1	20.00 %
Motor Vehicle Theft	0	4	4	1	0	1	25.00 %
Extortion/Blackmail	0	0	0	0	0	0	0.00 %
Counterfeiting/Forgery	0	0	0	0	0	0	0.00 %
Fraud	0	2	2	2	0	2	100.00 %
False Pretenses/Swindle/Confidence Game	0	1	1	1	0	1	100.00 %
Credit Card/Auto Teller Machine Fraud	0	0	0	0	0	0	0.00 %
Impersonation	0	1	1	1	0	1	100.00 %
Welfare Fraud	0	0	0	0	0	0	0.00 %
Wire fraud	0	0	0	0	0	0	0.00 %
Embezzlement	0	0	0	0	0	0	0.00 %
Stolen Property Offenses	0	1	1	1	0	1	100.00 %
Destruction/Damage/Vandalism of Property	0	16	16	4	0	4	25.00 %
Drug/Narcotic Offenses	0	11	11	9	2	11	100.00 %
Drug/Narcotic Violations	0	6	6	5	1	6	100.00 %
Drug Equipment Violations	0	5	5	4	1	5	100.00 %
Pornography/Obscene Material	0	0	0	0	0	0	0.00 %
Gambling Offenses	0	0	0	0	0	0	0.00 %
Prostitution Offenses	0	0	0	0	0	0	0.00 %
Prostitution	0	0	0	0	0	0	0.00 %
Assist or Promote Prostitution	0	0	0	0	0	0	0.00 %

Purchasing Prostitution	0	0	0	0	0	0	0.00 %
Violation of No Contact Order	0	0	0	0	0	0	0.00 %
Bribery	0	0	0	0	0	0	0.00 %
Weapon Law Violations	0	0	0	0	0	0	0.00 %

CITY OF PROSSER, WASHINGTON

AGENDA BILL

Agenda Title: Approve payment of payroll check nos. 600045 through 600057 in the amount of \$21,417.43 and direct deposits in the amount of \$102,496.55 for the period ending April 30, 2014

Meeting Date:
May 13, 2014
Regular Meeting

Department:
Finance

Director:
Regina Mauras

Contact Person:
Toni Yost

Phone Number:
(509) 786-2332

Cost of Proposal:
\$123,913.98

Account Number:
Various

Amount Budgeted:
Various amounts in salaries, wages, and benefits.

Name and Fund#
Various

Reviewed by Finance Department:

R Mauras

Attachments to Agenda Packet Item:

1. Payroll Check Register

Summary Statement:

Payroll check nos. 600045 through 600057 in the amount of \$21,417.43 and direct deposits in the amount of \$102,496.55 for the period ending April 30, 2014.

Consistent with or Comparison to:

EXISTING ADOPTED OR PREVIOUS PLANS, POLICIES OR ACTIONS TAKEN BY THE COUNCIL

Recommended City Council Action/Suggested Motion:

Approve payment payroll check nos. 600045 through 600057 in the amount of \$21,417.43 and direct deposits in the amount of \$102,496.55 for the period ending April 30, 2014

Reviewed by Department Director:

Regina Mauras

Date: 5-7-2014

Reviewed by City Attorney:

N/A

Date:

Approved by Mayor:

Paul Warden

Date: 5-8-14

Today's Date:

May 7, 2014

Revision Number/Date:

File Name and Path:

CHECK REGISTER

City Of Prosser
MCAG #: 0205

04/30/2014 To: 04/30/2014

Time: 17:25:51 Date: 04/28/2014

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1341	04/30/2014	Payroll	1	EFT		2,471.51	April Payroll
1343	04/30/2014	Payroll	1	EFT		1,493.85	April Payroll
1348	04/30/2014	Payroll	1	EFT		1,625.90	April Payroll
1349	04/30/2014	Payroll	1	EFT		3,711.64	April Payroll
1350	04/30/2014	Payroll	1	EFT		3,084.83	April Payroll
1351	04/30/2014	Payroll	1	EFT		1,579.11	April Payroll
1352	04/30/2014	Payroll	1	EFT		3,654.72	April Payroll
1353	04/30/2014	Payroll	1	EFT		3,172.15	April Payroll
1355	04/30/2014	Payroll	1	EFT		4,620.53	April Payroll
1356	04/30/2014	Payroll	1	EFT		4,592.51	April Payroll
1357	04/30/2014	Payroll	1	EFT		3,795.00	April Payroll
1358	04/30/2014	Payroll	1	EFT		257.91	April Payroll
1360	04/30/2014	Payroll	1	EFT		4,964.63	April Payroll
1362	04/30/2014	Payroll	1	EFT		147.49	April Payroll
1363	04/30/2014	Payroll	1	EFT		3,018.07	April Payroll
1364	04/30/2014	Payroll	1	EFT		3,418.68	April Payroll
1366	04/30/2014	Payroll	1	EFT		2,635.79	April Payroll
1367	04/30/2014	Payroll	1	EFT		4,413.34	April Payroll
1368	04/30/2014	Payroll	1	EFT		1,883.72	April Payroll
1369	04/30/2014	Payroll	1	EFT		5,336.33	April Payroll
1371	04/30/2014	Payroll	1	EFT		2,667.95	April Payroll
1373	04/30/2014	Payroll	1	EFT		3,391.73	April Payroll
1374	04/30/2014	Payroll	1	EFT		1,450.92	April Payroll
1375	04/30/2014	Payroll	1	EFT		2,985.90	April Payroll
1376	04/30/2014	Payroll	1	EFT		2,899.94	April Payroll
1377	04/30/2014	Payroll	1	EFT		1,882.63	April Payroll
1378	04/30/2014	Payroll	1	EFT		3,452.41	April Payroll
1379	04/30/2014	Payroll	1	EFT		2,573.86	April Payroll
1381	04/30/2014	Payroll	1	EFT		2,603.59	April Payroll
1382	04/30/2014	Payroll	1	EFT		1,928.11	April Payroll
1383	04/30/2014	Payroll	1	EFT		508.98	April Payroll
1384	04/30/2014	Payroll	1	EFT		2,223.43	April Payroll
1386	04/30/2014	Payroll	1	EFT		4,025.58	April Payroll
1387	04/30/2014	Payroll	1	EFT		4,047.85	April Payroll
1388	04/30/2014	Payroll	1	EFT		3,213.97	April Payroll
1389	04/30/2014	Payroll	1	EFT		2,761.99	April Payroll
1342	04/30/2014	Payroll	1	600045		230.34	April Payroll
1344	04/30/2014	Payroll	1	600046		787.61	April Payroll
1345	04/30/2014	Payroll	1	600047		3,846.98	April Payroll
1346	04/30/2014	Payroll	1	600048		680.62	April Payroll
1347	04/30/2014	Payroll	1	600049		271.10	April Payroll
1354	04/30/2014	Payroll	1	600050		544.02	April Payroll
1359	04/30/2014	Payroll	1	600051		224.14	April Payroll
1361	04/30/2014	Payroll	1	600052		3,767.22	April Payroll
1365	04/30/2014	Payroll	1	600053		1,423.75	April Payroll
1370	04/30/2014	Payroll	1	600054		3,238.02	April Payroll
1372	04/30/2014	Payroll	1	600055		2,213.86	April Payroll
1380	04/30/2014	Payroll	1	600056		3,561.79	April Payroll
1385	04/30/2014	Payroll	1	600057		627.98	April Payroll

511 Legislative	7,760.67
514 Financial, Recording & Elections	23,210.47
518 Centralized Services	3,684.11
521 Law Enforcement	62,945.86
524 Protective Inspections	6,976.61
558 Planning & Community Devel	4,039.80
576 Park Facilities	7,958.75
580 Non Expeditures	-69,008.58

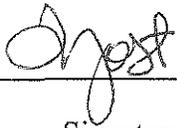
CHECK REGISTER

City Of Prosser
MCAG #: 0205

04/30/2014 To: 04/30/2014

Time: 17:25:51 Date: 04/28/2014
Page: 2

Trans Date	Type	Acct #	Chk #	Claimant	Amount	Memo
	001 General Fund				47,567.69	
		542 Streets - Maintenance			13,429.15	
		543 Streets Admin & Overhead			1,505.13	
	102 Street Fund				14,934.28	
		534 Water Utilities			25,682.59	
		539 Irrigation And Reclamation			6,832.10	
	403 Water Fund				32,514.69	
		535 Sewer			28,522.88	
	407 Sewer Fund				28,522.88	
		537 Garbage & Solid Waste			374.44	
	448 Garbage Fund				374.44	
					<u>123,913.98</u>	Payroll: 123,913.98



Signature

4/28/14

Date

CITY OF PROSSER, WASHINGTON

AGENDA BILL

Agenda Title: Approve payment of claim check nos. 10530 through 10539 and 10541 through 10625, in the amount of \$212,377.29 and Electronic Payments in the amount of \$77,831.91 for the period ending May 13, 2014.

Meeting Date:
May 13, 2014
Regular Meeting

Department:
Finance

Director:
Regina Mauras

Contact Person:
Toni Yost

Phone Number:
(509) 786-2332

Cost of Proposal:
\$290,209.20

Account Number:
See Attached

Amount Budgeted:
See 2014 budget for each item listed.

Name and Fund#
See Attached

Reviewed by Finance Department:

R. Mauras

Attachments to Agenda Packet Item:

1. Check Register # 10530 through 10539 and 10541 through 10625

Summary Statement:

Check Payments	Amount
10530 through 10539	\$38,736.71
10541 through 10625	\$173,640.58
Electronic Payments	Amount
IRS Federal Taxes	\$52,788.69
Chase	\$480.83
City of Prosser	\$24341.69
WA Dept of Licensing	\$18.00
Xpress Billpay	\$202.70

Consistent with or Comparison to:

City's policy to pay bills in a timely manner.

Recommended City Council Action/Suggested Motion:

Approve payment of 10530 through 10539 and 10541 through 10625, in the amount of \$212,377.29 and Electronic Payments in the amount of \$77,831.91 for the period ending May 13, 2014

Reviewed by Department Director:

Regina Mauras
Date: 5-7-2014

Reviewed by City Attorney:

N/A

Date:

Approved by Mayor:

Paul Vardak
Date: 5-8-14

Today's Date:
May 7, 2014

Revision Number/Date:

File Name and Path:

CHECK REGISTER

City Of Prosser
MCAG #: 0205

04/30/2014 To: 04/30/2014

Time: 17:26:16 Date: 04/28/2014

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1390	04/30/2014	Payroll	1	EFT	Irs Federal Taxes	52,788.69	941 Deposit For 04/01/2014 - 04/30/2014
1391	04/30/2014	Payroll	1	10530	AFLAC	1,546.51	04/01/2014 To 04/30/2014 - AFLAC Pre-Tax; 04/01/2014 To 04/30/2014 - AFLAC Post-Tax
1392	04/30/2014	Payroll	1	10531	AWC Employment Ben Trust	830.00	04/01/2014 To 04/30/2014 - Vision
1393	04/30/2014	Payroll	1	10532	Icma Retirement Trust	762.97	04/01/2014 To 04/30/2014 - 401(R)
1394	04/30/2014	Payroll	1	10533	Kansas Payment Center	1,029.00	04/01/2014 To 04/30/2014 - Support Withholding
1395	04/30/2014	Payroll	1	10534	Opeiu	557.13	04/01/2014 To 04/30/2014 - Union Dues - OPEIU
1396	04/30/2014	Payroll	1	10535	Teamsters Legal Defense Fund	79.64	04/01/2014 To 04/30/2014 - Legal Defense Fund
1397	04/30/2014	Payroll	1	10536	Teamsters Local Union No 839	1,191.00	04/01/2014 To 04/30/2014 - Union Dues - Teamsters
1398	04/30/2014	Payroll	1	10537	WA Dept Retirement	29,817.43	04/01/2014 To 04/30/2014 - PERS 2; 04/01/2014 To 04/30/2014 - PERS 3; 04/01/2014 To 04/30/2014 - LEOFF 2; 04/01/2014 To 04/30/2014 - DRS - DCP
1399	04/30/2014	Payroll	1	10538	WA Dept Social & Health Serv	41.60	04/01/2014 To 04/30/2014 - DSHS
1400	04/30/2014	Payroll	1	10539	Western Conf Of Teamsters Pension Trust	2,881.43	04/01/2014 To 04/30/2014 - TPT

511 Legislative	1,089.90
514 Financial, Recording & Elections	4,373.89
518 Centralized Services	615.24
521 Law Enforcement	9,124.89
524 Protective Inspections	1,325.30
558 Planning & Community Devel	680.02
576 Park Facilities	1,195.91
580 Non Expenditures	59,223.11
001 General Fund	77,628.26
542 Streets - Maintenance	2,251.08
543 Streets Admin & Overhead	253.22
102 Street Fund	2,504.30
534 Water Utilities	5,032.19
539 Irrigation And Reclamation	1,144.93
403 Water Fund	6,177.12
535 Sewer	5,152.73
407 Sewer Fund	5,152.73
537 Garbage & Solid Waste	62.99
448 Garbage Fund	62.99

91,525.40 Payroll: 91,525.40

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1578	05/13/2014	Claims	1	EFT	Chase	480.83	Credit Card Payments
					001 - 514 30 49 000 - Miscellaneous	67.31	Credit Card Payments
					403 - 534 80 49 000 - Miscellaneous	100.97	Credit Card Payments
					407 - 535 80 49 000 - Miscellaneous	96.17	Credit Card Payments
					448 - 537 80 49 000 - Miscellaneous	120.21	Credit Card Payments
					403 - 539 20 49 000 - Miscellaneous	96.17	Credit Card Payments
1579	05/13/2014	Claims	1	EFT	Prosser, City Of	24,341.69	Building Permit; Water Bill
					001 - 518 31 47 000 - Public Utility Services	504.81	Water Bill
					403 - 534 80 47 000 - Public Utility Services	1,179.31	Water Bill
					407 - 535 80 47 000 - Public Utility Services	9,510.15	Water Bill
					102 - 542 90 47 000 - Public Utility Services	1,883.88	Water Bill
					001 - 569 21 47 000 - Public Utility Services	531.39	Water Bill
					001 - 576 20 47 000 - Public Utility Services	1,419.36	Water Bill
					001 - 576 80 47 000 - Public Utility Services	9,269.54	Water Bill
					001 - 576 80 49 000 - Miscellaneous	43.25	Building Permit
1580	05/13/2014	Claims	1	EFT	WA Dept Licensing-Cpl	18.00	Concealed Pistol License
					001 - 586 00 01 000 - Concealed Pistol Lic Disburse	18.00	Concealed Pistol License
1581	05/13/2014	Claims	1	EFT	Xpress Billpay	202.70	Online Bill Payments
					001 - 514 30 49 000 - Miscellaneous	28.37	Online Bill Payments
					403 - 534 80 49 000 - Miscellaneous	42.57	Online Bill Payments
					407 - 535 80 49 000 - Miscellaneous	40.54	Online Bill Payments
					448 - 537 80 49 000 - Miscellaneous	50.68	Online Bill Payments
					403 - 539 20 49 000 - Miscellaneous	40.54	Online Bill Payments
1582	05/13/2014	Claims	1	10541	AWC	125.00	Mayor As CEO Training
					001 - 511 60 43 000 - Travel	125.00	Mayor As CEO Training
1583	05/13/2014	Claims	1	10542	Abadan Inc	49.87	Finance Printer Maintenance; PD Copy Machine Maintenance; Copy Machine- WWTP
					001 - 514 23 48 000 - Repairs & Maintenance	16.25	Finance Printer Maintenance
					001 - 514 23 48 000 - Repairs & Maintenance	21.44	PD Copy Machine Maintenance
					407 - 535 80 48 000 - Repairs & Maintenance	12.18	Copy Machine- WWTP
1584	05/13/2014	Claims	1	10543	Anchor Qea	597.50	Shorline Master Plan
					001 - 558 60 41 001 - Professional Services-SMP	597.50	Shoreline Master Plan
1585	05/13/2014	Claims	1	10544	Arrow Construction	3,695.80	Melter Rental
					102 - 542 30 45 000 - Operating Rentals & Leases	3,695.80	Melter Rental
1586	05/13/2014	Claims	1	10545	Avaya Inc	756.27	Phone Maintenance
					001 - 518 88 48 000 - Repairs & Maintenance	756.27	Phone Maintenance
1587	05/13/2014	Claims	1	10546	B J Paint & Carpet	240.37	Paint-WWTP
					407 - 535 80 31 000 - Office & Operating Supplies	240.37	Paint-WWTP
1588	05/13/2014	Claims	1	10547	BIAS Software	851.66	Cash Reciepting And UB Onsite Training; Barcode Scanner, Credit Card Swiper
					001 - 514 23 31 000 - Office & Operating Supplies	2.17	Barcode Scanner, Credit Card Swiper
					001 - 514 23 49 000 - Miscellaneous	139.79	Cash Reciepting And UB Onsite Training
					403 - 534 80 31 000 - Office & Operating Supplies	26.53	Barcode Scanner, Credit Card Swiper
					403 - 534 80 49 000 - Miscellaneous	183.65	Cash Reciepting And UB Onsite Training
					407 - 535 80 31 000 - Office & Operating Supplies	26.26	Barcode Scanner, Credit Card Swiper
					407 - 535 80 49 000 - Miscellaneous	183.65	Cash Reciepting And UB Onsite Training
					448 - 537 80 31 000 - Office & Operating Supplies	26.81	Barcode Scanner, Credit Card Swiper
					448 - 537 80 49 000 - Miscellaneous	96.48	Cash Reciepting And UB Onsite Training
					403 - 539 20 31 000 - Office & Operating Supplies	26.26	Barcode Scanner, Credit Card Swiper
					102 - 543 30 49 000 - Miscellaneous	139.79	Cash Reciepting And UB Onsite Training

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			001 - 576 20 31 000		Office & Operating Supplies	0.27	Barcode Scanner, Credit Card Swiper
1589	05/13/2014	Claims	1	10548	Bdi	62,095.10	Garbage Billing
			448 - 537 80 47 000		Public Utility Services	62,095.10	Garbage Billing
1590	05/13/2014	Claims	1	10549	Beaver Bark	812.19	Concrete Mixer; Concrete Mixer; Concrete Mixer
			001 - 576 20 45 000		Operating Rentals & Leases	270.73	Concrete Mixer
			001 - 576 20 45 000		Operating Rentals & Leases	270.73	Concrete Mixer
			001 - 576 20 45 000		Operating Rentals & Leases	270.73	Concrete Mixer
1591	05/13/2014	Claims	1	10550	Benton Co Sheriff	12,382.38	Credit Custody Billing- Dec 13; 2013 Year End Credit; Custody Billing-January 2014; Custody Billing-February 2014; Custody Billing-March 2014; Interlocal Agreement
			001 - 521 20 51 000		Intergov't Professional Servic	29.99	Interlocal Agreement
			001 - 523 60 51 000		Intergov't Professional Servic	-2,110.79	Credit Custody Billing- Dec 13
			001 - 523 60 51 000		Intergov't Professional Servic	-4,511.00	2013 Year End Credit
			001 - 523 60 51 000		Intergov't Professional Servic	9,652.32	Custody Billing-January 2014
			001 - 523 60 51 000		Intergov't Professional Servic	4,352.26	Custody Billing-February 2014
			001 - 523 60 51 000		Intergov't Professional Servic	4,969.60	Custody Billing-March 2014
1592	05/13/2014	Claims	1	10551	Benton Co Treas Office	6.51	Property Taxes
			001 - 576 80 44 000		External Taxes	6.51	Property Taxes
1593	05/13/2014	Claims	1	10552	Benton Co Treas Office	143.08	Crime Victim Comp
			001 - 586 00 03 000		PSEA and CVC Disbursemen	143.08	Crime Victim Comp
1594	05/13/2014	Claims	1	10553	Benton Co Treas Office	4,870.34	Benton Co. Dist. Ct. And Office Of Public Def.-March
			001 - 512 50 51 000		Intergov't Professional Servic	4,870.34	Benton Co. Dist. Ct. And Office Of Public Def.-March
1595	05/13/2014	Claims	1	10554	Benton Co Treasurer	5,152.68	Chipseal; Chip Seal-Release Of Bond; 2014 Chip Seal
			103 - 542 30 41 103		Professional Service	204.18	Chipseal
			103 - 542 30 41 103		Professional Service	4,820.53	Chip Seal-Release Of Bond
			103 - 542 30 41 103		Professional Service	127.97	2014 Chip Seal
1596	05/13/2014	Claims	1	10555	Benton PUD	218.73	Electric Bill-6th St
			102 - 542 63 47 000		Public Utility Services	218.73	Electric Bill-6th St
1597	05/13/2014	Claims	1	10556	Benton Rea	1,965.49	IT Professional Services; Wireless Internet; Meter Reading-Water Tower; Meter Reading-WCR
			001 - 518 88 41 000		Professional Services	1,068.58	IT Professional Services
			403 - 534 80 42 000		Communications	59.95	Wireless Internet
			403 - 534 80 47 000		Public Utility Services	89.21	Meter Reading-Water Tower
			102 - 542 63 47 000		Public Utility Services	667.80	Meter Reading-WCR
			001 - 576 20 42 000		Communications	79.95	Wireless Internet
1598	05/13/2014	Claims	1	10557	Bernsten International Inc	165.43	Bronze Plaques
			001 - 524 20 35 000		Small Tools & Minor Equipm	165.43	Monument
1599	05/13/2014	Claims	1	10558	Bleyhl Farm Service Gas	6,927.60	PW Fuel Charges; Fuel Charges-City Hall, Waste Water; PD Fuel Charges
			001 - 511 60 32 000		Fuel	57.35	
			001 - 521 20 32 000		Fuel Consumed	81.70	
			001 - 521 20 32 000		Fuel Consumed	3,984.05	PD Fuel Charges
			403 - 534 80 32 000		Fuel Consumed	485.68	PW Fuel Charges
			407 - 535 80 32 000		Fuel Consumed	861.77	
			403 - 539 20 32 000		Fuel Consumed	485.69	PW Fuel Charges

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					102 - 542 90 32 000 - Fuel Consumed	485.68	PW Fuel Charges
					001 - 576 80 32 000 - Fuel Consumed	485.68	PW Fuel Charges
1600	05/13/2014	Claims	1	10559	Bleyhl Farm Service Inc	792.16	Galv Pipe
					407 - 535 80 31 000 - Office & Operating Supplies	792.16	Galv Pipe
1601	05/13/2014	Claims	1	10560	Blumenthal	908.89	Men's Jackets, Sew Emblem; Men's Pants, Shirt-Montelongo; Men's Shirt-Cole; Men's Shirt-Cole
					001 - 521 20 21 000 - Uniforms & Equipment	186.76	Men's Jackets, Sew Emblem
					001 - 521 20 21 000 - Uniforms & Equipment	278.72	Men's Pants, Shirt-Montelongo
					001 - 521 20 21 000 - Uniforms & Equipment	148.50	Men's Shirt-Cole
					001 - 521 20 21 000 - Uniforms & Equipment	294.91	Men's Shirt-Cole
1602	05/13/2014	Claims	1	10561	CK Home Comfort Systems	350.00	Duct Cleaning
					407 - 535 80 48 000 - Repairs & Maintenance	350.00	Duct Cleaning
1603	05/13/2014	Claims	1	10562	Cascade Analytical	92.58	Enviro Mngmt Fee, Kjeldahl Total Nitrogen; Kjeldahl Total Nitrogen
					407 - 535 80 41 000 - Professional Services	46.29	Enviro Mngmt Fee, Kjeldahl Total Nitrogen
					407 - 535 80 41 000 - Professional Services	46.29	Kjeldahl Total Nitrogen
1604	05/13/2014	Claims	1	10563	Cascade Natural Gas Corp	1,227.49	Natural Gas; Natural Gas; Natural Gas; Natural Gas; Natural Gas; Natural Gas
					001 - 518 31 47 000 - Public Utility Services	54.22	Natural Gas
					407 - 535 80 47 000 - Public Utility Services	918.18	Natural Gas
					407 - 535 80 47 000 - Public Utility Services	22.93	Natural Gas
					102 - 542 90 47 000 - Public Utility Services	104.49	Natural Gas
					001 - 572 50 47 000 - Public Utility Services	92.16	Natural Gas
					001 - 576 20 47 000 - Public Utility Services	35.51	Natural Gas
1605	05/13/2014	Claims	1	10564	Centurylink Communications Inc	142.22	Longdistance Telephone Bill
					001 - 518 31 42 000 - Communications	82.59	
					403 - 534 80 42 000 - Communications	15.63	
					407 - 535 80 42 000 - Communications	12.28	
					448 - 537 80 42 000 - Communications	7.65	
					403 - 539 20 42 000 - Communications	7.65	
					102 - 542 90 42 000 - Communications	8.77	
					102 - 543 30 42 102 - Communication	7.65	
1606	05/13/2014	Claims	1	10565	Charter Communications	139.59	Charter TV; Internet-City Hall
					001 - 518 88 42 000 - Communications	131.95	Internet-City Hall
					001 - 521 20 42 000 - Communications	7.64	Charter TV
1607	05/13/2014	Claims	1	10566	Code Publishing Co	211.39	PMC: Electronic Update; PMC: Electronic Update
					001 - 514 30 41 000 - Professional Services	98.61	
					001 - 514 30 41 000 - Professional Services	28.18	PMC: Electronic Update
					403 - 534 80 41 000 - Professional Services	13.16	
					403 - 534 80 41 000 - Professional Services	3.76	PMC: Electronic Update
					407 - 535 80 41 000 - Professional Services	13.16	
					407 - 535 80 41 000 - Professional Services	3.76	PMC: Electronic Update
					448 - 537 80 41 000 - Professional Services	13.16	
					448 - 537 80 41 000 - Professional Services	3.76	PMC: Electronic Update
					403 - 539 20 41 000 - Professional Services	13.16	
					403 - 539 20 41 000 - Professional Services	3.76	PMC: Electronic Update
					102 - 542 90 41 000 - Professional Services	13.16	
					102 - 542 90 41 000 - Professional Services	3.76	PMC: Electronic Update
1608	05/13/2014	Claims	1	10567	Columbia Basin Dive & Rescue	250.00	2014 Assessment
					001 - 521 20 51 000 - Intergov't Professional Servie	250.00	2014 Assessment

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1609	05/13/2014	Claims	1	10568	Commercial Tires	187.11	Tractor Tire Repair
					102 - 542 30 31 102 - Office & Operating Supplies	93.56	Tractor Tire Repair
					001 - 576 80 31 000 - Office & Operating Supplies	93.55	Tractor Tire Repair
1610	05/13/2014	Claims	1	10569	Cook's True Value	1,001.63	Auto/Marine Seal, Blue Wire Connector; Galv Wire U Stake, Galv Stakes; SxSxS Tee, PVC Slip Union; BRS Wire; Glue, Nipple, Plug; #2 Phillips Drywall Drill Bit; Storage Tote, Key Cutting; Solid S&D Pipe
					001 - 518 31 31 000 - Office & Operating Supplies	7.56	Key Cutting, Ant Trap
					001 - 518 31 31 000 - Office & Operating Supplies	9.74	Ant Traps
					001 - 521 20 31 000 - Office & Operating Supplies	4.31	#2 Phillips Drywall Drill Bit
					001 - 521 20 31 000 - Office & Operating Supplies	7.57	Noble, Furring Strip
					403 - 534 80 31 000 - Office & Operating Supplies	27.06	Tape Rule
					403 - 534 80 31 000 - Office & Operating Supplies	12.80	Fasteners
					403 - 534 80 31 000 - Office & Operating Supplies	5.19	Seal All Adhesive
					407 - 535 80 31 000 - Office & Operating Supplies	16.22	Plastic Dip
					407 - 535 80 31 000 - Office & Operating Supplies	19.48	Harris #0 Cutting Tip
					407 - 535 80 31 000 - Office & Operating Supplies	35.72	Drill Hammer
					407 - 535 80 31 000 - Office & Operating Supplies	90.92	C-Clamp
					407 - 535 80 31 000 - Office & Operating Supplies	11.45	Thread Seal, Galv Nipple
					407 - 535 80 31 000 - Office & Operating Supplies	51.95	Nyl Leash, Deby Rope
					407 - 535 80 31 000 - Office & Operating Supplies	2.71	Fasteners
					403 - 539 20 31 000 - Office & Operating Supplies	12.53	Auto/Marine Seal, Blue Wire Connector
					403 - 539 20 31 000 - Office & Operating Supplies	6.80	SxSxS Tee, PVC Slip Union
					403 - 539 20 31 000 - Office & Operating Supplies	15.15	PVC Cement
					403 - 539 20 31 000 - Office & Operating Supplies	29.38	Galv Nipple, Pipe Cutter
					403 - 539 20 31 000 - Office & Operating Supplies	4.30	Fasteners, Thread Locker
					403 - 539 20 31 000 - Office & Operating Supplies	11.90	Bent Garden Valve
					403 - 539 20 31 000 - Office & Operating Supplies	24.42	Auto Plug, Hex Bushing, Hose Connector
					403 - 539 20 31 000 - Office & Operating Supplies	22.72	Leak Stopper Patch, Stop Cement
					403 - 539 20 31 000 - Office & Operating Supplies	5.95	Galv Nipple
					403 - 539 20 31 000 - Office & Operating Supplies	4.32	1/4 MPT Elbow
					403 - 539 20 31 000 - Office & Operating Supplies	29.85	Thread Seal, Thread Cut Oil, Galv Plug
					403 - 539 20 31 000 - Office & Operating Supplies	4.10	Galv Nipple
					403 - 539 20 31 000 - Office & Operating Supplies	11.44	Galv Nipple, Galv Plug
					403 - 539 20 31 000 - Office & Operating Supplies	25.96	KrudKutter Cleaner, Green Spray, Scrubber
					102 - 542 90 31 000 - Office & Operating Supplies	17.31	Lysol Neutra Air Refill
					102 - 542 90 31 000 - Office & Operating Supplies	10.69	Adj Sprayer
					102 - 542 90 31 000 - Office & Operating Supplies	23.82	Purple Primer
					102 - 542 90 31 000 - Office & Operating Supplies	135.36	Wheelbarrow
					102 - 542 90 31 000 - Office & Operating Supplies	32.49	Irrigating Shovel
					001 - 558 60 31 000 - Office & Operating Supplies	24.88	Storage Tote, Key Cutting
					001 - 576 20 31 000 - Office & Operating Supplies	19.47	Solid S&D Pipe
					001 - 576 20 31 000 - Office & Operating Supplies	25.24	PVC Coupling, Redu Bushing, Tee, Fem Adaptor
					001 - 576 20 31 000 - Office & Operating Supplies	30.13	White Cap Slip, Redu Tee, PVC Coupling
					001 - 576 20 31 000 - Office & Operating Supplies	9.56	PVC Pipe, SxS Coupling
					001 - 576 20 31 000 - Office & Operating Supplies	6.99	45 Deg SxS Ell
					001 - 576 20 31 000 - Office & Operating Supplies	24.63	60 Lb Concrete Mix
					001 - 576 20 31 000 - Office & Operating Supplies	24.63	60 Lb Concrete Mix
					001 - 576 80 31 000 - Office & Operating Supplies	9.83	Galv Wire U Stake, Galv Stakes
					001 - 576 80 31 000 - Office & Operating Supplies	4.65	BRS Wire
					001 - 576 80 31 000 - Office & Operating Supplies	11.98	Glue, Nipple, Plug
					001 - 576 80 31 000 - Office & Operating Supplies	4.31	PVC Pipe
					001 - 576 80 31 000 - Office & Operating Supplies	40.49	45 Deg SxS Ell, PVC Pipe, SCH40 Coupling

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			001 - 576 80 31 000		Office & Operating Supplies	32.48	Irrigating Shovel
			001 - 576 80 31 000		Office & Operating Supplies	1.19	Fasteners
1611	05/13/2014	Claims	1	10570	DB Secure Shred	47.38	Media Destruction; Records Destruction
			001 - 521 20 41 000		Professional Services	24.00	Media Destruction
			001 - 521 20 41 000		Professional Services	23.38	Records Destruction
1612	05/13/2014	Claims	1	10571	Dell Marketing Lp	121.83	Laptop Battery
			001 - 518 88 31 000		Office & Operating Supplies	121.83	Dell Mobile Precision 9-Cell Battery
1613	05/13/2014	Claims	1	10572	Denchel's Ford Country	71.92	Fuel Saver Package; Fuel Saver Package
			001 - 521 20 48 000		Repairs & Maintenance	35.96	Fuel Saver Package
			001 - 521 20 48 000		Repairs & Maintenance	35.96	Fuel Saver Package
1614	05/13/2014	Claims	1	10573	Franklin County Sheriff's Offi	128.00	Reserve Academy Graduation-Colvig
			001 - 521 20 49 000		Miscellaneous	128.00	Reserve Academy Graduation-Colvig
1615	05/13/2014	Claims	1	10574	Global Equipment Co	105.57	Enclosed Board For PD Lobby
			001 - 521 20 31 000		Office & Operating Supplies	105.57	Enclosed Board For PD Lobby
1616	05/13/2014	Claims	1	10575	Grainger Inc	1,056.55	IR Therm Focus; Batteries, AA, 3V; Hand Soap; Screw Extractor; Screw Extractor; Push Broom, Lubricant
			001 - 514 23 31 000		Office & Operating Supplies	30.48	Batteries, AA, 3V
			001 - 518 31 31 000		Office & Operating Supplies	73.64	Hand Soap
			407 - 535 80 31 000		Office & Operating Supplies	758.05	IR Therm Focus
			102 - 542 90 31 000		Office & Operating Supplies	38.64	Screw Extractor
			102 - 542 90 31 000		Office & Operating Supplies	51.94	Screw Extractor
			102 - 542 90 31 000		Office & Operating Supplies	103.80	Push Broom, Lubricant
1617	05/13/2014	Claims	1	10576	Grandview Lumber Co	57.60	Lumber
			001 - 576 20 31 000		Office & Operating Supplies	57.60	Lumber
1618	05/13/2014	Claims	1	10577	Guardian Network Solutions	604.44	Bitdefender Total Security
			001 - 518 88 31 000		Office & Operating Supplies	604.44	Bitdefender 2 Year Security
1619	05/13/2014	Claims	1	10578	HD Fowler, Co	5,205.01	Pressure Gauge; Compression Coupling Gasket; Meter Adapter, Rubber Meter Gasket; Valve Stem Extension; Parts To Fix Water Main Line
			403 - 534 80 31 000		Office & Operating Supplies	481.76	Pressure Gauge
			403 - 534 80 31 000		Office & Operating Supplies	443.15	Compression Coupling Gasket
			403 - 534 80 31 000		Office & Operating Supplies	348.58	Meter Adapter, Rubber Meter Gasket
			403 - 534 80 31 000		Office & Operating Supplies	303.62	Valve Stem Extension
			403 - 534 80 31 000		Office & Operating Supplies	3,627.90	Parts To Fix Water Main Line
1620	05/13/2014	Claims	1	10579	Harvest Valley Cleaners	25.57	Replace Patches
			001 - 521 20 21 000		Uniforms & Equipment	25.57	Replace Patches
1621	05/13/2014	Claims	1	10580	Shane Hellyer	118.38	Less Lethal Instructor Course; Fuel -Training
			001 - 521 20 43 000		Travel	74.00	Less Lethal Instructor Course
			001 - 521 20 43 000		Travel	44.38	Fuel -Training
1622	05/13/2014	Claims	1	10581	Irrigation Specialists	23.62	Clamp 8" M/L West; Solenoid 24V Richdel
			403 - 539 20 31 000		Office & Operating Supplies	-19.50	Clamp 8" M/L West
			001 - 576 80 31 000		Office & Operating Supplies	43.12	Solenoid 24V Richdel
1623	05/13/2014	Claims	1	10582	The Janitor's Closet	1,816.57	Can Liners; Can Liners; Toilet Paper, Paper Towel, Comet Cleaner

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			001 - 518 31 31 000		Office & Operating Supplies	1,002.32	Toilet Paper, Paper Towel, Comet Cleaner
			001 - 572 50 31 000		Office & Operating Supplies	97.91	Toilet Paper, Paper Towel, Comet Cleaner
			001 - 576 80 31 000		Office & Operating Supplies	519.06	Can Liners
			001 - 576 80 31 000		Office & Operating Supplies	197.28	Can Liners
1624	05/13/2014	Claims	1	10583	John Deere Financial	104.19	Kit
			407 - 535 80 31 000		Office & Operating Supplies	104.19	Kit
1625	05/13/2014	Claims	1	10584	Kie Supply Corporation	73.93	Spray Valve 1.42 GPM
			001 - 569 21 31 000		Office & Operating Supplies	73.93	Spray Valve 1.42 GPM
1626	05/13/2014	Claims	1	10585	Leaf	136.05	PD Copy Machine Lease
			001 - 514 23 45 000		Operating Rentals & Leases	136.05	PD Copy Machine Lease
1627	05/13/2014	Claims	1	10586	Lower Valley Machine Shop	1,741.66	Flanged Tee For WWTP
			407 - 535 80 31 000		Office & Operating Supplies	1,741.66	Flanged Tee For WWTP
1628	05/13/2014	Claims	1	10587	Brandon Lum	20.00	CDL Permit & Knowledge Test
			403 - 534 80 49 000		Miscellaneous	20.00	CDL Permit & Knowledge Test
1629	05/13/2014	Claims	1	10588	Moon Security	54.95	Basic Commercial Monitoring
			001 - 521 20 41 000		Professional Services	54.95	Basic Commercial Monitoring
1630	05/13/2014	Claims	1	10589	North Central Laboratories	863.06	Ammonia Standard
			407 - 535 80 31 000		Office & Operating Supplies	863.06	Ammonia Standard
1631	05/13/2014	Claims	1	10590	Northeast Wisconsin Technical	175.00	Taser Class
			001 - 521 20 49 000		Miscellaneous	175.00	Taser Class
1632	05/13/2014	Claims	1	10591	Nw Gang Investigations Nwgia	275.00	NWGIA Spring Conference
			001 - 521 20 49 000		Miscellaneous	275.00	NWGIA Spring Conference
1633	05/13/2014	Claims	1	10592	Office Depot	870.07	Thermal Paper, Duster, Printer Ink; Purell Gel; Colored Paper, Hand Sanitizer; Paper Clip Dispenser, Paper; Tape, Memo Book, Pens, White Out; Lysol Cleaner
			001 - 514 23 31 000		Office & Operating Supplies	7.96	Thermal Paper, Duster, Printer Ink
			001 - 514 23 31 000		Office & Operating Supplies	69.27	Colored Paper, Hand Sanitizer
			001 - 514 23 31 000		Office & Operating Supplies	39.38	Paper Clip Dispenser, Paper
			001 - 514 23 31 000		Office & Operating Supplies	201.76	Paper Clip Dispenser, Paper
			001 - 514 23 31 000		Office & Operating Supplies	197.17	Tape, Memo Book, Pens, White Out
			001 - 514 23 31 000		Office & Operating Supplies	43.20	Lysol Cleaner
			403 - 534 80 31 000		Office & Operating Supplies	13.54	Purell Gel
			403 - 534 80 31 000		Office & Operating Supplies	13.51	Colored Paper, Hand Sanitizer
			403 - 534 80 31 000		Office & Operating Supplies	1.76	Paper Clip Dispenser, Paper
			403 - 534 80 31 000		Office & Operating Supplies	6.90	Paper Clip Dispenser, Paper
			407 - 535 80 31 000		Office & Operating Supplies	168.32	Thermal Paper, Duster, Printer Ink
			407 - 535 80 31 000		Office & Operating Supplies	6.90	Paper Clip Dispenser, Paper
			448 - 537 80 31 000		Office & Operating Supplies	6.90	Paper Clip Dispenser, Paper
			403 - 539 20 31 000		Office & Operating Supplies	13.53	Purell Gel
			403 - 539 20 31 000		Office & Operating Supplies	13.51	Colored Paper, Hand Sanitizer
			403 - 539 20 31 000		Office & Operating Supplies	1.76	Paper Clip Dispenser, Paper
			403 - 539 20 31 000		Office & Operating Supplies	6.90	Paper Clip Dispenser, Paper
			102 - 542 90 31 000		Office & Operating Supplies	13.53	Purell Gel
			102 - 542 90 31 000		Office & Operating Supplies	13.51	Colored Paper, Hand Sanitizer
			102 - 542 90 31 000		Office & Operating Supplies	1.76	Paper Clip Dispenser, Paper
			102 - 542 90 31 000		Office & Operating Supplies	0.20	Paper Clip Dispenser, Paper
			001 - 576 80 31 000		Office & Operating Supplies	13.53	Purell Gel
			001 - 576 80 31 000		Office & Operating Supplies	13.51	Colored Paper, Hand Sanitizer
			001 - 576 80 31 000		Office & Operating Supplies	1.76	Paper Clip Dispenser, Paper

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1634	05/13/2014	Claims	1	10593	Oxarc	2,719.25	Sodium Hypochlorite, Bulk, Hydrochloric Acid; LNC Contact Tip, TWC Liner; Sodium Hypochlorite; Oxygen, High Pressure Acetylene
					403 - 534 80 31 000 - Office & Operating Supplies	1,824.86	Sodium Hypochlorite
					407 - 535 80 45 000 - Operating Rentals & Leases	33.79	Oxygen, High Pressure Acetylene
					102 - 542 90 31 000 - Office & Operating Supplies	33.69	LNC Contact Tip, TWC Liner
					001 - 576 20 31 000 - Office & Operating Supplies	826.91	Sodium Hypochlorite, Bulk, Hydrochloric Acid
1635	05/13/2014	Claims	1	10594	Pocketinet Communications	398.00	Dedicated 3 Mbps, Wide Area Network
					001 - 518 88 42 000 - Communications	398.00	Dedicated 3 Mbps, Wide Area Network
1636	05/13/2014	Claims	1	10595	Prosser Economic Development A	3,583.33	Contract For Services, GrantWriter Agreement
					001 - 558 70 41 000 - Professional Services	1,416.67	Grant Writer Services
					001 - 558 70 41 000 - Professional Services	2,166.66	PEDA: Contract For Services
1637	05/13/2014	Claims	1	10596	Prosser Fire Dist No 3	26,600.00	IPS: April 2014
					001 - 522 10 51 000 - Intergov't Professional Srvc-F	26,600.00	Intergovernmental Professional Services
1638	05/13/2014	Claims	1	10597	Prosser Napa	26.42	Permatex Hand Cleaner; Cap Screw, Uss Nuts; Non-Clor Brak Cleaner; Bulb
					403 - 534 80 31 000 - Office & Operating Supplies	5.33	Cap Screw, Uss Nuts
					403 - 534 80 31 000 - Office & Operating Supplies	2.48	Non-Clor Brak Cleaner
					403 - 534 80 31 000 - Office & Operating Supplies	2.93	Bulb
					102 - 542 90 31 000 - Office & Operating Supplies	15.68	Permatex Hand Cleaner
1639	05/13/2014	Claims	1	10598	Public Safety Testingcom	135.00	Subscription Fees- 1st Qtr
					001 - 521 20 41 000 - Professional Services	135.00	Subscription Fees- 1st Qtr
1640	05/13/2014	Claims	1	10599	Pumpstech Inc	154.17	John Crane Graphite
					403 - 534 80 31 000 - Office & Operating Supplies	154.17	John Crane Graphite
1641	05/13/2014	Claims	1	10600	Rainwater Water Co	42.00	Water; Water; Water
					407 - 535 80 31 000 - Office & Operating Supplies	24.00	Water
					407 - 535 80 31 000 - Office & Operating Supplies	6.00	Water
					407 - 535 80 31 000 - Office & Operating Supplies	12.00	Water
1642	05/13/2014	Claims	1	10601	Rogers Machinery Company Inc	530.40	Fuse Repairs Made At WWTP
					407 - 535 80 48 000 - Repairs & Maintenance	530.40	Fuse Repairs Made At WWTP
1643	05/13/2014	Claims	1	10602	Safariland	275.00	Training-Hellyer
					001 - 521 20 49 000 - Miscellaneous	275.00	Training-Hellyer
1644	05/13/2014	Claims	1	10603	Seawestern Inc	307.00	SCBA Regulator Flow Test; Facepiece Flow Test Kit, SCBA Flow Test
					403 - 534 80 48 000 - Repairs & Maintenance	51.71	SCBA Regulator Flow Test
					403 - 534 80 48 000 - Repairs & Maintenance	74.29	Facepiece Flow Test Kit, SCBA Flow Test
					407 - 535 80 31 000 - Office & Operating Supplies	74.29	SCBA Regulator Flow Test
					407 - 535 80 31 000 - Office & Operating Supplies	106.71	Test Equipment
1645	05/13/2014	Claims	1	10604	Shi International Corp	484.11	Battery Backup; Targus Versavu-Hard Case
					001 - 518 88 31 000 - Office & Operating Supplies	51.02	3YR Warranty
					001 - 518 88 31 000 - Office & Operating Supplies	25.57	1 YR Warranty
					001 - 518 88 31 000 - Office & Operating Supplies	347.95	Battery Backup
					001 - 518 88 31 000 - Office & Operating Supplies	59.57	Targus Versavu Hard Case For iPad Air

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1646	05/13/2014	Claims	1	10605	Attn: A/P Stimson Lane LTD	218.57	Refund inactive customer credit balance
					403 - 343 90 00 000 - Irrigation Fees & Charges	-218.57	
1647	05/13/2014	Claims	1	10606	Summit Supply Co of Colorado	285.00	Belt Swing Seat Black, Infant Rubber Seat Black
					001 - 576 80 31 000 - Office & Operating Supplies	285.00	Belt Swing Seat Black, Infant Rubber Seat Black
1648	05/13/2014	Claims	1	10607	Tapani Underground Inc	126.47	Refund inactive customer credit balance
					403 - 343 41 00 000 - Water Revenues	-126.47	
1649	05/13/2014	Claims	1	10608	Randall Taylor	35.40	Council Travel
					001 - 511 60 43 000 - Travel	35.40	Council Travel
1650	05/13/2014	Claims	1	10609	The Markets LLC	34.23	Super Chill Water; Dry Ice; Dry Ice
					407 - 535 80 31 000 - Office & Operating Supplies	13.90	Super Chill Water
					407 - 535 80 31 000 - Office & Operating Supplies	2.48	Dry Ice
					407 - 535 80 31 000 - Office & Operating Supplies	17.85	Dry Ice
1651	05/13/2014	Claims	1	10610	The Print Guys Inc	43.32	Business Cards-DaCorsi
					001 - 514 23 31 000 - Office & Operating Supplies	43.32	Business Cards-DaCorsi
1652	05/13/2014	Claims	1	10611	Tolman Electric	2,157.61	Install New Well Pump Sensor; Electrical Work Drying Bed Lift Station
					403 - 534 80 41 000 - Professional Services	1,046.06	Install New Well Pump Sensor
					407 - 535 80 41 000 - Professional Services	1,111.55	Electrical Work Drying Bed Lift Station
1653	05/13/2014	Claims	1	10612	Total Energy Management	503.70	Replaced UPS At Filter Plant
					403 - 534 80 48 000 - Repairs & Maintenance	503.70	Replaced UPS At Filter Plant
1654	05/13/2014	Claims	1	10613	US Bank	68.00	Investment Maintenance Fee
					001 - 514 23 49 000 - Miscellaneous	68.00	Investment Maintenance Fee
1655	05/13/2014	Claims	1	10614	Valley Pipe Co	572.63	Blind Flange, Washers, Bolts; Funny Pipe, 3/4 Funny Adaptor
					407 - 535 80 31 000 - Office & Operating Supplies	516.83	Blind Flange, Washers, Bolts
					001 - 576 80 31 000 - Office & Operating Supplies	55.80	Funny Pipe, 3/4 Funny Adaptor
1656	05/13/2014	Claims	1	10615	Valley Publishing Co Inc	1,110.97	RFP Notice Concession Operations; Notice Of Ordinance-14-2882; Notice Of Complete Application; Notice Of Public Hearing; Notice Of Closed Record Descision Hearing; Notice Of Complete Application; City
					001 - 514 30 41 000 - Professional Services	24.00	Notice Of Ordinance-14-2882
					001 - 514 30 41 000 - Professional Services	30.00	Notice Of Public Hearing
					001 - 514 30 41 000 - Professional Services	51.00	Notcie Of Closed Record Descision Hearing
					001 - 514 30 41 000 - Professional Services	68.69	City Council Vacancy
					001 - 514 30 41 000 - Professional Services	33.00	Notice Of Ordinance Summary
					001 - 514 30 41 000 - Professional Services	33.00	Notice Of Public Hearing
					001 - 514 30 41 000 - Professional Services	68.69	Free Residential Spring Clean Up, City Council Vacancy
					448 - 537 80 41 000 - Professional Services	148.00	Free Residential Spring Clean Up
					448 - 537 80 41 000 - Professional Services	148.00	Free Residential Spring Clean Up
					448 - 537 80 41 000 - Professional Services	148.00	Free Residential Spring Clean Up, City Council Vacancy
					001 - 558 60 41 000 - Professional Services	54.00	Notice Of Complete Application
					001 - 558 60 41 000 - Professional Services	78.00	Notice Of Complete Application
					001 - 576 20 31 000 - Office & Operating Supplies	202.59	Prosser Summer Staff

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
			001 - 576 20 41 001 - Professional Services			24.00	RFP Notice Concession Operations
1657	05/13/2014	Claims	1	10616	Verizon Wireless	1,011.43	PD Wireless Phone
			001 - 518 31 42 000 - Communications			231.47	PD Wireless Phone
			001 - 521 20 42 000 - Communications			779.96	PD Wireless Phone
1658	05/13/2014	Claims	1	10617	Vine Tech Equipment	33.04	CAT1 TOP LINK
			407 - 535 80 31 000 - Office & Operating Supplies			33.04	CAT1 TOP LINK
1659	05/13/2014	Claims	1	10618	Vista Veterinary Hospital	44.89	Credit: Bosco Veterinary; Bosco Veterinary Visit
			001 - 521 20 31 000 - Office & Operating Supplies			-23.88	Credit: Bosco Veterinary
			001 - 521 20 31 000 - Office & Operating Supplies			68.77	Bosco Veterinary Visit
1660	05/13/2014	Claims	1	10619	WA Dept Of Enterprise Services	435.35	May Newsletter
			001 - 514 30 41 000 - Professional Services			261.21	
			403 - 534 80 41 000 - Professional Services			34.83	
			407 - 535 80 41 000 - Professional Services			34.83	
			448 - 537 80 41 000 - Professional Services			34.83	
			403 - 539 20 41 000 - Professional Services			34.83	
			102 - 542 90 41 000 - Professional Services			34.82	
1661	05/13/2014	Claims	1	10620	WA Finance Officers Assoc	975.00	WFOA 2014 Annual Conference
			001 - 514 23 49 000 - Miscellaneous			325.00	WFOA 2014 Annual Conference-E.Belmares
			001 - 514 23 49 000 - Miscellaneous			325.00	WFOA 2014 Annual Conference-T. Yost
			001 - 514 23 49 000 - Miscellaneous			325.00	WFOA 2014 Annual Conference- R. Maurais
1662	05/13/2014	Claims	1	10621	WA Patrol Accounts Receivable	85.00	Impaired Driving Symposium
			001 - 521 20 43 000 - Travel			85.00	Impaired Driving Symposium
1663	05/13/2014	Claims	1	10622	WA State Treasurer	7,602.02	PSEA
			001 - 586 00 03 000 - PSEA and CVC Disbursemen			7,602.02	PSEA
1664	05/13/2014	Claims	1	10623	Paul & Kerry Warden	100.76	Refund inactive customer credit balance
			403 - 343 90 00 000 - Irrigation Fees & Charges			-100.76	
1665	05/13/2014	Claims	1	10624	The Wesley Group	1,280.00	Labor Relations Consultation
			001 - 518 10 41 000 - Professional Services			1,280.00	Labor Relations Consultation
1666	05/13/2014	Claims	1	10625	Wilbur-Ellis	1,607.10	Cayuse Plus, Ranger Pro; Esplanade
			407 - 535 80 31 000 - Office & Operating Supplies				Spray For Weeds
			407 - 535 80 31 000 - Office & Operating Supplies				Spray For Weeds
			407 - 535 80 31 000 - Office & Operating Supplies				Spray For Weeds
			407 - 535 80 31 000 - Office & Operating Supplies				Spray For Weeds
			102 - 542 70 31 000 - Office & Operating Supplies				Spray For Weeds
			102 - 542 70 31 000 - Office & Operating Supplies			67.02	Spray For Weeds
			102 - 542 70 31 000 - Office & Operating Supplies			110.57	Spray For Weeds
			102 - 542 70 31 000 - Office & Operating Supplies				Spray For Weeds
			102 - 542 70 31 000 - Office & Operating Supplies				Spray For Weeds
			102 - 542 70 31 000 - Office & Operating Supplies				Spray For Weeds
			102 - 542 70 31 000 - Office & Operating Supplies				Spray For Weeds
			001 - 576 80 31 000 - Office & Operating Supplies			731.03	Spray For Weeds
			001 - 576 80 31 000 - Office & Operating Supplies			108.98	Spray For Weeds
			001 - 576 80 31 000 - Office & Operating Supplies				Spray For Weeds
			001 - 576 80 31 000 - Office & Operating Supplies				Spray For Weeds
			001 - 576 80 31 000 - Office & Operating Supplies			589.50	Spray For Weeds
			001 - 576 80 31 000 - Office & Operating Supplies				Spray For Weeds
			001 - 576 80 31 000 - Office & Operating Supplies				Spray For Weeds
			001 - 576 80 31 000 - Office & Operating Supplies				Spray For Weeds

CHECK REGISTER

City Of Prosser
MCAG #: 0205

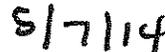
05/13/2014 To: 05/13/2014

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Trans Date	Type	Acct #	Chk #	Claimant	Amount	Memo
		511		Legislative	217.75	
		512		Judicial	4,870.34	
		514		Financial, Recording & Elections	2,783.30	
		518		Centralized Services	6,811.53	
		521		Law Enforcement	7,595.77	
		522		Contracted Services	26,600.00	
		523		Detention/Correction	12,352.39	
		524		Protective Inspections	165.43	
		558		Planning & Community Devel	4,337.71	
		569		Senior Center	605.32	
		572		Libraries	190.07	
		576		Park Facilities	16,161.06	
		580		Non Expenditures	7,763.10	
		001		General Fund	90,453.77	
		542		Streets - Maintenance	7,880.46	
		543		Streets Admin & Overhead	147.44	
		102		Street Fund	8,027.90	
		542		Streets - Maintenance	5,152.68	
		103		Transportation Benefit Distric	5,152.68	
		340		Charges For Goods & Services	445.80	
		534		Water Utilities	11,206.55	
		539		Irrigation And Reclamation	933.08	
		403		Water Fund	12,585.43	
		535		Sewer	19,564.44	
		407		Sewer Fund	19,564.44	
		537		Garbage & Solid Waste	62,899.58	
		448		Garbage Fund	62,899.58	
						Claims: 198,683.80
				* Transaction Has Mixed Revenue And Expense Accounts	198,683.80	



Signature



Date

CITY OF PROSSER, WASHINGTON

AGENDA BILL

Agenda Title: Accept Monthly Report by Prosser Economic Development Association for the month of April 2014 and authorize payment for those services in the amount of \$2,166.66 and authorize payment in the amount of \$1,416.67 for Grant Writer Services.

Meeting Date:
May 13, 2014
Regular Meeting

Department:
Finance

Director:
Regina Mauras

Contact Person:
Toni Yost

Phone Number:
(509) 786-2332

Cost of Proposal:
\$3,583.33

Account Number:
001-558-519-70-41

Amount Budgeted:
\$42,000.00

Name and Fund#
General Fund -
Professional
Services

Reviewed by Finance Department:

R. Mauras

Attachments to Agenda Packet Item:

1. Invoice Number 2141 for April 2014 contracted service
2. PEDAs Monthly Report for March 2014

Summary Statement:

Check has been reviewed and approved by department heads, the Finance Director, and Mayor as necessary. Check no. 10595 has been generated for Council approval.

Consistent with or Comparison to:

City's policy to pay bills in a timely manner.

Recommended City Council Action/Suggested Motion:

Accept Monthly Report by Prosser Economic Development Association for the month of April 2014 and authorize payment for those services in the amount of \$2,166.66 and authorize payment in the amount of \$1,416.67 for Grant Writer Services

Reviewed by Department Director:

Regina Mauras
Date: 5-7-2014

Reviewed by City Attorney:

N/A

Date:

Approved by Mayor:

Paul Woods
Date: 5-8-14

Today's Date:

May 7, 2014

Revision Number/Date:

File Name and Path:

Prosser EDA
1230 Bennett Avenue
PROSSER, WA 99350

Invoice

RECEIVED
MAY 05 2014
CITY OF PROSSER

DATE	INVOICE #
4/30/2014	2141

BILL TO

CITY OF PROSSER
601 7th Street
PROSSER WA 99350

001-558-70-41 *SM*

DESCRIPTION	AMOUNT
CONTRACT FOR SERVICES - April 2014	2,166.66
GRANT WRITER AGREEMENT - April 2014	1,416.67
Thank you!	Total \$3,583.33

**Prosser Economic Development Association
Board of Directors Meeting Minutes
March 6, 2014**

Attendees: Bill Jenkin, Deb Heintz, Dianne Torres, Jane Hagarty, Scott Pontin, Josh Mott, Jenny Sparks, Jennifer Ely, Shon Small, Jeff Andrews, Michelle Moyer, Julie Petersen.

Absent: Dick Poteet, Dyann Horton, Bob Stevens, Deb Brumley, Troy Berglund, Brian Newhouse, Tyson Jones and Scott Wingert

Business:

Approval of Minutes: It was moved to approve by Shon Small and seconded by Scott Pontin, motion carried.

Financial Report: Treasurer's report was reviewed but in Brian's absence no motion to approve was made.

**Director Report:
RECRUITMENT**

Project Diamond – Client toured a potential space for their business and talked with the property owner. While the space seems to fit, there is a lot of work that needs accomplished before it could be rented out. This includes the purchase of equipment and installation. Client requested an appointment to provide an update on the business plan to be scheduled next month.

Project Delta - Washington State Dept. of Commerce will be attending Select USA's Pearl River Delta Roadshow on April 14-18. They are compiling a portfolio of investment opportunities in Washington State to present to potential Chinese investors. These must be operating, income-generating companies looking for capital infusion or sale. Or a commercial real estate venture such as senior housing, office building; not a greenfield or speculative venture. Commerce would like to include a winery and food processing operation. Established firms looking for succession opportunities would be eligible for listing. Minimum capital investment of at least \$1M.

Project Cave - This customer has lost the financing of the project some time ago, but managed to finish the building. Efforts to sell were unsuccessful, resulting in a foreclosure of the building and property. This has also caused the closure of their retail shop.

Clore Center - 14 Hands has generously contributed their \$14 Grand Opening admission fee to the Clore Center. There have been discussions regarding the ability to hold a "sneak peek" for the community and wineries; still considering with more to come on this. Working with the

HAEIFC committee; Clore representatives will go before their sub-committee and board in March. Brian Newhouse has been nominated and approved as Clore Treasurer. Brian has been instrumental in providing guidance for the financial accounting system. Negotiations have begun with WAWGG & the WA Wine Commission to lease office space.

Benton PUD - Attended a third Benton PUD's Stakeholder Panel Workshop, with one remaining public meeting scheduled regarding retail rate design on March 25th at the Prosser PUD. Prosser EDA and Tridec had the opportunity to weigh in on the economic development portion of the meeting. These workshops flush out a variety of components that can impact rate strategy development and implementation.

WAWGG Trade Show - Managed the trade show booth at the Washington Association of Wine Grape Growers annual meeting. Made contacts with a variety of vendors to request visits and contributions to the Clore Center. Gained additional contacts for Prosser EDA to attract business. Attended the awards luncheon to support the Clore Center presentation.

Prosser EDA Office Move - The move was completed on February 14th. The remainder of the month was spent unloading boxes and setting up the office spaces. Amber Burnett will work half-time for Prosser EDA and the other half for the Clore Center. Computers have been installed, but no phone system at this time. Calls to the office are being forwarded to Deb's cell phone, until the phone system arrives.

HDPA Economic Restructuring Committee - The committee invited the City to participate in a downtown visioning discussion focusing on infrastructure. After obtaining the City information, Prosser EDA, with the assistance of the grant writer will write a request for proposal to provide research, data and a conceptual renovation plan for downtown. This has been determined as a long range plan, although there will be some projects that will be implemented in the next year or two, once funding is obtained. The networking business breakfast was held at the Clore Center in January. There was a large crowd in attendance, as well as some new faces to HDPA.

Future Prosser EDA Tours – The 2014 speaker list was reviewed. It was noted the 14 Hands Tour was scheduled for 5-16-2014 and will replace the May 1st meeting. The board will meet at the Clore Center at 5:30 then on to 14 Hands for the tour. On June 5th we are anticipating partnering with the Port of Benton for a tour of their properties throughout the county. An agenda will be distributed to legislators, Prosser EDA board and membership. This will be a half day tour beginning at the Clore Center at 9am and ending with a hosted luncheon at noon. There will be no board meeting on April 3rd which will be replaced with the Annual meeting on April 7, 2014. Dr. Desmond O'Rourke will be the speaker addressing agriculture economics. Personal invitation cards will be given out to specific target groups by the board members. All attendees need to RSVP by April 1st.

Committee Reports: Bob Stevens is co-chairing the Water Committee and will be providing a committee report next month.

Housing committee will meet on March 21, 2014 Friday, at 4 pm at the Clore Center.

Board Reports: Bill Jenkin stated the school will have a public meeting prior to the regular scheduled school board meeting on March 18th, 2014 regarding the upcoming bond.

Shon reported that the Criminal Justice Committee will have the 3/10% tax on the August 6th ballot.

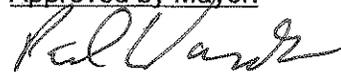
Jennifer Ely attended the Chamber Board retreat which was very productive. She is also working with the Clore Center on next year's Chamber Banquet. Chamber has a new event coming in October which will feature beer and whiskey. Late spring 2015, the Chamber will also host a fiber event.

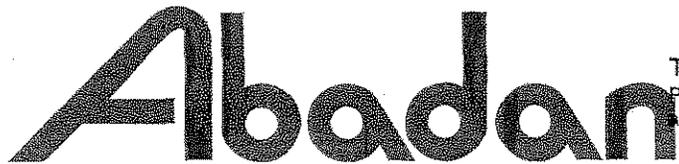
Meeting Adjourned

Program: Speaker Abbey Cameron, interium director for the Walter Clore Wine & Culinary Center toured the board members through the Walter Clore Center.

CITY OF PROSSER, WASHINGTON

AGENDA BILL

<u>Agenda Title:</u> Approve Maintenance Contract Renewal with Abadan for Konica Minolta Bizhub 751 Copier.		<u>Meeting Date:</u> May 13, 2014 Regular Meeting	
<u>Department:</u> Finance	<u>Director:</u> Regina Mauras	<u>Contact Person:</u> Toni Yost	<u>Phone Number:</u> (509) 786-8215
<u>Cost of Proposal:</u> Approximately \$2,000.00 Annually		<u>Account Number:</u> Various	
<u>Amount Budgeted:</u> Approximately \$2,000.00 Annually		<u>Name and Fund#:</u> Various	
<u>Reviewed by Finance Department:</u> R Mauras			
<u>Attachments to Agenda Packet Item:</u> 1. Maintenance Contract Renewal with Abadan for Konica Minolta Bizhub 751			
<u>Summary Statement:</u> The maintenance contract for the Konica Minolta Bizhub 751 Copier expires annually in accordance with the terms and conditions of the agreement. The Contract is set to expire and therefore needs to be renewed for another 12 month term.			
<u>Consistent with or Comparison to:</u> EXISTING ADOPTED OR PREVIOUS PLANS, POLICIES OR ACTIONS TAKEN BY THE COUNCIL			
<u>Recommended City Council Action/Suggested Motion:</u> Move to approve the Maintenance Contract Renewal with Abadan for Konica Minolta Bizhub 751 Copier.			
<u>Reviewed by Department Director:</u> Regina Mauras Date: 5-8-2014	<u>Reviewed by City Attorney:</u>  Date: 5/8/14	<u>Approved by Mayor:</u>  Date: 5-8-14	
<u>Today's Date:</u> April 28, 2014	<u>Revision Number/Date:</u>	<u>File Name and Path:</u>	



THIS IS NOT AN INVOICE
Please sign, make copy
and return original

Clearly the best...

MAINTENANCE CONTRACT

RECEIVED
APR 28 2014
CITY OF PROSSER

New Renewal Revision

CITY OF PROSSER
601 7TH STREET
PROSSER WA 99350

Installation Date: 06/17/2011

Contract Effective: 06/16/2014

Contact: _____

Equipment Location: _____

Fax#: _____

E-Mail #: _____

For an annual, quarterly or monthly base charge plus overage charges, if any, our factory trained personnel will render service calls during regular business hours on the equipment listed below for a period of 12 months in accordance with the terms and conditions set forth on this page.

Model Number	Serial Number	Beginning Meter	BILLING:		
			ANNUAL	QUARTERLY	MONTHLY
			Copy Allowance	Base Charge (in advance)	Charge Per Copy (in Arrears) Overages All Copies
BH751	A0PN011007102		N/A	N/A	.008513

This agreement covers service calls during normal working hours of 8:00 a.m. to 5:00 p.m. Monday through Friday, except holidays. Includes parts, labor, developer, staples, toner and all other consumable supply items unless specifically listed.

Please see terms and conditions set forth on the reverse side of this agreement.

SERVICE E-MAIL servicecall@abadantc.com

METER READ E-MAIL meters@abadantc.com

Approved by Abadan:

Customer Acceptance:

Service Manager

Authorized Signature

Date

Date

Abadan agrees to perform the maintenance service with respect to equipment in accordance with the following terms and conditions:

1. Only authorized **Abadan** personnel may make modifications to this Agreement. Any such changes will be preceded by a 30 days written notice to the customer .
2. This Agreement is subject to acceptance only by an authorized representative or **Abadan**. The Customer hereby waives notice of acceptance.
3. The equipment must be in good condition on the commencement date of this Agreement. **Abadan** will charge for parts and labor required to bring the equipment up to **Abadan** standards unless covered under any applicable warranties or a continuous maintenance Agreement; this will be in addition to the price set forth on the reverse side of this Agreement.
4. This Agreement will renew automatically for successive annual terms unless the Customer notifies **Abadan** in writing thirty (30) days prior to anniversary date. **Abadan** retains the right to increase rates each annual renewal period without notice to the Customer.
5. The Customer agrees to provide Space, power, Network connections and other requirements as specified by the manufacturer for ideal operation of equipment.
6. Customer acknowledges that manufacturer's limit parts production on aged equipment. In the event that a part cannot be obtained to repair the equipment, this Agreement shall become null and void.
7. This Agreement **does not** include: delivery, moving, or installation charges of the equipment or any major modifications to the equipment.
8. During the term hereof, **Abadan** will repair or replace in accordance with the terms and conditions of this Agreement and any part of the Equipment, which becomes unserviceable due to normal usage (other than consumable supplies). Replacement parts will be furnished on an exchange basis and will be new, reconditioned, or used; all part removed due to replacement will become the property of **Abadan**. Maintenance service provided by **Abadan** under this Agreement does not include the following:
 - A. Repairs resulting from misuse (including without limitation improper voltage or use of supplies that do not conform to the manufacturer's specifications).
 - B. Repairs made necessary by service performed by persons other than **Abadan**.
 - C. Removable cassette, copy cabinet, exit trays, or any item not related to the mechanical or electrical operation of the equipment.
 - D. Consumable supplies such as paper, staples, drum cartridges, developer, toner, or masters (unless otherwise noted on the reverse side of this maintenance Agreement).
 - E. Repairs and or service calls resulting from attachments not purchased from **Abadan**.
 - F. Any software, system support or related connectivity, unless specified in writing.
9. **Abadan's** regular service hours are 8:00 a.m. to 5:00 p.m. Monday through Friday, except holidays.
10. This Agreement extends only to the original Customer and is non-transferable. If the equipment is moved beyond **Abadan's** service zones this Agreement shall be deemed terminated.
11. Customer agrees to pay invoices promptly. Should the Customer be delinquent for more than thirty (30) days, **Abadan** at its option may cancel this Agreement without notice. Customer agrees to pay a finance charge of 1-1/2% per month on any past due balance. Further, Customer agrees to pay all costs of collection including reasonable attorney's fees', whether suit be brought or not, incurred by **Abadan** in collecting any past due balance or recovering any equipment.
12. Customer will provide to **Abadan** true and accurate copy counter (meter) readings at monthly/quarterly/annual intervals in any reasonable manner requested by **Abadan** for the purpose of maintenance billing. All copies in excess of the amount included in the base charge of the Agreement are subject to excess copy charges.
13. Customer agrees that in the event **Abadan** does not receive current monthly/quarterly/annual copy counts, the Customer will receive a billing for the base amount and/or an estimated bill based on previous usage history. The next sequential billing will be adjusted for actual copies run for the previous and current billing periods.
14. If the Customer makes an alteration, attaches a device, or utilizes a supply item that, in **Abadan's** judgment, increases the cost of service, **Abadan** will either propose an additional service charge or request the equipment be returned to its standard configuration or purpose and that use of the supply item be discontinued. If, within five (5) days of such proposal or request, the Customer does not remedy the problem or agree in writing to do so immediately, the Customer shall be in default of its obligation to **Abadan** and **Abadan** may withhold maintenance service from the equipment. If **Abadan** believes that an alteration, attachment, or supply item affects the safety of **Abadan** personnel or equipment users, **Abadan** shall notify the Customer of the problem and may withhold maintenance until the problem is remedied.
15. If the Customer requests that the Agreement be terminated prior to the end of the Agreement term the Customer will be give no refund or credit on early termination of the Agreement. In order to request early termination the customer is required to submit a thirty (30) day written notice of their intention to terminate the Agreement. Upon receipt of the written notice **Abadan** will send out a final invoice to the customer and contract will be terminated upon receipt of the final payment.
16. Disclaimer of Implied Warranties and Limitations of Liability:
 - A. **Abadan** disclaims the implied warranty of fitness for particular purpose following the expiration of any express warranty pertaining to equipment. **Abadan** disclaims the implied warranty of merchantability.
 - B. **Abadan** shall not be liable for indirect, incidental, or consequential damages, such as loss of use, revenues, or profit.

**CITY OF PROSSER, WASHINGTON
601 7TH STREET
CITY COUNCIL CHAMBERS
CITY COUNCIL REGULAR MEETING
TUESDAY, APRIL 8, 2014**

CALL TO ORDER

Mayor Warden called the Regular Meeting of the Prosser City Council to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Lexi Warden.

ROLL CALL

Council Members Aubrey, Hamilton, Everett, Becken, and Elder were present. Council Member Taylor requested an excused absence.

Others in attendance were City Clerk Shaw, Police Chief Giles, Finance Manager Yost, City Attorney Saxton, and Sergeant Blackburn.

CITIZEN PARTICIPATION (None)

MAYOR AND COUNCIL REPORTS AND COMMENTS

Mayor Warden read aloud a letter addressed to Sergeant Ed Blackburn in recognition of his dedication and contributions to the City and the Police Department.

Council Member Aubrey stated the new restaurant on the corner of 6th and Bennett, El Buen Gusto, a great addition to Prosser.

Mayor Warden stated the Police Chief has been working on an ordinance to bring forward to Council for consideration regarding false burglar alarms. Staff will be drafting a notification letter addressed to businesses that will be impacted by the ordinance.

CONSENT AGENDA

A motion was made by Council Member Everett, seconded by Council Member Becken to approve Consent Agenda Items "A – J." Motion passed 5 YES, 0 NO, 1 ABSENT (Taylor).

- a. Approve Payment of Payroll Checks Nos. 600032 through 600041 in the Amount of \$16,639.29, and Direct Deposits in the Amount of \$93,585.82, for the Period Ending April 8, 2014
- b. Approve Payment of Claim Checks Nos. 10373 through 10385 and 10390 through 10466, in the Amount of \$258,687.23 and Electronic Payments in the Amount of \$42,734.89, for the Period Ending April 8, 2014
- c. Accept Monthly Report by Prosser Economic Development Association for the Month of March 2014 and Authorize Payment for those Services in

the Amount of \$2,166.66 and Authorize Payment in the Amount of \$1,416.67 for Grant Writer Services

- d. Approve the USDA Outlay Report and Draw Request No. 29 in an Amount of \$15,435.78, for Costs Associated with the Northwest Prosser Water and Sewer System Improvements Project (Contract Addendum No. 2) and authorize the Mayor to Sign the Documents
- e. Approve Progress Estimate No. 1 in the amount of \$1,423.50, for work performed by HLA, Inc., through February 28, 2014, for Preliminary Engineering and Design on the Old Inland Empire Highway Improvements Project and authorize the Mayor to Sign the Documents
- f. Approve Drinking Water State Revolving Fund (DWSRF) Invoice Voucher Request No. 11 in the Amount of \$367,997.67, for the Disinfection, Filtration and Source Improvements Project and authorize the Mayor to Sign the Documents
- g. Adopt Resolution 14-1451 Surplusing City of Prosser Property
- h. Adopt Resolution 14-1452 Surplusing Three Radar Units to the Benton County Sheriff's Office
- i. Accept Monetary Donation in the Amount of \$1,390.08 from Grace Inc., DBA Cottage Court
- j. Approve the February 25, 2014 Meeting Minutes

COUNCIL ACTION

APPROVE PAYMENT OF CLAIM CHECK NO. 10386 IN THE AMOUNT OF \$59,966.70 FOR THE PERIOD ENDING APRIL 8, 2014

Council Member Hamilton recused himself due to a conflict of interest. A motion was made by Council Member Becken, seconded by Council Member Everett approve payment of claim check no. 10386 in the Amount of \$59,966.70 for the period ending April 8, 2014. Motion passed 4 YES, 0 NO, 1 ABSENT (Taylor), 1 ABSENTION (Hamilton).

ADOPT RESOLUTION 14-1453 APPROVING ALL BID DOCUMENTS AND CONTRACT PROVISIONS FOR THE 2014 BITUMINOUS SURFACE TREATMENT PROJECT, PREPARED BY BENTON COUNTY, AND ACCEPTING THE LOWEST QUALIFIED BIDDER GRANITE CONSTRUCTION COMPANY AND AUTHORIZING THE MAYOR TO SIGN AND EXECUTE ANY DOCUMENTS OR CONTRACTS

Council Member Becken recused himself due to a conflict of interest. A motion was made by Council Member Everett, seconded by Council Member Aubrey to adopt Resolution No. 14-1453 approving all specifications, plans, estimates, bid documents, contract provisions, prepared by Benton County pursuant to the Interlocal Agreement executed on January 14, 2014, and

accepting the lowest qualified bidder Granite Construction Company bid in the total amount of \$1,172,000.00, of which the City's portion is \$74,312.00, and authorizing the Mayor to sign and execute any documents or contracts, if any, necessary for the 2014 Bituminous Surface Treatment Project. Motion passed 4 YES, 0 NO, 1 ABSENT (Taylor), 1 ABSENTION (Becken).

APPROVE THE 2013 UPDATE TO THE BENTON COUNTY SOLID WASTE PLAN

Council Member Becken recused himself due to a conflict of interest. A motion was made by Council Member Aubrey, seconded by Council Member Elder to approve the 2013 update to the Benton County Solid Waste Plan and authorize the Mayor to submit a letter to Benton County Solid Waste informing it that the Prosser City Council has approved the 2013 Solid Waste Update. Motion passed 4 YES, 0 NO, 1 ABSENT (Taylor), 1 ABSENTION (Becken).

REVIEW ORDINANCE AMENDING THE 2014 BUDGET FOR FUND 606, LIBRARY MEMORIAL FUND

Mayor Warden provided an explanation of the review process related to a budget amendment. RCW 35.A.34.150 requires that amendments of this type be introduced at least five days before the City Council can take action. Therefore this item will be brought back before the Council at the April 22, 2014, City Council meeting for potential adoption.

ADOPT ORDINANCE AMENDING THE 2014 BUDGET FOR FUND 001, GENERAL FUND

A motion was made by Council Member Aubrey, seconded by Council Member Elder to adopt an Ordinance amending the 2014 Budget for Fund 001, General Fund.

Council Member Everett inquired as to why this item was not brought forward for consideration during the budget discussions.

Mayor Warden explained the request for a part-time office assistant was brought forward for Council consideration during the budget process however the position was not approved at that time. Mayor Warden further explained the need for an additional permanent part-time position goes beyond the City Hall lunch closure that Administration and Council want to change. There is a need for additional staffing the City Hall, particularly for an individual that is capable of serving in multiple functions.

Council Member Hamilton asked how City Hall operated previously when the lobby remained open during the lunch hour.

Finance Manager Yost explained there was more full time staff that allowed for lunch rotation and coverage in the event of sick or vacation leave.

Council Member Elder stated he would like to move forward with funding this position and expressed his interest in re-opening City Hall during the lunch hour.

Motion failed 3 YES (Aubrey, Hamilton, Elder), 2 NO (Everett, Becken), 1 ABSENT (Taylor).

ADOPT ORDINANCE AMENDING PMC 2.16 CHANGING CITY HALL OFFICE HOURS

A motion was made by Council Member Aubrey, seconded by Council Member Hamilton to adopt an Ordinance amending PMC 2.16 changing City Hall office hours.

There was discussion surrounding how City Hall could remain open during the lunch hour if there is not enough staff available to do so.

Council Member Aubrey expressed his concern with the amount of City Hall staff that appears to be able to rotate through the lunch hour for coverage.

Finance Manager Yost explained the different positions and functions of those positions that could potentially be an internal control issue.

Council Member Becken stated it is his preference to close City Hall from noon – 1:00 p.m. instead of 11:00 a.m. – noon.

Council Member Elder echoed Council Member Becken’s statement.

Mayor Warden said it is his preference to remain open all the time and not have a lunch hour closure at all.

Motion failed 3 YES (Aubrey, Hamilton, Elder), 2 NO (Everett, Becken), 1 ABSENT (Taylor).

ADOPT ORDINANCE 14-2882 AMENDING SECTION 5 OF ORDINANCE 14-2876 TO CORRECT A SCRIVENERS ERROR

A motion was made by Council Member Everett, seconded by Council Member Elder to adopt Ordinance No. 14-2882 amending Section 5 of Ordinance 14-2876 to correct a Scriveners error. Motion passed 5 YES, 0 NO, 1 ABSENT (Taylor).

ADJOURNMENT

There being no further business before the City Council at this time, the Regular Meeting of the Prosser City Council was adjourned at 7:42 p.m.

Mayor Paul Warden

Attest:

City Clerk Rachel Shaw

**CITY OF PROSSER, WASHINGTON
601 7TH STREET
CITY COUNCIL CHAMBERS
CITY COUNCIL REGULAR MEETING
TUESDAY, APRIL 22, 2014**

CALL TO ORDER

Mayor Warden called the Regular Meeting of the Prosser City Council to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

ROLL CALL

Council Members Aubrey, Hamilton, Taylor, Everett, Becken, and Elder were present.

Others in attendance were City Clerk Shaw, Police Chief Giles, Finance Director Mauras, City Planner Zetz, and City Attorney Saxton.

CITIZEN PARTICIPATION

Kennewick Police Chief Ken Hohenberg and retired City of Richland Captain Al Wehner, both members of the Citizens for Safe Community Committee, were present to speak in support of the Ballot Proposition Resolution.

MAYOR AND COUNCIL REPORTS AND COMMENTS

Council Member Elder reported the recent citywide Sharefest event was well attended with approximately seventy-five participants.

Council Member Becken stated the Winter Farmer's Market finished it's last Saturday for the season and will open for the regular season the first Saturday in May.

Council Member Taylor advised the Regional Fire Authority (RFA) Planning Committee is going well.

Mayor Warden stated the coordinator for annual Rotary Track Meet is in need of volunteers. If anyone is interested in taking shifts, contact Jim Hancock.

COUNCIL ACTION

RESOLUTION NO. 14-1454 STATING THE CITY COUNCIL'S SUPPORT OF BENTON COUNTY PROPOSITION NUMBER 14-5 PLACING ON THE BALLOT A PROPOSITION FOR AN INCREASE IN SALES AND USE TAX FOR FUNDING PUBLIC SAFETY NEEDS IN BENTON COUNTY AT THE AUGUST 5, 2014, PRIMARY ELECTION

City of Kennewick Police Chief Ken Hohenberg congratulated the City Council on their decision to hire Police Chief Giles and spoke favorably of his interaction with the regional Police Departments.

Chief Hohenberg spoke in favor of the ballot item for Council's consideration and provided Council hand outs related to the item. He thanked Mayor Warden for his involvement on the Citizens for Safe Community Committee and support.

Council Member Elder inquired how much revenue is to be expected if the ballot item passes.

Chief Hohenberg said approximately \$9.2 million per year.

Mr. Al Wehner stated the impact to tax payers has been estimated at \$87 per year or \$7.25 per month.

A motion was made by Council Member Taylor, seconded by Council Member Hamilton to adopt Resolution No. 14-1454 stating the City Council's support of placing on the ballot a proposition for an increase in Sales and Use Tax for funding public safety needs in Benton County at the August 5, 2014, Primary Election. Motion passed 6 YES, 0 NO, 0 ABSENT.

PUBLIC HEARING

POSSIBLE SIX-MONTH EXTENSION OF THE EXISTING MORATORIUM ON THE ESTABLISHMENT OF MEDICAL CANNABIS DISPENSARIES AND COLLECTIVE GARDENS

At 7:25 p.m., Mayor Warden recessed the Regular Meeting of the Prosser City Council to conduct a Public Hearing regarding a possible six-month extension of the existing moratorium on the establishment of medical cannabis dispensaries and collective gardens. Mayor Warden called for public comments. With no comments being offered, the Public Hearing was closed and the Regular Meeting reconvened at 7:25 p.m.

DISCUSSION ITEMS

POSSIBLE SIX-MONTH EXTENSION OF THE EXISTING MORATORIUM ON THE ESTABLISHMENT OF MEDICAL CANNABIS DISPENSARIES AND COLLECTIVE GARDENS

City Attorney Saxton provided background information related to the recent City of Kent case related to the item. There was discussion regarding the extent of the jurisdiction. Council directed staff to draft an Ordinance and work plan regarding the extension of the existing medical cannabis moratorium to bring back at a future City Council meeting for consideration.

CONSENT AGENDA

A motion was made by Council Member Becken, seconded by Council Member Everett to approve Consent Agenda Items "A – L." Motion passed 6 YES, 0 NO, 0 ABSENT.

- a. Approve Payment of Payroll Checks Nos. 600042 through 600044 in the Amount of \$2,173.87, and Direct Deposits in the Amount of \$12,137.98, for the Period Ending April 15, 2014

- b. Approve Payment of Claim Checks Nos. 10468 through 10529, in the Amount of \$856,623.66 and Electronic Payments in the Amount of \$26,629.84, for the Period Ending April 22, 2014
- c. Approve Payment of Washington Trust Bank Claim Check No. 1047 in the Amount of \$6,240.50, for the Period Ending April 8, 2014
- d. Approve the 2013 Annual USDA Report
- e. Approve the 2013 Annual WSDOT Report
- f. Approve Maintenance Contract Renewals with Abadan for Konica Minolta Bizhub 451 Copier and Authorize the Mayor to Sign the Contract
- g. Approve the Special Event Application for the Prosser Chamber of Commerce, Multiple Events, for the 2014 Calendar Year
- h. Approve the Request for Fireworks Ban Special Use Waiver for the Prosser Scottish Festival Anvil Launch to be Held on June 21, 2014, at the Port of Benton East Prosser Wine and Food Park
- i. Approve the USDA Outlay Report and Draw Request No. 30 in the Amount of \$5,768.48, for Costs Associated with the Northwest Prosser Water and Sewer System Improvements Project (Contract Addendum No. 2) and authorize the Mayor to Sign the Documents
- j. Approve the Drinking Water State Revolving Fund (DWSRF) Invoice Voucher Request No. 3 in the Amount of \$5,044.50, for the Zone 2.5 Water Supply Improvements Project and authorize the Mayor to Sign the Documents
- k. Adopt Resolution 14-1455 Surplusing City of Prosser Property
- l. Approve the March 4, 2014 Meeting Minutes

COUNCIL ACTION

APPROVE PAYMENT OF CLAIM CHECK NO. 10467 IN THE AMOUNT OF \$1,101.40 FOR THE PERIOD ENDING APRIL 22, 2014

Council Member Hamilton recused himself due to a conflict of interest. A motion was made by Council Member Everett, seconded by Council Member Taylor to approve payment of claim check no. 10467 in the Amount of \$1,101.40 for the period ending April 22, 2014. Motion passed 5 YES, 0 NO, 0 ABSENT, 1 ABSENTION (Hamilton).

ADOPT RESOLUTION NO. 14-1456 AUTHORIZING THE SUBMITTAL OF GRANT FUNDING ASSISTANCE, THROUGH THE WASHINGTON WILDLIFE AND RECREATION PROGRAM PROJECT, TO THE RECREATION AND CONSERVATION OFFICE

A motion was made by Council Member Taylor, seconded by Council Member Everett to adopt Resolution No. 14-1456 authorizing the submittal of grant funding assistance, through the Washington Wildlife and Recreation Program Project, to the Recreation and Conservation Office. Motion passed 6 YES, 0 NO, 0 ABSENT.

ADOPT ORDINANCE NO. 14-2883 AMENDING THE 2014 BUDGET FOR FUND 606, LIBRARY MEMORIAL FUND

A motion was made by Council Member Everett, seconded by Council Member Becken Adopt Ordinance No. 14-2883 amending the 2014 Budget for Fund 606, Library Memorial Fund. Motion passed 6 YES, 0 NO, 0 ABSENT.

[Clerk's Note: At 7:39 p.m., Mayor Warden stated Council would take a 5 minute recess. Council reconvened at 7:44 p.m.]

DISCUSSION ITEMS

Mayor Warden stated City Clerk Shaw received an email from former Council Member Brumley indicating her interest in returning to her vacated position on Council. Mayor explained it was Council's discretion on whether or not to consider Mrs. Brumley and stated she would need to go through the interview process like the other applicants.

Council concurred it was their desire to move forward with the process to be fair to all parties involved.

CONSIDER CANDIDATES FOR APPOINTMENT TO VACANT CITY COUNCIL POSITION NO. 3 TO SERVE UNTIL THE POSITION IS FILLED BY THE VOTERS AT THE NOVEMBER 2015 ELECTION

The Council conducted interviews with the following applicants:

1. Mr. Robin Siemens
2. Mr. Ernest Troemel
3. Mr. Marvin Ward

At 8:07 p.m., Mr. Siemens expressed his desire to withdraw his candidacy, stating he felt he was not ready for the position. Mr. Siemens thanked Mayor and Council.

EXECUTIVE SESSION

At 8:27 p.m., Mayor Warden recessed the Regular Meeting of the Prosser City Council to conduct an Executive Session pursuant to RCW 42.30.110(1)(h) to evaluate the qualifications of a candidate for appointment to elective office. However, any interview of such candidate and final action appointing a candidate to elective office shall be in a meeting open to the public. The Executive Session was expected to last for 10 minutes and was to include Mayor and Council Members.

At 8:37 p.m., Mayor Warden reconvened the Regular Meeting of the Prosser City Council and stated no action occurred.

COUNCIL ACTION

APPOINTMENT OF CANDIDATE TO VACANT CITY COUNCIL POSITION NO. 3

A motion was made by Council Member Becken, seconded by Council Member Everett to appoint Marvin Ward to City Council Position No. 3 to serve until the position is filled by the voters at the November 2015 election. Motion passed 6 YES, 0 NO, 0 ABSENT.

Mayor Warden thanked all candidates.

OATH OF OFFICE OF NEWLY APPOINTED COUNCIL MEMBER

City Clerk Shaw administered the Oath of Office for Marvin Ward as Council Member – Position No. 3.

ADJOURNMENT

There being no further business before the City Council at this time, the Regular Meeting of the Prosser City Council was adjourned at 8:44 p.m.

Mayor Paul Warden

Attest:

City Clerk Rachel Shaw

CITY OF PROSSER, WASHINGTON

AGENDA BILL

Agenda Title: Approve payment of claim Check no. 10540 in the amount of \$60,091.20 for the period ending May 13, 2014.		Meeting Date: May 13, 2014 Regular Meeting	
Department: Finance	Director: Regina Mauras	Contact Person: Toni Yost	Phone Number: (509) 786-2332
Cost of Proposal: \$60,091.20		Account Number: See Attached	
Amount Budgeted: See 2014 budget for each item listed.		Name and Fund# See Attached	
Reviewed by Finance Department: <i>R Mauras</i>			
Attachments to Agenda Packet Item: 1. Check Register # 10540			
Summary Statement: Approve payment of claim check no. 10540 in the amount of \$60,091.20 for the period ending May 13, 2014.			
Consistent with or Comparison to: City's policy to pay bills in a timely manner.			
Recommended City Council Action/Suggested Motion: Approve payment of claim Approve payment of claim check no. 10540 in the amount of \$60,091.20 for the period ending May 13, 2014.			
Reviewed by Department Director: <i>Regina Mauras</i> Date: 5-7-2014	Reviewed by City Attorney: N/A Date:	Approved by Mayor: <i>Paul Ward</i> Date: 5-8-14	
Today's Date: May 7, 2014	Revision Number/Date:	File Name and Path:	

CHECK REGISTER

City Of Prosser
MCAG #: 0205

04/30/2014 To: 04/30/2014

Time: 17:26:28 Date: 04/28/2014
Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1401	04/30/2014	Payroll	1	10540	Washington Teamsters Welfare	60,091.20	04/01/2014 To 04/30/2014 - WTWT
			511		Legislative	1,164.52	
			514		Financial, Recording & Elections	6,938.00	
			518		Centralized Services	1,199.52	
			521		Law Enforcement	15,112.83	
			524		Protective Inspections	2,394.04	
			558		Planning & Community Devel	1,164.52	
			576		Park Facilities	1,339.66	
			580		Non Expenditures	11,644.25	
			001 General Fund			40,957.34	
			542		Streets - Maintenance	2,660.39	
			543		Streets Admin & Overhead	346.55	
			102 Street Fund			3,006.94	
			517		Employee Benefit Programs	1,921.20	
			117 Employee Benefits Security			1,921.20	
			534		Water Utilities	6,203.74	
			539		Irrigation And Reclamation	1,445.84	
			403 Water Fund			7,649.58	
			535		Sewer	6,463.57	
			407 Sewer Fund			6,463.57	
			537		Garbage & Solid Waste	92.57	
			448 Garbage Fund			92.57	
						60,091.20	Payroll: 60,091.20

[Handwritten Signature]

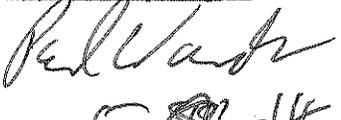
Signature

4/28/14

Date

CITY OF PROSSER, WASHINGTON

AGENDA BILL

<u>Agenda Title:</u> Ordinance 14-_____ amending the zoning map for the City of Prosser for a site specific rezone at 804 6 th Street.		<u>Meeting Date:</u> May 13, 2014 Regular Meeting	
<u>Department:</u> Planning	<u>Director:</u> Steve Zetz	<u>Contact Person:</u> Steve Zetz	<u>Phone Number:</u> (509) 786-2332
<u>Cost of Proposal:</u> NA		<u>Account Number:</u>	
<u>Amount Budgeted:</u> NA		<u>Name and Fund#</u>	
<u>Reviewed by Finance Department:</u> N/A			
<u>Attachments to Agenda Packet Item:</u> 1. Proposed Ordinance 14-_____ 2. Zoning Map			
<u>Summary Statement:</u> On May 6, 2014 the City Council held a Closed Record Hearing Decision for a site specific rezone at 804 6 th Street. In order to approve the rezone the attached ordinance must be approved. In order to deny the application for rezone, the ordinance would have to be rejected and written findings would need to be adopted evidencing why the recommendation from the Planning Commission was not approved.			
<u>Consistent with or Comparison to:</u> Previous requests for zone changes consistent with the Comprehensive Plan.			
<u>Recommended City Council Action/Suggested Motion:</u> Approve Ordinance 14-_____ amending the zoning map for the City of Prosser for a site specific rezone at 804 6 th Street.			
<u>Reviewed by Department Director:</u> 	<u>Reviewed by City Attorney:</u> 	<u>Approved by Mayor:</u> 	
<u>Date:</u>	<u>Date:</u> 5/8/14	<u>Date:</u> 5-13-14	
<u>Today's Date:</u> May 7, 2014	<u>Revision Number/Date:</u>	<u>File Name and Path:</u>	

CITY OF PROSSER, WASHINGTON
ORDINANCE NO. 14-_____

AN ORDINANCE AMENDING THE ZONING MAP FOR THE CITY OF PROSSER, WASHINGTON, BY ZONING CERTAIN PROPERTY DESCRIBED IN THIS ORDINANCE LOCATED ON THE SOUTHEAST CORNER OF THE INTERSECTION OF 6TH STREET AND DUDLEY AVENUE COMMONLY KNOWN AS 804 6TH STREET, PROSSER, WASHINGTON, COMMERCIAL GENERAL DISTRICT (CG). THE ORDINANCE ALSO DECLARES THAT THIS ORDINANCE IS A MINOR ACTION AND HAS A NON-SIGNIFICANT EFFECT ON THE ENVIRONMENT. THE ORDINANCE ALSO SETS FORTH THE EFFECTIVE DATE OF THE ORDINANCE AND PROVIDES THAT ITS PROVISIONS ARE SEVERABLE FROM ONE ANOTHER AND PROVIDES FOR PUBLICATION BY SUMMARY.

THE CITY COUNCIL OF THE CITY OF PROSSER, WASHINGTON, DO ORDAIN
AS FOLLOWS:

Section 1. The Planning Commission has recommended to the City Council a classification change on the City of Prosser's zoning map to Commercial General District (CG) the property hereinafter described in Section 3 hereof, pursuant to Title 18 of the Prosser Municipal Code.

Section 2. The findings adopted by the Planning Commission on the 17th day of April, 2014, on file with the City Clerk, are hereby adopted as the findings of the City Council.

The public will generally benefit from the zoning of the property to Commercial General District and it is in the interest of the public health, safety, and general welfare of the residents of the City and is not for the benefit of private speculators.

Section 3. The real property described below and situated in the City of Prosser, County of Benton, State of Washington, is hereby zoned Commercial General District (CG):

LOTS 1, 2, and the Northwesterly 85 Feet of the Southwesterly 20 Feet of Lot 3, less the Southeasterly 55 feet of Lots 1 and 2, Block 104, Prosser First Subdivision, According to the Plat Thereof Records of Benton County, State of Washington.

HAVING BENTON COUNTY TAX PARCEL NUMBER: 1-0184-302-0104-001.

Section 4. This ordinance has been determined to be a minor action and to have a non-significant, adverse effect on the environment. An Environmental Impact Statement is not required under RCW 43.21C.030.

This ordinance is not an action requiring an environmental statement under WAC 197-11.

This decision is made upon a determination into the guidelines of WAC 197-11 and City Ordinances. This re-zone is in compliance with the Comprehensive Plan of the City.

Section 5. The zoning map of the City of Prosser is hereby amended to show the property described in Section 3 above as Commercial General District (CG).

Section 6. **SEVERABILITY.** The provisions of this ordinance are hereby declared to be severable. If any section, subsection, sentence, clause, or phrase of this ordinance or its application to any person or circumstance is for any reason held to be invalid or unconstitutional, the remainder of this ordinance shall not as a result of said section, sentence, clause, or phrase be held unconstitutional or invalid.

Section 7. This ordinance shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

ADOPTED by the City Council and **APPROVED** by the Mayor, this _____ day of _____, 2014.

Paul Warden, Mayor

ATTEST:

Rachel Shaw, City Clerk

APPROVED AS TO FORM:



Howard Saxton, City Attorney

Date of Publication: _____

SUMMARY OF ORDINANCE NO. 14-

of the City of Prosser, Washington

On the ____ day of _____, 2014, the City of Prosser, Washington, passed Ordinance No. _____. A summary of the content of said ordinance, consisting of the title, provides as follows:

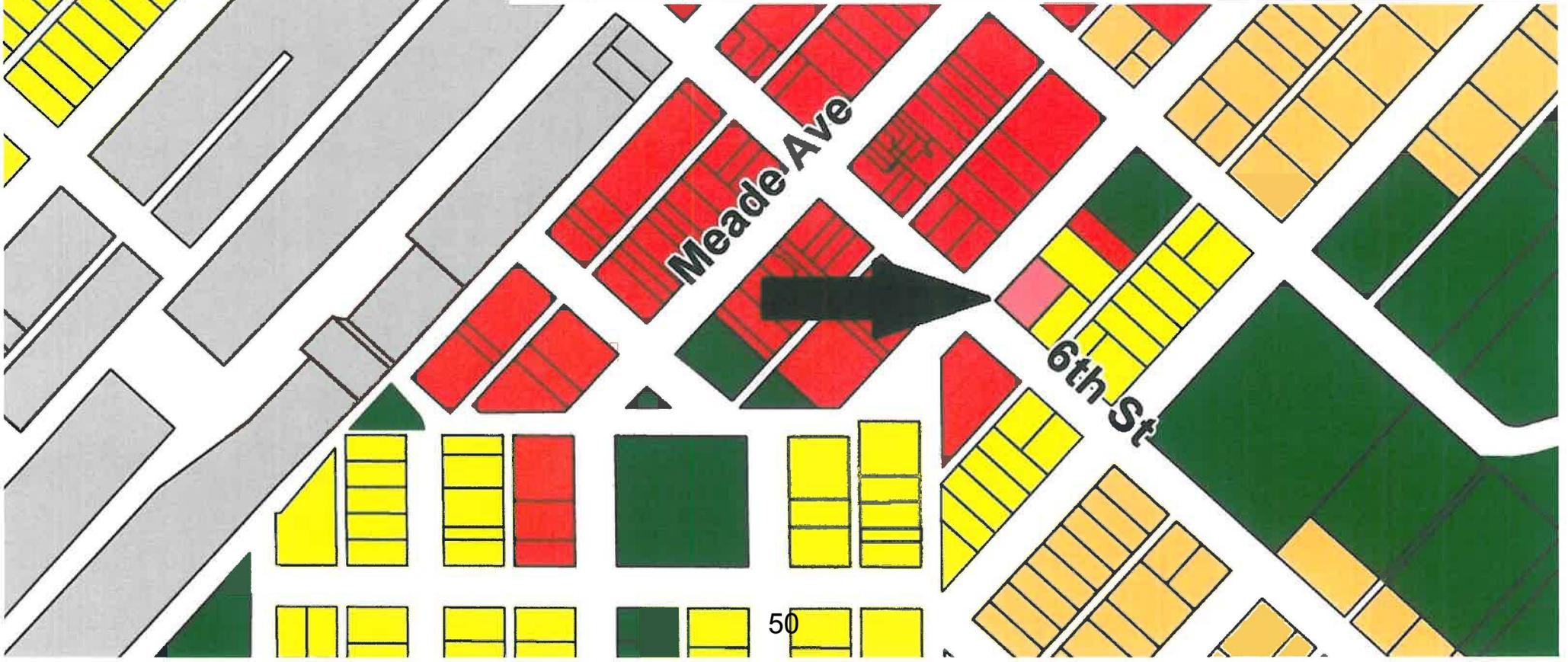
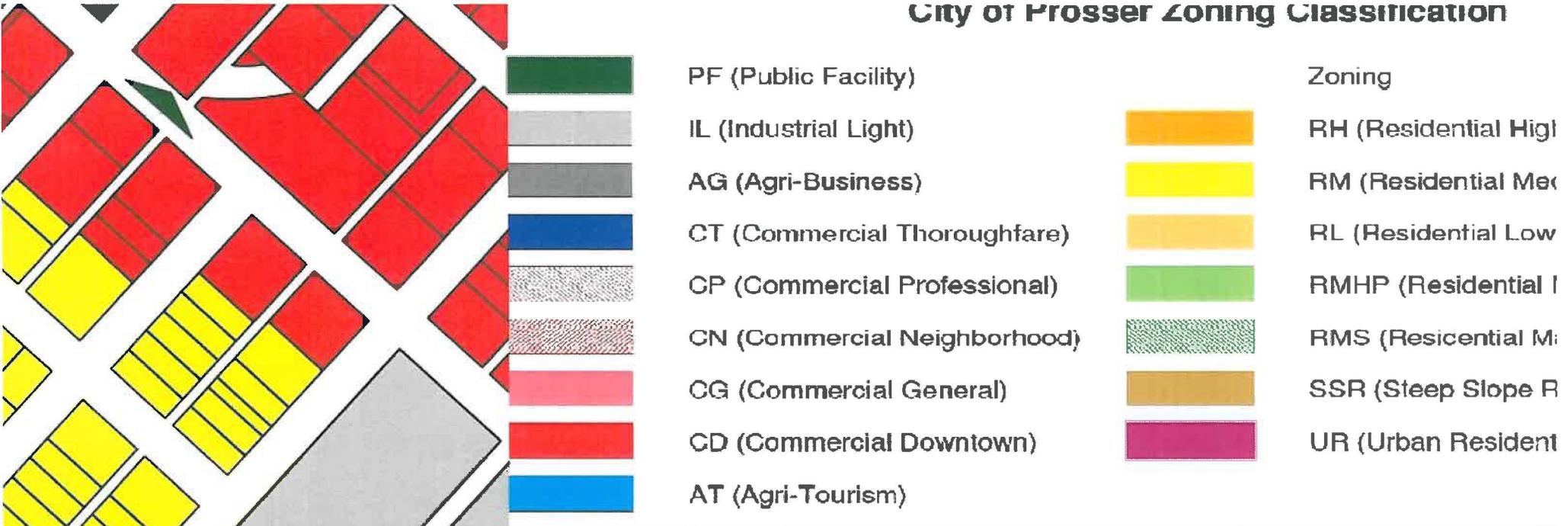
AN ORDINANCE AMENDING THE ZONING MAP FOR THE CITY OF PROSSER, WASHINGTON, BY ZONING CERTAIN PROPERTY DESCRIBED IN THIS ORDINANCE LOCATED ON THE SOUTHEAST CORNER OF THE INTERSECTION OF 6TH STREET AND DUDLEY AVENUE COMMONLY KNOWN AS 804 6TH STREET, PROSSER, WASHINGTON, COMMERCIAL GENERAL DISTRICT (CG). THE ORDINANCE ALSO DECLARES THAT THIS ORDINANCE IS A MINOR ACTION AND HAS A NON-SIGNIFICANT EFFECT ON THE ENVIRONMENT. THE ORDINANCE ALSO SETS FORTH THE EFFECTIVE DATE OF THE ORDINANCE AND PROVIDES THAT ITS PROVISIONS ARE SEVERABLE FROM ONE ANOTHER AND PROVIDES FOR PUBLICATION BY SUMMARY.

The full text of this Ordinance will be mailed upon request.

DATED this ____ day of _____, 2014

RACHEL SHAW, CITY CLERK

City of Prosser Zoning Classification



CITY OF PROSSER, WASHINGTON

AGENDA BILL

<u>Agenda Title:</u> Review Ordinance 14 - _____ closing fund 442 and 443 regarding the 1997 Water/Sewer Refunding Bond and amending the 2014 Budget.		<u>Meeting Date:</u> May 13, 2014 Regular Meeting	
<u>Department:</u> Finance	<u>Director:</u> Regina Mauras	<u>Contact Person:</u> Toni Yost	<u>Phone Number:</u> (509) 786-8215
<u>Cost of Proposal:</u> n/a		<u>Account Number:</u>	
<u>Amount Budgeted:</u> n/a		<u>Name and Fund#</u> 1997 Water/Sewer Refunding Bond Redemption (442) 1997 Water/Sewer Refunding Bond Reserve (443)	
<u>Reviewed by Finance Department:</u> <i>R Mauras</i>			
<u>Attachments to Agenda Packet Item:</u>			
1. Proposed Ordinance 14 - _____ 2. Ordinance 97-1934			
<u>Summary Statement:</u>			
<p>At the last Council meeting this item was brought before the Council for consideration. Following that discussion a small error was found in the Ordinance. The prior ordinance indicated in section 7 that the funds would be transferred to the water and sewer funds. An adjustment was made to the ordinance language in section to clarify that the funds will be transferred to the water and sewer <u>reserve</u> funds.</p> <p>Even though this change is small, it is necessary to re-introduce the amended ordinance for Council's review. Following this discussion staff will bring this ordinance to a future meeting for action.</p> <p>RCW 35A.33.090 requires that budget amendments of this type must be introduced and reviewed at least 5 days prior to the Council taking action on the amendments.</p>			
<u>Consistent with or Comparison to:</u>			
EXISTING ADOPTED OR PREVIOUS PLANS, POLICIES OR ACTIONS TAKEN BY THE COUNCIL			
<u>Recommended City Council Action/Suggested Motion:</u>			
No action, review and discussion only.			

RCW 35A.33.120 requires that budget amendments of this type must be introduced and reviewed at least 5 days prior to the Council taking action on the amendments. This item will be brought to a future meeting for council action.

<u>Reviewed by Department Director:</u> <i>Regina Mamas</i> Date: 5-9-2014	<u>Reviewed by City Attorney:</u>  Date: 5/8/14	<u>Approved by Mayor:</u>  Date: 5-8-14
<u>Today's Date:</u> May 8, 2014	<u>Revision Number/Date:</u> 	<u>File Name and Path:</u>

CITY OF PROSSER, WASHINGTON
ORDINANCE NO. 14-_____

AN ORDINANCE CLOSING THE 1997 WATER/SEWER REFUNDING BOND REDEMPTION FUND NUMBER 442 AND THE 1997 WATER/SEWER REFUNDING BOND RESERVE FUND NUMBER 443; AND AN ORDINANCE AMENDING ORDINANCE 13-2859, ORDINANCE 14-2871, AND ORDINANCE 14-2883; AMENDING THE 2014 BUDGET FOR THE 1997 WATER/SEWER REFUNDING BOND REDEMPTION FUND (442) AND 1997 WATER/SEWER REFUNDING BOND RESERVE FUND (443) FOR UNAPPROPRIATED REVENUE RESERVED BY THE CITY DURING 2014. THE ORDINANCE ALSO PROVIDES FOR EXPENDITURE OF THOSE APPROPRIATIONS AND DECLARES AN EMERGENCY. THE ORDINANCE AMENDS THE 2014 BUDGET FOR THE ABOVE FUND AT THE FUND LEVEL AND FINDS THAT AMENDMENTS TO THE 2014 BUDGET ARE IN THE BEST INTEREST OF THE CITY. THE ORDINANCE ALSO AUTHORIZES THE FINANCE DIRECTOR TO MAKE ALL ADJUSTMENTS TO THE 2014 BUDGET NECESSARY TO ACCOMPLISH THE PURPOSE OF THIS ORDINANCE. THE ORDINANCE ALSO DECLARES THAT THE PROVISIONS OF THE ORDINANCE ARE SEVERABLE FROM ONE ANOTHER AND SETS FORTH THE EFFECTIVE DATE OF THE ORDINANCE AND PROVIDING FOR PUBLICATION BY SUMMARY.

WHEREAS, Ordinance 97-1934 was adopted on May 29, 1997, creating the 1997 Water and Sewer Revenue Improvement and Refunding Bond by combining a number of outstanding revenue bonds for the water and sewer utilities, and

WHEREAS, fund 442 and fund 443 were created per the bond requirements; and

WHEREAS, in December, 2013 the final payment was made on this bond and the obligation has expired, therefore it is in the best interest of the city to close these funds and return any remaining balance to the water and sewer utilities;

WHEREAS, pursuant to RCW 35A.33.090, a public emergency exists which could not have been reasonably foreseen at the time of the filing of the 2014 Budget which requires the receipt and expenditure of money not provided for in the annual budget and is not one of the emergencies specifically enumerated in RCW 35A.33.080; and

WHEREAS, the facts constituting an emergency are enumerated as follows:

1. The adopted 2014 budget was an estimate of revenues and expenditures; and
2. Because the final payment on the bonds referred to above has been paid, the bond funds must be closed and the cash contained in those funds transferred to the water facilities and sewer facilities reserve funds; and
3. Prudent fiscal management requires immediate amendment of the budget; and
4. The funds need to be transferred to the water and sewer funds by the end of 2014; and
5. It is in the best interest of the city of Prosser to amend the budget as provided in

this ordinance for fund numbers 442 and 443; and

WHEREAS, an emergency exists; and

WHEREAS, this Ordinance was first introduced to the City Council on May 13, 2014; and

WHEREAS, the public was given an opportunity to comment for or against this emergency budget amendment; and

WHEREAS, expenses and revenues will occur in 2014 that could not have been foreseen at the time of the preparation of the 2014 budget;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF PROSSER, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Fund No. 442 (1997 Water/Sewer Refunding Bond Redemption Fund) is hereby closed.

Section 2. Fund No. 443 (1997 Water/Sewer Refunding Bond Reserve Fund) is hereby closed.

Section 3. The City wishes to appropriate revenue in the amount \$73,500, and it desires to appropriate for expenditure in the 1997 Water/Sewer Refunding Bond Redemption Fund (442) at the Fund level.

Section 4. The City wishes to appropriate revenue in the amount \$628,500, and it desires to appropriate for expenditure in the 1997 Water/Sewer Refunding Bond Reserve Fund (443) at the Fund level.

Section 5. The City Council finds that it is in the best interest of the City of Prosser, Washington to amend the 2014 City Budget to appropriate the reserved revenues and to provide for the expenditure of those revenues or appropriations at the fund level as set forth in Section 6 below.

Section 6. The 2014 Budget Adopted by Ordinance Number 13-2859, as amended by Ordinances Numbered 14-2871 and 14-2883 is hereby amended for the following funds in the following amounts:

Fund No.	FUND	Revenue	Expenditure
442	1997 Water/Sewer Refunding Bond Redemption Fund	\$73,500	\$73,500
443	1997 Water/Sewer Refunding Bond Reserve Fund	\$628,500	\$628,500

Section 7. The Finance Director is hereby authorized to transfer the funds remaining in

the closed funds 54% to the Water Facilities Reserve Fund and 46% to the Sewer Facilities Reserve Fund and make all adjustments to the City's Budget to accomplish the purposes of this Ordinance in accordance with Chapter 35A.33 RCW.

Section 8. An emergency is declared to exist and the recitals set forth above are hereby adopted as findings in support of such emergency.

Section 9. SEVERABILITY. The provisions of this ordinance are hereby declared to be severable. If any section, subsection, sentence, clause, or phrase of this ordinance or its application to any person or circumstance is for any reason held to be invalid or unconstitutional, the remainder of this ordinance shall not as a result of said section, subsection, sentence, clause, or phrase be held unconstitutional or invalid.

Section 10. Since this budget amendment is being approved in accordance with RCW 35A.33.090, its passage requires the affirmative vote of 5 Council Members. This ordinance shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

PASSED by the City Council and **APPROVED** by the Mayor, this ____ day of _____, 2014.

MAYOR PAUL WARDEN

ATTEST:

CITY CLERK, RACHEL SHAW

Approved as to form:



CITY ATTORNEY, HOWARD SAXTON

Date of Publication: _____

SUMMARY OF ORDINANCE NO. 14-_____

of the City of Prosser, Washington

On the ____ day of _____, 2014, the City of Prosser, Washington, passed Ordinance No. _____. A summary of the content of said ordinance, consisting of the title, provides as follows:

AN ORDINANCE CLOSING THE 1997 WATER/SEWER REFUNDING BOND REDEMPTION FUND NUMBER 442 AND THE 1997 WATER/SEWER REFUDNING BOND RESERVE FUND NUMBER 443; AND AN ORDINANCE AMENDING ORDINANCE 13-2859, ORDINANCE 14-2871, AND ORDINANCE 14-2883; AMENDING THE 2014 BUDGET FOR THE 1997 WATER/SEWER REFUNDING BOND REDEMPTION FUND (442) AND 1997 WATER/SEWER REFUDNING BOND RESERVE FUND (443) FOR UNAPPROPRIATED REVENUE RESERVED BY THE CITY DURING 2014. THE ORDINANCE ALSO PROVIDES FOR EXPENDITURE OF THOSE APPROPRIATIONS AND DECLARES AN EMERGENCY. THE ORDINANCE AMENDS THE 2014 BUDGET FOR THE ABOVE FUND AT THE FUND LEVEL AND FINDS THAT AMENDMENTS TO THE 2014 BUDGET ARE IN THE BEST INTEREST OF THE CITY. THE ORDINANCE ALSO AUTHORIZES THE FINANCE DIRECTOR TO MAKE ALL ADJUSTMENTS TO THE 2014 BUDGET NECESSARY TO ACCOMPLISH THE PURPOSE OF THIS ORDINANCE. THE ORDINANCE ALSO DECLARES THAT THE PROVISIONS OF THE ORDINANCE ARE SEVERABLE FROM ONE ANOTHER AND SETS FORTH THE EFFECTIVE DATE OF THE ORDINANCE AND PROVIDING FOR PUBLICATION BY SUMMARY.

The full text of this Ordinance will be mailed upon request.

DATED this ____ day of _____, 2014.

CITY CLERK, RACHEL SHAW

CITY OF PROSSER WASHINGTON

ORDINANCE NO. 97-1934

AN ORDINANCE of the City of Prosser, Washington, combining the separate water and sewer systems of the City; providing for the defeasance of the outstanding Water Revenue Bonds, 1973, of the City; providing for the issuance of \$4,430,000 par value of Water and Sewer Revenue Improvement and Refunding Bonds, 1997, of the City to provide part of the funds with which to pay the cost of making major repairs and replacements to the City's sewage treatment plant and to pay the cost of refunding all of the outstanding Sewer Revenue and Refunding Bonds, 1987, Sewer Revenue Bonds, 1992, Water Revenue Bonds, 1992, and Water Revenue Bonds, 1994, of the City, and to pay the administrative costs of such refunding and the costs of issuance and sale of such bonds; fixing the date, form, maturities, interest rates, terms and covenants of the bonds; providing for and authorizing the purchase of certain obligations out of the proceeds of the sale of the bonds herein authorized and for the use and application of the money derived from those investments; authorizing the execution of an agreement with Marine Midland Bank of New York, New York, as refunding trustee; providing for the call, payment and redemption of the bonds to be refunded; providing for bond insurance; and approving the sale by placement contract and providing for the delivery of the bonds to Bank of America, NT&SA, doing business as Seafirst Bank, of Seattle, Washington.

This document prepared by:

*Foster Pepper & Shefelman PLLC
1111 Third Avenue, Suite 3400
Seattle, Washington 98101
(206) 447-4400*

CITY OF PROSSER, WASHINGTON

ORDINANCE NO. 97-1934

AN ORDINANCE of the City of Prosser, Washington, combining the separate water and sewer systems of the City; providing for the defeasance of the outstanding Water Revenue Bonds, 1973, of the City; providing for the issuance of \$4,430,000 par value of Water and Sewer Revenue Improvement and Refunding Bonds, 1997, of the City to provide part of the funds with which to pay the cost of making major repairs and replacements to the City's sewage treatment plant and to pay the cost of refunding all of the outstanding Sewer Revenue and Refunding Bonds, 1987, Sewer Revenue Bonds, 1992, Water Revenue Bonds, 1992, and Water Revenue Bonds, 1994, of the City, and to pay the administrative costs of such refunding and the costs of issuance and sale of such bonds; fixing the date, form, maturities, interest rates, terms and covenants of the bonds; providing for and authorizing the purchase of certain obligations out of the proceeds of the sale of the bonds herein authorized and for the use and application of the money derived from those investments; authorizing the execution of an agreement with Marine Midland Bank of New York, New York, as refunding trustee; providing for the call, payment and redemption of the bonds to be refunded; providing for bond insurance; and approving the sale by placement contract and providing for the delivery of the bonds to Bank of America, NT&SA, doing business as Seafirst Bank, of Seattle, Washington.

WHEREAS, the City of Prosser, Washington (the "City"), now owns, operates and maintains a separate waterworks utility (the "Water System"); and

WHEREAS, pursuant to Ordinance No. 887, the City heretofore issued its \$750,000 par value Water Revenue Bonds, 1973 (the "1973 Water Bonds"), and, by Section 13 of that ordinance, provided for the issuance of additional water revenue bonds of the City on a parity with the 1973 Bonds; and

WHEREAS, pursuant to Ordinance No. 1574, the City heretofore issued its \$655,000 par value Water Revenue Bonds, 1992 (the "1992 Water Bonds"), on a parity with the 1973 Bonds, and by that ordinance reserved the right to redeem the 1992 Water Bonds prior to their

maturity on September 1, 1997, or any interest payment date thereafter, at a price of par plus accrued interest to the date fixed for redemption; and

WHEREAS, there are presently outstanding \$655,000 par value of 1992 Water Bonds maturing on September 1 of each of the years 1998 through 2005, inclusive, and bearing interest at various rates ranging from 6.50% to 6.85%; and

WHEREAS, pursuant to Ordinance No. 1722, the City heretofore issued its \$1,010,000 par value Water Revenue Bonds, 1994 (the "1994 Water Bonds"), on a parity with the 1973 Water Bonds and the 1992 Water Bonds; and

WHEREAS, there are presently outstanding \$1,010,000 par value of 1994 Water Bonds maturing on July 1 of each of the years 2006 through 2013, inclusive, and bearing interest at various rates ranging from 6.10% to 6.75%; and

WHEREAS, the 1973 Water Bonds, the 1992 Water Bonds and the 1994 Water Bonds (collectively, the "Water Bonds") were issued on a parity of lien upon the gross revenue of the Water System and any utility local improvement district assessments pledged to the payment of such parity bonds and superior to any other charges whatsoever, subject only to maintenance and operation expenses; and

WHEREAS, the City now owns, operates and maintains a separate sewage disposal system (the "Sewer System"); and

WHEREAS, pursuant to Ordinance No. 1364, the City heretofore issued its \$1,270,000 par value Sewer Revenue and Refunding Bonds, 1987 (the "1987 Sewer Bonds"), and by that ordinance reserved the right to redeem the 1987 Sewer Bonds prior to their maturity on July 1, 1997, or any interest payment date thereafter, at a price of par plus accrued interest to the date fixed for redemption; and

WHEREAS, there are presently outstanding \$780,000 par value of 1987 Sewer Bonds maturing on July 1 of each of the years 1997 through 2002, inclusive, and bearing interest at various rates ranging from 7.40% to 8.20%; and

WHEREAS, pursuant to Ordinance No. 1572, the City heretofore issued its \$1,140,000 par value Sewer Revenue Bonds, 1992 (the "1992 Sewer Bonds"), and by that ordinance reserved the right to redeem the 1992 Sewer Bonds prior to their maturity on September 1, 2002, or on any interest payment date thereafter, at a price of par plus accrued interest to the date fixed for redemption; and

WHEREAS, there are presently outstanding \$1,140,000 par value of 1992 Sewer Bonds maturing on September 1 of each of the years 2003 through 2008, inclusive, and bearing interest at various rates ranging from 6.80% to 7.00%; and

WHEREAS, the 1987 Sewer Bonds and the 1992 Sewer Bonds (collectively, the "Refunded Sewer Bonds") were issued on a parity of lien upon the gross revenue of the Sewer System and any utility local improvement district assessments pledged to the payment of such parity bonds and prior and superior to any other charges whatsoever, subject only to maintenance and operation expenses; and

WHEREAS, the City heretofore entered into the following outstanding Public Works Trust Fund Loans Nos. PW-86-031, PW-5-90-280-031 and PW-5-04-791-ELP-054 payable from revenue of the Water System and/or Sewer System (the "Junior Lien Loans"), and consent has been requested that the Junior Lien Loans be subordinate to the bonds authorized by this ordinance; and

WHEREAS, other than the Water Bonds and the Refunded Sewer Bonds, the City has no other outstanding revenue bonds of the Water System or the Sewer System; and

WHEREAS, after due consideration, it appears to the City Council that provision be made for the defeasance of the 1973 Water Bonds from money on deposit with the City and that the 1992 Water Bonds and the 1994 Water Bonds (collectively, the "Refunded Water Bonds") and the Refunded Sewer Bonds may be refunded by the issuance and sale of the bonds authorized herein (the "Bonds"), so that the City may combine its Water System and Sewer System and modify certain covenants and security with respect to the City's bonds and so that a substantial savings will be effected by the difference between the principal and interest cost over the life of the Bonds and the principal and interest cost over the life of the Refunded Water Bonds and the Refunded Sewer Bonds (collectively, the "Refunded Bonds") but for such refunding, which refunding will be effected by:

- (a) The issuance of the Bonds and the payment of the costs of the issuance of the Bonds allocated to the refunding and the costs of the refunding;
- (b) The call, payment and redemption on July 1, 1997, of all of the outstanding 1987 Sewer Bonds at a price of par plus accrued interest;
- (c) The call, payment and redemption on September 1, 1997, of all of the outstanding 1992 Water Bonds at a price of par plus accrued interest;
- (d) The payment of the interest on the 1992 Sewer Bonds when due up to and including September 1, 2002, and the call, payment and redemption on September 1, 2002, of all of the 1992 Sewer Bonds at a price of par; and
- (e) The payment of the interest on the 1994 Water Bonds when due up to and including July 1, 2004, and the call, payment and redemption on July 1, 2004, of all of the 1994 Water Bonds at a price of par;

and

WHEREAS, to effect that refunding in the manner that will be most advantageous to the City it is found necessary and advisable that certain Acquired Obligations (hereinafter defined) bearing interest and maturing at such time or times as necessary to accomplish the refunding as aforesaid be purchased out of the proceeds of the Bonds; and

WHEREAS, the City is in need of financing major repairs and replacements to the sewage treatment plant (the "Improvements"); and

WHEREAS, the City Council deems it to be in the best interests of the City to issue and sell the Bonds to pay the cost of carrying out the Improvements, to pay part of the cost of refunding the Refunded Bonds, and to pay the administrative costs of such refunding and the costs of issuance and sale of the Bonds; and

WHEREAS, AMBAC Indemnity Corporation, a Wisconsin-domiciled stock insurance company ("AMBAC Indemnity" or the "Bond Insurer"), has made a commitment to issue an insurance policy (the "Municipal Bond Insurance Policy") insuring the payment when due of the principal of and interest on the Bonds as provided therein, and the City Council deems that the purchase of the Municipal Bond Insurance Policy is in the best interest of the City; and

WHEREAS, Bank of America, NT&SA, doing business as Seafirst Bank, has offered to place the Bonds under the terms and conditions hereinafter set forth; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF PROSSER, WASHINGTON, DO ORDAIN, as follows:

Section 1. Definitions. As used in this ordinance the following words shall have the following meanings:

"Acquired Obligations" means those United States Treasury Certificates of Indebtedness, Notes and Bonds--State and Local Government Series and other direct, noncallable obligations of the United States of America purchased to accomplish the refunding of the Refunded Bonds as authorized by this ordinance.

"Annual Debt Service" for the applicable issue or series of Parity Bonds for any year means all the interest plus all principal (except principal of Term Bonds due in any Term Bond

Maturity Year in which Term Bonds are subject mandatory prior redemption), and plus all mandatory redemption requirements for that year, less all bond interest payable from the proceeds of any such Parity Bonds in that year.

"Assessment Bonds" means the original principal amount of any issue of Future Parity Bonds equal to the total remaining unpaid principal amount (at the time of passage of the ordinance providing for the issuance and sale of those bonds) of ULID Assessments on any final assessment roll or rolls of one or more ULIDs formed in connection with the improvements being financed by that issue of Future Parity Bonds (or bonds being refunded by those Future Parity Bonds). The original principal amount of such issue of bonds in excess of Assessment Bonds shall be referred to as "bonds that are not Assessment Bonds." Assessment Bonds shall be allocated to each \$5,000 of bonds in proportion to their percentage of the entire issue of bonds. When a bond of any issue of bonds containing Assessment Bonds is redeemed or purchased, and retired, the same percentage of that bond as the percentage of Assessment Bonds is to that total issue of bonds shall be treated as being redeemed or purchased, and retired.

"Average Annual Debt Service" means the sum of the Annual Debt Service for the remaining years to the last scheduled maturity of the applicable series of bonds divided by the number of those years, except that for purposes of computing the Reserve Requirement the estimated amount of Bonds to be redeemed prior to maturity may be taken into account if required under United States Treasury regulations relating to arbitrage.

"Bond Fund" means that special fund of the City known as the Water and Sewer Revenue Bond Fund created by this ordinance for the payment of the principal of and interest on the Parity Bonds.

"Bond Insurer" or "AMBAC Indemnity" means AMBAC Indemnity Corporation, a Wisconsin-domiciled stock insurance company.

"Bond Register" means the registration books of the Bond Registrar on which is recorded the names and addresses of the owners of the Bonds.

"Bond Registrar" means the Fiscal Agency.

"Bonds" means the \$4,430,000 par value Water and Sewer Revenue Improvement and Refunding Bonds, 1997, authorized to be issued by this ordinance.

"1973 Water Bonds" means the outstanding Water Revenue Bonds, 1973, issued for the purposes provided in and pursuant to Ordinance No. 887, the defeasance of which has been provided for by this ordinance.

"1987 Sewer Bonds" means the outstanding Sewer Revenue and Refunding Bonds, 1987, issued for the purposes provided in and pursuant to Ordinance No. 1364, the refunding of which has been provided for by this ordinance.

"1992 Sewer Bonds" means the outstanding Sewer Revenue Bonds, 1992, issued for the purposes provided in and pursuant to Ordinance No. 1572, the refunding of which has been provided for by this ordinance.

"1992 Water Bonds" means the outstanding Water Revenue Bonds, 1992, issued for the purposes provided in and pursuant to Ordinance No. 1574, the refunding of which has been provided for by this ordinance.

"1994 Water Bonds" means the outstanding Water Revenue Bonds, 1994, issued for the purposes provided in and pursuant to Ordinance No. 1722, the refunding of which has been provided for by this ordinance.

"City" means the City of Prosser, Washington.

"Code" means the United States Internal Revenue Code of 1986, as amended, together with all applicable rulings and regulations heretofore or hereafter promulgated thereunder.

"Coverage Requirement" means annual Net Revenue of the Waterworks Utility at least equal to 1.25 times actual Annual Debt Service on Parity Bonds that are not Assessment Bonds, and annual Net Revenue together with ULID Assessments at least equal to Annual Debt Service on Parity Bonds that are Assessment Bonds.

"Fiscal Agency" means either of the fiscal agencies of the State of Washington located in Seattle, Washington, and New York, New York, as the same may be designated from time to time.

"Future Parity Bonds" means any and all water and sewer revenue bonds of the City issued after the date of the issuance of the Bonds, the payment of the principal of and interest on which constitutes a charge or lien on the Gross Revenue of the Waterworks Utility and ULID Assessments equal in rank with the charge and lien upon such revenue and assessments required to be paid into the Bond Fund to pay and secure the payment of the principal of and interest on the Bonds.

"Government Obligations" means non-callable direct obligations of the United States of America.

"Gross Revenue of the Waterworks Utility" or "Gross Revenue" means all of the earnings and revenues received by the City from the maintenance and operation of the Waterworks Utility and all earnings from the investment of money on deposit in the Bond Fund, except ULID Assessments, government grants, City taxes, principal proceeds of bonds and earnings or proceeds from any investments in a trust, defeasance or escrow fund created to defease or refund Waterworks Utility obligations until commingled with other earnings and

revenues of the Waterworks Utility, or held in a special account for the purpose of paying a rebate to the United States Government under the Code.

"Maintenance and Operation Expense" means all reasonable expenses incurred by the City in causing the Waterworks Utility of the City to be operated and maintained in good repair, working order and condition, but shall not include any depreciation or taxes levied or imposed by the City or payments to the City in lieu of taxes, but shall include payments made to any other municipal corporation for water and/or sewer service in the event the City enters into a contract for such services.

"Maximum Annual Debt Service" means at the time of calculation, the maximum amount of Annual Debt Service that will mature or come due in the current calendar year or any future year on any outstanding Parity Bonds.

"Municipal Bond Insurance Policy" means the municipal bond insurance policy issued by the Bond Insurer insuring the payment when due of the principal of and interest on the Bonds as provided therein.

"Net Revenue of the Waterworks Utility" or "Net Revenue" means the Gross Revenue less Maintenance and Operation Expense.

"Parity Bonds" means the Bonds and any Future Parity Bonds.

"Permitted Investment" means Government Obligations, except that as long as the Municipal Bond Insurance Policy is in effect, Permitted Investments shall be restricted to those listed in Exhibit B.

"Principal and Interest Account" means the account of that name created in the Bond Fund for the payment of the principal of and interest on Parity Bonds.

"Refunded Bonds" means, collectively, the 1987 Sewer Bonds, the 1992 Sewer Bonds, the 1992 Water Bonds and the 1994 Water Bonds.

"Refunding Plan" means:

(a) the placement of sufficient proceeds of the Bonds which, together with other money of the City, if necessary, will acquire the Acquired Obligations to be deposited, with cash, if necessary, with the Refunding Trustee;

(b) The call, payment and redemption on July 1, 1997, of all of the 1987 Sewer Bonds at a price of par, plus accrued interest;

(c) The call, payment and redemption on September 1, 1997, of all of the 1992 Water Bonds at a price of par, plus accrued interest;

(d) The payment of the interest on the 1992 Sewer Bonds when due up to and including September 1, 2002, and the call, payment and redemption on September 1, 2002, of all of the 1992 Sewer Bonds at a price of par;

(e) The payment of the interest on the 1994 Water Bonds when due up to and including July 1, 2004, and the call, payment and redemption on July 1, 2004, of all of the 1994 Water Bonds at a price of par; and

(f) The payment of the costs of issuing the Bonds and the costs of carrying out the foregoing elements of the Refunding Plan.

"Refunding Trust Agreement" means a Refunding Trust Agreement between the City and the Refunding Trustee substantially in the form of that which is on file with the City Clerk/Finance Director and by this reference incorporated herein.

"Refunding Trustee" means Marine Midland Bank of New York, New York, serving as trustee or escrow agent or any successor trustee or escrow agent.

"Reserve Account" means the account of that name created in the Bond Fund for the purpose of securing the payment of the principal of and interest on Parity Bonds.

"Reserve Insurance" means, in lieu of cash and investments, insurance obtained by the City equal to part or all of the Reserve Requirement for any Parity Bonds then outstanding for which such insurance is obtained.

"Reserve Requirement" means, for all bonds payable from the Bond Fund, the lesser of (i) Maximum Annual Debt Service on those bonds, (ii) 125% of Average Annual Debt Service on those bonds, or (iii) 10% of the proceeds of those bonds. Notwithstanding the above, the deposit to be made in the Reserve Account shall be decreased for any issue of bonds payable from the Bond Fund when and to the extent that the City provides for Reserve Insurance to secure the payment of the principal of and interest on that issue of bonds. The amount payable under any Reserve Insurance shall be credited against the amount otherwise required to be made into the Reserve Account to meet the Reserve Requirement for that issue of bonds.

"Term Bond Maturity Year" means any last maturity year in which the bonds of any one issue or series now or hereafter scheduled to mature (regardless of any reservation of prior redemption rights) is more than two times the average annual principal maturity of the bonds of such issue or series for the five years immediately preceding such year.

"Term Bonds" means those outstanding bonds of any single issue or series scheduled to mature in any Term Bond Maturity Year.

"ULID" means Utility Local Improvement District.

"ULID Assessments" means all assessments levied and collected in any ULID of the City created for the acquisition or construction of additions to and extensions and betterments of the Waterworks Utility, if those assessments are pledged to be paid into the Bond Fund (less any prepaid assessments permitted by law to be paid into a construction fund or account). ULID Assessments shall include installments thereof and any interest or penalties which may be due thereon.

"Waterworks Utility" means the waterworks utility of the City, including the sewerage system as a part thereof, and all additions thereto and betterments and extensions thereof at any

time made or constructed, and any storm drainage or any other utility system which hereafter may be combined therewith.

Section 2. Combination of Water and Sewer Systems. The separate waterworks utility and sewage disposal system of the City are combined into the Waterworks Utility of the City.

Section 3. Defeasance of 1973 Water Bonds. To accomplish the defeasance of the claim or lien of the 1973 Water Bonds on the Gross Revenue of the Waterworks Utility, there shall be deposited prior to the delivery of the Bonds, irrevocably in trust with the City Clerk/Finance Director of the City, an amount sufficient to pay and redeem all of the outstanding 1973 Water Bonds on September 1, 1997, plus accrued interest thereon. Such money shall irrevocably be deposited in the Principal and Interest Account of the Water Revenue Bond Fund, 1973, from money on deposit in the reserve account of that fund allocable to the 1973 Water Bonds and, if necessary, from other money of the City legally available therefor. Any investment earnings thereon shall be retained in the Principal and Interest Account and used for the purposes of that account.

Section 4. Authorization and Description of Bonds. For the purpose providing the money required to make major repairs and replacements to the sewage treatment plant and to carry out of the Refunding Plan, the City shall issue the Bonds in the aggregate principal amount of \$4,430,000. The Bonds shall be designated Water and Sewer Revenue Improvement and Refunding Bonds, 1997; shall be dated June 1, 1997; shall be in the denomination of \$5,000 or any integral multiple thereof within a single maturity; shall be numbered separately in the manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification; shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) payable semiannually on each March 1 and September 1, commencing September 1,

1997, to the maturity or earlier redemption of the Bonds; and shall mature on September 1 in years and amounts and bear interest at the rates per annum as follows:

<u>Maturity Years</u>	<u>Amounts</u>	<u>Interest Rates</u>
1997	\$165,000	3.90%
1998	210,000	4.25
1999	215,000	4.50
2000	230,000	4.60
2001	240,000	4.75
2002	305,000	4.85
2003	280,000	4.95
2004	290,000	5.00
2005	295,000	5.05
2006	315,000	5.10
2007	335,000	5.15
2008	350,000	5.15
2009	225,000	5.25
2010	235,000	5.30
2011	240,000	5.35
2012	245,000	5.40
2013	255,000	5.45

Portions of the above maturity amounts are allocated to paying the respective costs of the Improvements and of carrying out the Refunding Plan, including a ratable share of proceeds used to pay the costs of issuance of the Bonds, in accordance with the schedule attached hereto as Exhibit A and by this reference made a part hereof.

Section 5. Registration and Transfer of Bonds. The Bonds shall be issued only in registered form as to both principal and interest and shall be recorded on the Bond Register. The Bond Register shall contain the name and mailing address of the owner of each Bond and the principal amount and number of each of the Bonds held by each owner.

Bonds surrendered to the Bond Registrar may be exchanged for Bonds in any authorized denomination of an equal aggregate principal amount and of the same interest rate and maturity. Bonds may be transferred only if endorsed in the manner provided thereon and surrendered to

the Bond Registrar. Any exchange or transfer shall be without cost to the owner or transferee. The Bond Registrar shall not be obligated to exchange or transfer any Bond during the 15 days preceding any principal payment or redemption date.

Section 6. Payment of Bonds. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be paid by checks or drafts of the Bond Registrar mailed on the interest payment date to the registered owners at the addresses appearing on the Bond Register on the 15th day of the month preceding the interest payment date. Principal of the Bonds shall be payable upon presentation and surrender of the Bonds by the registered owners at either of the principal offices of the Bond Registrar at the option of the owners. The Bonds shall be payable solely out of the Bond Fund and shall not be general obligations of the City.

Section 7. Optional Redemption and Open Market Purchase of Bonds. Bonds maturing in the years 1997 through 2007, inclusive, shall be issued without the right or option of the City to redeem those Bonds prior to their stated maturity dates. The City reserves the right and option to redeem Bonds maturing on or after September 1, 2008, prior to their stated maturity dates on or after September 1, 2007, as a whole at any time, or in part on any interest payment date within one or more maturities selected by the City (and by lot within a maturity in such manner as the Bond Registrar shall determine), at par plus accrued interest to the date fixed for redemption.

Portions of the principal amount of any Bond, in installments of \$5,000 or any integral multiple thereof, may be redeemed. If less than all of the principal amount of any Bond is redeemed, upon surrender of that Bond at either of the principal offices of the Bond Registrar, there shall be issued to the registered owner, without charge therefor, a new Bond (or Bonds,

at the option of the registered owner) of the same maturity and interest rate in any of the denominations authorized by this ordinance in the aggregate principal amount remaining unredeemed.

The City further reserves the right and option to purchase any or all of the Bonds in the open market at any time at any price acceptable to the City plus accrued interest to the date of purchase.

All Bonds purchased or redeemed under this section shall be cancelled.

Section 8. Notice of Redemption. The City shall cause notice of any intended redemption of Bonds to be given not less than 30 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the registered owner of any Bond to be redeemed at the address appearing on the Bond Register at the time the Bond Registrar prepares the notice, and the requirements of this sentence shall be deemed to have been fulfilled when notice has been mailed as so provided, whether or not it is actually received by the owner of any Bond. Interest on Bonds called for redemption shall cease to accrue on the date fixed for redemption unless the Bond or Bonds called are not redeemed when presented pursuant to the call. In addition, the redemption notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc., and Standard & Poor's at their offices in New York, New York, or their successors, to Seafirst Bank at its principal office in Seattle, Washington, or its successor, to the Bond Insurer at its principal office in New York, New York, and to such other persons and with such additional information as the City Clerk/Finance Director shall determine, but these additional mailings shall not be a condition precedent to the redemption of Bonds.

Section 9. Failure to Redeem Bonds. If any Bond is not redeemed when properly presented at its maturity or call date, the City shall be obligated to pay interest on that Bond at

the same rate provided in the Bond from and after its maturity or call date until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund and the Bond has been called for payment by giving notice of that call to the registered owner of each of those unpaid Bonds.

Section 10. Form and Execution of Bonds. The Bonds shall be printed or lithographed on good bond paper in a form consistent with the provisions of this ordinance and state law, shall be signed by the Mayor and City Clerk/Finance Director, either or both of whose signatures may be manual or in facsimile, and the seal of the City or a facsimile reproduction thereof shall be impressed or printed thereon.

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

CERTIFICATE OF AUTHENTICATION

This Bond is one of the fully registered City of Prosser, Washington, Water and Sewer Revenue Improvement and Refunding Bonds, 1997, described in the Bond Ordinance.

WASHINGTON STATE FISCAL AGENCY
Bond Registrar

By _____
Authorized Signer

The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered and are entitled to the benefits of this ordinance.

If any officer whose facsimile signature appears on the Bonds ceases to be an officer of the City authorized to sign bonds before the Bonds bearing his or her facsimile signature are

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

Section 11. Bond Registrar. The Bond Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient books for the registration and transfer of the Bonds, which shall be open to inspection by the City at all times. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this ordinance, to serve as the City's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this ordinance and City Ordinance No. 1342 establishing a system of registration for the City's bonds and obligations.

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

Section 12. Application of Proceeds of the Bonds. Accrued interest on the Bonds, if any, received from the sale and delivery of the Bonds shall be deposited in the Principal and Interest Account of the Bond Fund. Principal proceeds shall be deposited as follows: (a) an

amount sufficient to carry out the Refunding Plan shall be deposited with the Refunded Trustee in accordance with Section 13 and (b) the balance of the principal proceeds of the Bonds shall be deposited in the Sewer Fund of the City previously created in the office of the City Clerk/Finance Director, and used to pay the costs of carrying out the Improvements.

Section 13. Refunding of the Refunded Bonds.

(a) Appointment of Refunding Trustee. Marine Midland Bank of New York, New York, is appointed Refunding Trustee.

(b) Use of Bond Proceeds: Acquisition of Acquired Obligations. The remaining principal proceeds of the sale of the Bonds, after the deposits required by Section 12, shall be deposited immediately upon the receipt thereof with the Refunding Trustee and used to discharge the obligations of the City relating to the Refunded Bonds under Ordinances Nos. 1364, 1572, 1574 and 1722 (the "Refunded Bond Ordinances") by providing for the payment of the amounts required to be paid by the Refunding Plan. To the extent practicable, such obligations shall be discharged fully by the Refunding Trustee's simultaneous purchase of the Acquired Obligations, bearing such interest and maturing as to principal and interest in such amounts and at such times so as to provide, together with a beginning cash balance, if necessary, for the payment of the amount required to be paid by the Refunding Plan. The Acquired Obligations are listed and more particularly described in Schedule A attached to the Refunding Trust Agreement between the City and the Refunding Trustee, but are subject to substitution as set forth below. Any Bond proceeds or other money deposited with the Refunding Trustee not needed to purchase the Acquired Obligations and provide a beginning cash balance, if any, and to pay the costs of issuance of the Bonds shall be returned to the City at the time of delivery of the Bonds to the

initial purchaser thereof and deposited in the Bond Fund to pay interest on the Bonds on the first interest payment date.

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

After the purchase of the Acquired Obligations by the Refunding Trustee, the City reserves the right to substitute therefor cash or Government Obligations subject to the conditions that such money or securities held by the Refunding Trustee shall be sufficient to carry out the Refunding Plan, that such substitution will not cause the Bonds and the Refunded Bonds to be arbitrage bonds within the meaning of Section 148 of the Code and regulations thereunder in effect on the date of such substitution and applicable to obligations issued on the issue date of the Bonds, and that the City obtain, at its expense: (1) a verification by a nationally recognized independent certified public accounting firm acceptable to the Refunding Trustee confirming that the payments of principal of and interest on the substitute securities, if paid when due, and any other money held by the Refunding Trustee will be sufficient to carry out the Refunding Plan; and (2) an opinion from Foster Pepper & Shefelman PLLC, bond counsel to the City, its successor, or other nationally recognized bond counsel to the City, to the effect that the

disposition and substitution or purchase of such securities, under the statutes, rules and regulations then in force and applicable to the Bonds, will not cause the interest on the Bonds or the Refunded Bonds to be included in gross income for federal income tax purposes and that such disposition and substitution or purchase is in compliance with the statutes and regulations applicable to the Bonds. Any surplus money resulting from the sale, transfer, other disposition or redemption of the Acquired Obligations and the substitutions therefor shall be released from the trust estate and transferred to the City to be used for any lawful City purpose.

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

(e) Authorization for Refunding Trust Agreement. To carry out the Refunding Plan provided for by this ordinance, the Mayor is authorized and directed to execute and deliver to the Refunding Trustee a Refunding Trust Agreement substantially in the form on file with the

City Clerk/Finance Director and by this reference made a part hereof setting forth the duties, obligations and responsibilities of the Refunding Trustee in connection with the payment, redemption and retirement of the Refunded Bonds as provided herein and stating that the provisions for payment of the fees, compensation and expenses of such Refunding Trustee set forth therein are satisfactory to it. Prior to executing the Refunding Trust Agreement, the Mayor is authorized to make such changes therein which do not change the substance and purpose thereof or which assure that the escrow provided therein and the Bonds are in compliance with the requirements of federal law governing the exclusion of interest on the Bonds from gross income for federal income tax purposes.

Section 14. Call for Redemption of the Outstanding Bonds. The City calls for redemption on the following dates all of the then outstanding bonds of each issue at par, plus accrued interest to the date of redemption:

<u>Bond Issue</u>	<u>Call Date</u>
1987 Sewer Bonds	July 1, 1997
1992 Water Bonds	September 1, 1997
1992 Sewer Bonds	September 1, 2002
1994 Water Bonds	July 1, 2004

Such calls for redemption shall be irrevocable after the delivery of the Bonds to the initial purchaser thereof. The dates on which the Refunded Bonds are herein called for redemption are the earliest dates, respectively, on which those bonds may be called.

The proper City officials are authorized and directed to give or cause to be given such notices as required, at the times and in the manner required pursuant to the respective bond ordinance, in order to effect the redemption prior to their maturity of those refunded Bonds.

Section 15. City Findings with Respect to Refunding. The City Council finds and determines that the issuance and sale of the Bonds at this time will effect a savings to the City

and is in the best interest of the City and its ratepayers and in the public interest. In making such finding and determination, the City Council has given consideration to the fixed maturities of the Bonds and the Refunded Bonds, the costs of issuance of the Bonds and the known earned income from the investment of the proceeds of the issuance and sale of the Bonds and other money of the City used in the Refunding Plan pending payment and redemption of the Refunded Bonds.

The City Council further finds and determines that it is in the best interest of the City to combine its water and sewer systems and to establish modern revenue bond covenants and terms and conditions that cannot be used under the existing bond ordinances.

The City Council further finds and determines that the money to be deposited with the City Clerk/Finance Director for the 1973 Water Bonds in accordance with Section 3 of this ordinance will discharge and satisfy the obligations of the City under Ordinance No. 887 with respect to those bonds, and the pledges, charges, trusts, covenants and agreements of the City therein made or provided for as to those bonds, and that the 1973 Water Bonds shall no longer be deemed to be outstanding under Ordinance No. 887 immediately upon the deposit of such money with the City Clerk/Finance Director.

The City Council further finds and determines that the money to be deposited with the Refunding Trustee for the Refunded Bonds in accordance with Section 13 of this ordinance will discharge and satisfy the obligations of the City under the Refunded Bond Ordinances with respect to the Refunded Bonds, and the pledges, charges, trusts, covenants and agreements of the City therein made or provided for as to the Refunded Bonds, and that the Refunded Bonds shall no longer be deemed to be outstanding under their respective bond ordinance immediately upon the deposit of such money with the Refunding Trustee.

Section 16. Bond Fund; Payments into Bond Fund. There is created in the office of the City Clerk/Finance Director a special fund known as the Water and Sewer Revenue Bond Fund (the "Bond Fund"), which fund shall be divided into two accounts: the Principal and Interest Account and the Reserve Account. So long as any Parity Bonds are outstanding against the Bond Fund, the City shall set aside and pay into the Bond Fund all ULID Assessments upon their collection and, out of the Gross Revenue of the Waterworks Utility, certain fixed amounts without regard to any fixed proportion, namely:

(a) Into the Principal and Interest Account, upon the delivery of the Bonds, the accrued interest received, and on or before the 20th day of each month commencing with the month of June, 1997, 1/3 of the amount of principal and interest to become due and payable on the Bonds on September 1, 1997, and continuing thereafter 1/6th of the amount of interest and 1/12 of the amount of principal to become due and payable on the Bonds outstanding on the next interest or principal and interest payment date; and

(b) Into the Reserve Account, after transferring \$393,504.61 to the Reserve Account from the debt service reserve accounts for the Refunded Bonds, the additional money and investments necessary to bring the total amount on deposit in the Reserve Account up to the Reserve Requirement for the Bonds within two years from the issue date of the Bonds.

The City further agrees that when the total Reserve Requirement has been paid into the Reserve Account, it will at all times, except for withdrawals therefrom as authorized herein, maintain such amount therein until there is a sufficient amount in the Principal and Interest Account and Reserve Account to pay the principal of and interest to maturity on all the outstanding Parity Bonds. When the total amount in the Bond Fund shall equal the total amount of principal and interest requirements of all outstanding Parity Bonds to the last maturity thereof, no further payments need be made into the Bond Fund, at which time the money in the Reserve Account may be used to pay such principal and interest.

The Reserve Account shall be used for the sole purpose of making up any deficiency existing in the Principal and Interest Account to meet maturing installments of either principal or interest, as the case may be, of any or all outstanding Parity Bonds. Any deficiency created in the Reserve Account by reason of any such withdrawal therefrom shall be made up from the Gross Revenue of the Waterworks Utility and ULID Assessments first available after making necessary provisions for the required payments into the Principal and Interest Account. Money in the Reserve Account also may be used to pay the last maturing outstanding Parity Bonds. Furthermore, if the Reserve Account is fully funded, any money in excess of the Reserve Requirement may be withdrawn and expended for the purpose of retiring bonds payable from the Bond Fund or for any other lawful Waterworks Utility purpose.

All money in the Reserve Account may be kept in cash or on deposit in the official bank depository of the City or may be invested in direct obligations of the United States Government maturing not later than prior to the last maturity date of any outstanding Parity Bonds and/or may be deposited in shares of savings and loan institutions to the extent that such shares are guaranteed by the Federal Savings and Loan Insurance Corporation. Interest earned on any such deposits or investments shall be deposited in and become a part of the Principal and Interest Account in the Bond Fund.

The amounts in the Reserve Account may be decreased for any issue of Parity Bonds when and to the extent the City has provided for Reserve Insurance.

Notwithstanding the provisions for the deposit of earnings, any earnings which are subject to a federal tax or rebate requirement may be withdrawn from the Bond Fund for deposit into a separate fund or account for that purpose.

If the City fails to set aside and pay into the Bond Fund the amounts set forth above, the owner of any of the outstanding bonds payable out of the Bond Fund may bring action against the City and compel such setting aside and payment.

Section 17. Due Regard Finding. The City Council finds and determines that the Gross Revenue to be derived from the operation and maintenance of the Waterworks Utility of the City at the rates to be charged for services from the Waterworks Utility will be more than sufficient to meet all Maintenance and Operation Expense (and cost of maintenance and operation under RCW 35.92.100) and to permit the setting aside into the Bond Fund out of the Gross Revenue of the Waterworks Utility of amounts sufficient to pay the principal of and interest on the Bonds as the same become due.

The City Council finds and determines it has exercised due regard for Maintenance and Operation Expense (and cost of maintenance and operation under RCW 35.92.100) and that it has not obligated the City to set aside and pay into the Bond Fund a greater amount of the Gross Revenue of the Waterworks Utility than in its judgment will be available over and above such Maintenance and Operation Expense (and cost of maintenance and operation under RCW 35.92.100).

Section 18. Pledge of Revenue and Lien Position. The Gross Revenue of the Waterworks Utility and ULID Assessments are pledged to the payment of the Parity Bonds, and the Parity Bonds shall constitute a lien and charge upon such Gross Revenue and ULID Assessments prior and superior to any other charges whatsoever, subject only to Maintenance and Operation Expense. The right of the City to issue bonds on a parity of lien with the 1973 Water Bonds, the 1987 Sewer Bonds, the 1992 Sewer Bonds, the 1992 Water Bonds or the 1994

Water Bonds in accordance with the provisions of their respective bond ordinance is permanently revoked.

Section 19. Covenants. The City covenants and agrees with the owner of each Parity Bond at any time outstanding, as follows:

(a) All ULID Assessments shall be paid into the Bond Fund and may only be used to pay the principal of and interest on the outstanding Parity Bonds. However, nothing in this ordinance or this section shall be construed to prohibit the City from issuing water and sewer revenue bonds junior in lien to the Parity Bonds and pledging as security for their payment assessments levied in any utility local improvement district which may have been specifically created to pay part of the cost of improvements to the Waterworks Utility for which those junior lien bonds are specifically issued.

(b) It will at all times maintain and keep the Waterworks Utility in good repair, working order and condition, and also will at all times operate that Waterworks Utility and the business in connection therewith in an efficient manner and at a reasonable cost.

(c) It will not sell or dispose of all of the property of the Waterworks Utility unless provision is made for payment into the Bond Fund of a sum sufficient to pay and retire the Parity Bonds then outstanding and it will not sell or dispose of any part of the useful operating properties of the Waterworks Utility unless provision is made for proportional payment into the Bond Fund of the greatest of the following:

(i) An amount which will be at least in the same proportion to the amount of the principal and interest due and payable to the first par call date of all then outstanding bonds that the revenue from the portion of the Waterworks Utility sold or disposed of which is available for debt service on such bonds for the twelve months preceding such sale or disposition bears to the revenue available for debt service from the Waterworks Utility of the City for the same period, or

(ii) An amount which will be at least in the same proportion to the amount of the principal and interest due and payable to the first par call date of all then outstanding bonds that the number of customers connected with that portion of the Waterworks Utility sold or disposed of bears to the total number of customers connected to the Waterworks Utility immediately prior to such sale or disposal, or

(iii) An amount which will be at least in the same proportion to the amount of the principal and interest due and payable to the first par call date of all then outstanding bonds that the depreciated cost value of the facilities of the Waterworks Utility in the area sold or disposed of bears to the depreciated cost value of all of the facilities of the Waterworks Utility immediately prior to such sale or disposal.

All such sums of money so paid into the Bond Fund shall be used to retire outstanding Bonds at the earliest possible date on which any of such Bonds may be redeemed at par.

(d) It will establish, maintain and collect such rates and charges for services and facilities furnished which, together with the collection of ULID Assessments, so long as any of the Parity Bonds are outstanding, will make available for the payment of the principal of and interest on such bonds as the same shall become due, Gross Revenue of the Waterworks Utility in an amount which will equal the Coverage Requirement.

(e) While any of the Bonds remain outstanding, it will keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the Waterworks Utility, and it will furnish the original purchaser or purchasers of the Bonds or any subsequent owner or owners thereof, at the written request of such owner or owners, complete operating and income statements of the Waterworks Utility in reasonable detail covering any fiscal year not more than 90 days after the close of such fiscal year and it will grant any owner or owners of at least 25% of the outstanding Bonds the right at all reasonable times to inspect the entire Waterworks Utility and all records, accounts and data of the City relating thereto.

(f) It will carry the type of insurance in the amounts normally carried by similar utilities engaged in the operation of water and sewer systems, and the cost of such insurance shall be considered part of Maintenance and Operation Expense, or in lieu thereof, may self-insure or participate in a joint intergovernmental insurance assuring the same coverage as is carried by such similar utilities. If, as, and when the United States of America or some agency thereof shall provide for war risk insurance at reasonable cost, the City further agrees to take out and maintain such insurance on all or such portion of the Waterworks Utility on which such war risk insurance may be written in an amount or amounts to cover adequately the value thereof.

(g) It will not furnish water or sewer service to any customer whatsoever free of charge (except to aid the poor or inform, to provide resource conservation or to provide for the proper handling of hazardous materials) and it shall take such legal action as may be feasible to enforce collection of all collectible delinquent accounts and proceed with the foreclosure of the delinquent

ULID Assessments or delinquent installments thereof in the shortest time period provided by law.

Section 20. Preservation of Tax Exemption for Interest on Bonds. The City covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the City treated as proceeds of the Bonds at any time during the term of the Bonds which will cause interest on the Bonds to be included in gross income for federal income tax purposes. The City certifies that it has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

Section 21. Flow of Funds. All ULID Assessments shall be paid into the Bond Fund as provided by Section 16. The Gross Revenue of the Waterworks Utility shall be used for the following purposes only and shall be applied in the following order of priority:

- (a) To pay the Maintenance and Operation Expense;
- (b) To pay the interest on the outstanding Parity Bonds;
- (c) To pay the principal of the outstanding Parity Bonds;
- (d) To make all payments required to be made into any sinking fund account created to provide for the payment of the principal of Term Bonds;
- (e) To make all payments required to be made into the Reserve Account;
- (f) To make all payments required to be made into any revenue bond redemption fund or warrant redemption fund and debt service account or reserve account created to pay or secure the payment of the principal of and interest on any revenue bonds, or revenue warrants or other revenue obligations of the City having a lien upon the revenue of the Waterworks Utility junior and inferior to the lien thereon for the payment of the principal of and interest on the Parity Bonds; and

(g) To retire by redemption or purchase in the open market any outstanding revenue bonds or other revenue obligations of the Waterworks Utility, to make necessary additional betterments, improvements and repairs to or extensions and replacements of the Waterworks Utility, or for any other lawful City purposes.

The City may transfer any money from any funds or accounts of the Waterworks Utility legally available therefor, except bond redemption funds, refunding escrow funds or defeasance funds, to meet the required payments to be made into the Bond Fund.

Section 22. Provisions for Future Parity Bonds. The City further covenants with the owner of each of the Bonds for as long as any of the same remain outstanding that it will not create any special fund or funds for the payment of the principal of and interest on any other water and sewer revenue bonds which will rank on a parity with or have any priority over the payments to be made out of the Gross Revenue of the Waterworks Utility of the City into the Bond Fund, except that it reserves the right for,

(a) The purpose of acquiring, constructing and installing additions and improvements to and betterments of, acquiring necessary equipment for or making necessary replacements of equipment or capital improvements to the Waterworks Utility of the City, or

(b) The purpose of exchanging or purchasing and retiring prior to or at their maturity any outstanding water and sewer revenue bonds of the City,

to issue Future Parity Bonds and to make payments into the Bond Fund for the payment of such Future Parity Bonds from the Gross Revenue of the Waterworks Utility, together with ULID Assessments, sufficient to pay the principal of and interest on such Future Parity Bonds and to maintain a reserve therefor if the following conditions and requirements are met and complied with at the time of the issuance of such Future Parity Bonds:

(a) That all payments required by this ordinance pertaining to outstanding Parity Bonds shall have been made into the Bond Fund for the payment of those outstanding Parity Bonds and no deficiency exists therein;

(b) That the ordinance providing for the issuance of such Future Parity Bonds shall provide that all assessments and interest thereon which may be levied in any utility local improvement districts hereafter created for the purpose of paying in whole or in part the principal of and interest on such Future Parity Bonds shall be paid directly into the Bond Fund;

(c) That the revenues of the Waterworks Utility of the City for any 12 consecutive month period out of the immediately preceding 24 consecutive month period, plus the additional revenues reasonably anticipated to be received from the proposed improvement in connection with which such Future Parity Bonds are to be issued, plus the additional revenues reasonably anticipated to be received from normal growth in the number of users of the waterworks utility of the City, plus the additional revenues reasonably anticipated to be received as a result of an increase in charges for water and/or sewer service furnished put into effect prior to the issuance of such Future Parity Bonds, together with collections of assessments, both principal and interest and penalties, collected on the assessment rolls of any ULIDs hereafter created in connection with the issuance of such Future Parity Bonds, shall be and be deemed sufficient, after the payment of normal operation and maintenance costs and taxes, to equal at least the Coverage Requirement of the Parity Bonds then outstanding, any additional Future Parity Bonds then outstanding and of the additional Future Parity Bonds proposed to be so issued, excluding the principal requirements but including the interest requirements of any Term Bond Maturity Year after deducting the normal costs of maintenance, operation and taxes from the revenues of the Waterworks Utility of the City. Such determination of the sufficiency of the revenues shall be made and certified to by an independent professional registered engineer experienced in municipal utilities and licensed to practice in the State of Washington. This certificate shall not be required in the event that the additional Future Parity Bonds proposed to be so issued are issued for the purpose of refunding outstanding water and sewer revenue bonds and the Average Annual Debt Service requirements of such proposed additional Future Parity Bonds are not increased over the requirement for the bonds being so refunded; and

(d) That the ordinance authorizing the issuance of such additional Future Parity Bonds shall provide that (1) an amount equal to the Reserve Requirement of those Future Parity Bonds proposed to be issued or (2) Reserve Insurance or an amount plus Reserve Insurance equal to the Reserve Requirement for those Future Parity Bonds, shall be accumulated as a reserve in the Bond Fund, such amount to be accumulated out of the collection of ULID Assessments levied and collected for the payment of the principal of and interest on such Future Parity Bonds and/or revenues of the Waterworks Utility of the City by monthly deposits commencing not later than one month after the date of the issuance of the bonds and to be accumulated within five years after the date of issuance. In the case of refunding bonds, the ordinance authorizing the issuance of such refunding bonds shall provide that the moneys in the reserve account for the bonds to be refunded shall be transferred to the reserve account or separate

reserve account for the refunding bonds, or that the moneys in the reserve account for the bonds to be refunded shall be used to redeem such bonds, in which event an amount equal to the Reserve Requirement for the refunding bonds proposed to be issued shall be accumulated as a reserve in the same manner and within the same time as set forth herein for additional revenue bonds.

Nothing contained in the provisions for Future Parity Bonds shall prevent the City from issuing water and sewer revenue bonds which are a charge upon the Gross Revenue of the Waterworks Utility of the City junior or inferior to the payments required to be made therefrom into the Bond Fund for the payment of Parity Bonds.

Section 23. Refunding or Defeasance of the Bonds. The City may issue refunding bonds pursuant to the laws of the State of Washington or use money available from any other lawful source to pay when due the principal of and interest on the Bonds, or any portion thereof included in a refunding or defeasance plan, and to redeem and retire, refund or defease all such then-outstanding Bonds (hereinafter collectively called the "defeased Bonds") and to pay the costs of the refunding or defeasance. If money and/or Government Obligations or other Permitted Investments maturing at a time or times and bearing interest in amounts (together with money, if necessary) sufficient to redeem and retire, refund or defease the defeased Bonds in accordance with their terms are set aside in a special trust fund or escrow account irrevocably pledged to that redemption, retirement or defeasance of defeased Bonds (hereinafter called the "trust account"), then all right and interest of the owners of the defeased Bonds in the covenants of this ordinance and in the Gross Revenue of the Waterworks Utility, ULID Assessments, funds and accounts obligated to the payment of the defeased Bonds, other than the right to receive the funds to set aside and pledged, thereafter shall cease and become void. The owners of defeased Bonds shall have the right to receive payment of the principal of and interest on the defeased Bonds from the trust account. The City shall include in the refunding or defeasance plan such

provisions as the City deems necessary for the random selection of any defeased Bonds that constitute less than all of a particular maturity of the Bonds, for notice of the defeasance to be given to the owners of the defeased Bonds and to such other persons as the City shall determine, and for any required replacement of Bond certificates for defeased Bonds. The defeased Bonds shall be deemed no longer outstanding, and the City may apply any money in any other fund or account established for the payment or redemption of the defeased Bonds to any lawful purposes as it shall determine.

If the refunding plan provides that the defeased Bonds or the refunding bonds to be issued be secured by money and/or Government Obligations or other Permitted Investments pending the prior redemption of the defeased Bonds and if such refunding plan also provides that certain money and/or Government Obligations or other Permitted Investments are pledged irrevocably for the prior redemption of the defeased Bonds included in that refunding plan, then only the debt service on the Bonds which are not defeased Bonds and the refunding bonds, the payment of which is not so secured by the refunding plan, shall be included in the computation of the Coverage Requirement for the issuance of Future Parity Bonds and the annual computation of coverage for determining compliance with the rate covenants.

Notwithstanding anything in this section to the contrary, if the principal of and/or interest due on the Bonds is paid by the Bond Insurer pursuant to the Municipal Bond Insurance Policy, the Bonds shall be treated as remaining outstanding for all purposes, not defeased or otherwise satisfied and shall not be considered paid by the City, and the covenants, agreements and other obligations of the City to the registered owners of the Bonds shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of those registered owners.

Section 24. Small Governmental Issuer Arbitrage Rebate Exemption and Designation of Bonds as "Qualified Tax-Exempt Obligations." The City finds and declares that (a) it is a duly organized and existing governmental unit of the State of Washington and has general taxing power; (b) no Bond which is part of this issue of Bonds is a "private activity bond" within the meaning of Section 141 of the Code; (c) at least 95% of the net proceeds of the Bonds will be used for local governmental activities of the City (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the City); (d) the aggregate face amount of all tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculations) issued by the City and all entities subordinate to the City (including any entity which the City controls, which derives its authority to issue tax-exempt obligations from the City or which issues tax-exempt obligations on behalf of the City) during the current calendar year is not reasonably expected to exceed \$5,000,000; and (e) the amount of tax-exempt obligations, including the Bonds, designated by the City as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Bonds are issued does not exceed \$10,000,000. The City therefore certifies that the Bonds are eligible for the arbitrage rebate exemption under Section 148(f)(4)(D) of the Code and designates the Bonds as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code.

Section 25. Bonds Negotiable. The Bonds shall be negotiable instruments to the extent provided by RCW 62A.8-102 and 62A.8-105.

Section 26. Preliminary Official Statement Deemed Final. The City Council has been provided with copies of a preliminary official statement dated May 20, 1997 (the "Preliminary Official Statement"), prepared in connection with the sale of the Bonds. For the sole purpose

of the Bond purchaser's compliance with Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(1), the City "deems final" that Preliminary Official Statement as of its date, except for the omission of information as to offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, maturity dates, options of redemption, delivery dates, ratings and other terms of the Bonds dependent on such matters.

Section 27. Approval of Placement Contract. Bank of America NT&SA, doing business as Seafirst Bank, has presented a placement contract (the "Bond Placement Contract") to the City offering to place the Bonds under the terms and conditions provided in the Bond Placement Contract, which written Bond Placement Contract is on file with the City Clerk/Finance Director and is incorporated herein by this reference. The City Council finds that entering into the Bond Placement Contract is in the City's best interest and therefore accepts the offer contained therein and authorizes its execution by City officials.

The Bonds will be printed at City expense and will be delivered to the purchaser in accordance with the Bond Placement Contract, with the approving legal opinion of Foster Pepper & Shefelman PLLC, municipal bond counsel of Seattle, Washington, regarding the Bonds printed on each Bond. Bond counsel shall not be required to review and shall express no opinion concerning the completeness or accuracy of any official statement, offering circular or other sales or disclosure material issued or used in connection with the Bonds, and bond counsel's opinion shall so state.

The proper City officials are authorized and directed to do everything necessary for the prompt delivery of the Bonds to the purchasers and for the proper application and use of the proceeds of the sale thereof.

Section 28. Undertaking to Provide Continuing Disclosure. To meet the conditions of paragraph (d)(2) of United States Securities and Exchange Commission ("SEC") Rule 15c2-12 (the "Rule") as required to qualify for the limited exemption from paragraph (b)(5) of the Rule, as applicable to a participating underwriter for the Bonds, the City makes the following undertaking (the "Undertaking") for the benefit of holders of the Bonds:

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

(i) To any person upon request, or annually to a state information depository, if any, established in the state of Washington (the "SID"), annual financial information and operating data of the type included in the final official statement for the Bonds and described in Section 28(b) ("annual financial information") that is customarily prepared by the City and is otherwise publicly available; and

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

(b) Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the City undertakes to provide:

(i) Shall consist of (1) a statement of authorized, issued and outstanding bonded debt secured by the Gross Revenue of the Waterworks Utility; (2) debt service coverage ratios; and (3) number of customers and current rates; and

(ii) Shall be available from the City Clerk/Finance Director of the City, whose current address and telephone number are identified in the final official statement for the Bonds.

(c) Amendment of Undertaking. The Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, rating agency, NRMSIR, the SID or the MSRB, under the circumstances and in the manner permitted by the Rule.

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

(d) Beneficiaries. The Undertaking evidenced by this Section 28 shall inure to the benefit of the City and any holder of Bonds, and shall not inure to the benefit of or create any rights in any other person.

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

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

(g) Designation of Official Responsible to Administer Undertaking. The City Clerk/Finance Director of the City (or such other officer of the City who may in the future perform the duties of the City Clerk/Finance Director) or his or her designee is authorized and directed in his or her discretion to take such further actions as may be necessary, appropriate or convenient to carry out the

Undertaking of the City in respect of the Bonds set forth in this Section 28 and in accordance with the Rule, including, without limitation, the following actions:

(i) Preparing, filing and/or making available the annual financial information undertaken to be provided;

(ii) Determining whether any event specified in Section 28(a) has occurred, assessing its materiality with respect to the Bonds, and, if material, preparing and disseminating notice of its occurrence;

(iii) Determining whether any person other than the City is an "obligated person" within the meaning of the Rule with respect to the Bonds, and obtaining from such person an undertaking to provide any annual financial information and notice of material events for that person in accordance with the Rule;

(iv) Determining and monitoring the aggregate amount of outstanding municipal securities of the City and of any other obligated person for purposes of the qualification of the City and any other obligated person for the limited exemption from paragraph (b)(5) of the Rule;

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

(vi) Effecting any necessary amendment of the Undertaking.

Section 29. Bond Insurance. The City is authorized to purchase from the Bond Insurer the Municipal Bond Insurance Policy insuring the prompt payment of the principal of and interest on the Bonds and agrees to the conditions for obtaining that policy, including the payment of the premium therefor. Any notice required to be given to the Bond Insurer shall be sent by certified or registered mail to AMBAC Indemnity Corporation, One State Street Plaza, New York, New York 10004.

While the Municipal Bond Insurance Policy is in effect, the City or the Bond Registrar shall furnish to the Bond Insurer (to the attention of the Surveillance Department, unless otherwise indicated):

(a) As soon as practicable after the filing thereof, copies of any financial statements, audits and annual reports of the City;

(b) copies of any notices given to the registered owners of the Bonds, including, without limitation, notices of any redemption of or defeasance of Bonds, and any certificate rendered pursuant to this ordinance relating to the security for the Bonds; and

(c) such additional information the Bond Insurer may reasonably request.

The Bond Registrar shall notify the Bond Insurer of any failure of the City to provide relevant notices and certificates.

The City will permit the Bond Insurer to discuss the affairs, finances and accounts of the City or any information the Bond Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the City. The Bond Registrar and the City will permit the Bond Insurer to have access to and make copies of all books and records relating to the Bonds at any reasonable time.

The Bond Insurer shall have the right to direct an accounting at the City's expense, and the City's failure to comply with such direction within 30 days after receipt of written notice of the direction from the Bond Insurer shall be deemed a default hereunder unless compliance cannot occur within such period. In that event and only if an extension would not materially adversely affect the interest of any registered owner of the Bonds, that 30-day period will be extended so long as compliance is begun within that period and diligently pursued.

Section 30. Payment Procedures Under Bond Insurance. The Bond Insurer requires that the following sections be included in this ordinance:

"As long as the bond insurance shall be in full force and effect, the Issuer, the Trustee and any Paying Agent agree to comply with the following provisions:

"(a) At least one (1) day prior to all Interest Payment Dates the Trustee or Paying Agent [the Bond Registrar], if any, will determine whether there will

be sufficient funds in the Funds and Accounts to pay the principal of or interest on the Bonds on such Interest Payment Date. If the Trustee or Paying Agent, if any, determines that there will be insufficient funds in such Funds or Accounts, the Trustee or Paying Agent, if any, shall so notify AMBAC Indemnity. Such notice shall specify the amount of the anticipated deficiency, the Bonds to which such deficiency is applicable and whether such Bonds will be deficient as to principal or interest, or both. If the Trustee or Paying Agent, if any, has not so notified AMBAC Indemnity at least one (1) day prior to an Interest Payment Date, AMBAC Indemnity will make payments of principal or interest due on the Bonds on or before the first (1st) day next following the date on which AMBAC Indemnity shall have received notice of nonpayment from the Trustee or Paying Agent, if any.

"(b) the Trustee or Paying Agent, if any, shall, after giving notice to AMBAC Indemnity as provided in (a) above, make available to AMBAC Indemnity and, at AMBAC Indemnity's direction, to the United States Trust Company of New York, as insurance trustee for AMBAC Indemnity or any successor insurance trustee (the "Insurance Trustee"), the registration books of the Issuer maintained by the Trustee or Paying Agent, if any, and all records relating to the Funds and Accounts maintained under this ordinance.

"(c) the Trustee or Paying Agent, if any, shall provide AMBAC Indemnity and the Insurance Trustee with a list of registered owners of Bonds entitled to receive principal or interest payments from AMBAC Indemnity under the terms of the Municipal Bond Insurance Policy, and shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of Bonds entitled to receive full or partial interest payments from AMBAC Indemnity and (ii) to pay principal upon Bonds surrendered to the Insurance Trustee by the registered owners of Bonds entitled to receive full or partial principal payments from AMBAC Indemnity.

"(d) the Trustee or Paying Agent, if any, shall, at the time it provides notice to AMBAC Indemnity pursuant to (a) above, notify registered owners of Bonds entitled to receive the payment of principal or interest thereon from AMBAC Indemnity (i) as to the fact of such entitlement, (ii) that AMBAC Indemnity will remit to them all or a part of the interest payments next coming due upon proof of Bondholder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from AMBAC Indemnity, they must surrender their Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such Bonds to be registered in the name of AMBAC Indemnity) for payment to the Insurance Trustee, and not the Trustee or Paying Agent, if any, and (iv) that should they be entitled to receive partial payment of principal from AMBAC Indemnity, they must first surrender their Bonds for payment thereon first to the Trustee or

Paying Agent, if any, who shall note on such Bonds the portion of the principal paid by the Trustee or Paying Agent, if any, and the, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

"(e) in the event that the Trustee or Paying Agent, if any, has notice that any payment of principal of or interest on a Bond which has become Due for Payment and which is made to a Bondholder by or on behalf of the Issuer has been deemed a preferential transfer and theretofore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Trustee or Paying Agent, if any, shall, at the time AMBAC Indemnity is notified pursuant to (a) above, notify all registered owners that in the event that any registered owner's payment is so recovered, such registered owner will be entitled to payment from AMBAC Indemnity to the extent of such recovery if sufficient funds are not otherwise available, and the Trustee or Paying Agent, if any, shall furnish to AMBAC Indemnity its records evidencing the payments of principal of and interest on the Bonds which have been made by the Trustee or Paying Agent, if any, and subsequently recovered from registered owners and the dates on which such payments were made.

"(f) in addition to those rights granted AMBAC Indemnity under this ordinance, AMBAC Indemnity shall, to the extent it makes payment of principal of or interest on Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Municipal Bond Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee or Paying Agent, if any, shall note AMBAC Indemnity's rights as subrogee on the registration books of the Issuer maintained by the Trustee or Paying Agent, if any, upon receipt from AMBAC Indemnity of proof of the payment of interest thereon to the registered owners of the Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Trustee or Paying Agent, if any, shall note AMBAC Indemnity's rights as subrogee on the registration books of the Issuer maintained by the Trustee or Paying Agent, if any, upon surrender of the Bonds by the registered owners thereof together with the proof of the payment of principal thereof."

Section 31. Parties Interested Herein. To the extent that this ordinance confers upon or gives or grants to the Bond Insurer any right, remedy or claim under or by reason of this ordinance, the Bond Insurer is explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder. Nothing expressed or implied in this ordinance is intended or shall be construed to confer upon,

or to give or grant to, any person or entity, other than the City, the Bond Insurer and the registered owners of the Bonds, any right, remedy or claim under or by reason of this ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Bond Insurer and the registered owners of the Bonds.

Notwithstanding any other provision of this ordinance, the City shall notify the Bond Insurer immediately if at any time there are insufficient funds to make any payments of principal and/or interest as required and immediately upon the occurrence of any event of default hereunder.

Any provision of this ordinance expressly recognizing or granting rights in or to the Bond Insurer may not be amended in any manner which affects the rights of the Bond Insurer hereunder without the prior written consent of the Bond Insurer. Unless otherwise provided in this section, the Bond Insurer's consent shall be required, in addition to Bond owner consent, when required, for the following purposes: (i) execution and delivery of any supplemental ordinance, and (ii) initiation or approval of any other action which requires Bond owner consent. Anything in this ordinance to the contrary notwithstanding, upon the occurrence and continuance of an event of default, the Bond Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bond owners for the benefit of the Bond owners under this ordinance.

Any reorganization or liquidation plan with respect to the City must be acceptable to the Bond Insurer. In the event of any reorganization or liquidation, the Bond Insurer shall have the right to vote on behalf of all bondholders who hold AMBAC Indemnity-insured bonds absent

a default by the Bond Insurer under the applicable Municipal Bond Insurance Policy insuring such bonds.

Section 32. Temporary Bond. Pending the printing, execution and delivery to the purchaser of the definitive Bonds, the City may cause to be executed and delivered to the purchaser a single temporary Bond in the total principal amount of the Bonds. The temporary Bond shall bear the same date of issuance, interest rates, principal payment dates and terms and covenants as the definitive Bonds, shall be issued as a fully registered Bond in the name of the purchaser, and otherwise shall be in a form acceptable to the purchaser. Such temporary Bond shall be exchanged for definitive Bonds as soon as they are printed, authenticated and available for delivery.

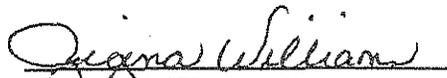
Section 33. Effective Date of Ordinance. This ordinance shall take effect from and after its passage and five days following the date of its publication in the official newspaper of the City.

PASSED by the City Council and APPROVED by the Mayor of the City of Prosser, Washington, this 29th day of May, 1997, at a special open public meeting notice thereof having been given as required by law.

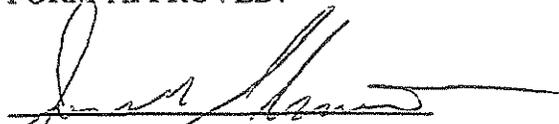
CITY OF PROSSER, WASHINGTON

By 
Mayor

ATTEST:


City Clerk/Finance Director

FORM APPROVED:


City Attorney

Published: 6/4/97

EXHIBIT A

ALLOCATION OF BONDS

<u>Maturity Years</u>	<u>New Money</u>	<u>Current Refunding</u>	<u>Advance Refunding</u>	<u>Total Principal</u>
1997	--	\$120,000	\$45,000	\$165,000
1998	--	185,000	25,000	210,000
1999	--	195,000	20,000	215,000
2000	--	205,000	25,000	230,000
2001	--	215,000	25,000	240,000
2002	--	305,000	--	305,000
2003	--	95,000	185,000	280,000
2004	--	95,000	195,000	290,000
2005	--	95,000	200,000	295,000
2006	--		315,000	315,000
2007	--		335,000	335,000
2008	--		350,000	350,000
2009	\$100,000		125,000	225,000
2010	100,000		135,000	235,000
2011	100,000		140,000	240,000
2012	100,000		145,000	245,000
2013	100,000		155,000	255,000

EXHIBIT B

PERMITTED INVESTMENTS

- A. AMBAC Indemnity will allow the following obligations to be used as Permitted Investments for all purposes, including defeasance investments in refunding escrow accounts.

(AMBAC Indemnity does not give a premium credit for the investment of accrued and/or capitalized interest.)

- (1) Cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (2) below), or
 - (2) Direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America.
- B. AMBAC Indemnity will allow the following Obligations to be used as Permitted Investments for all purposes other than defeasance investments in refunding escrow accounts.

- (1) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:

- Export-Import Bank
- Farm Credit System Financial Assistance Corporation
- Rural Economic Community Development Administration (formerly the Farmers Home Administration)
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association (GNMA)
- U.S. Department of Housing & Urban Development (PHA's)
- Federal Housing Administration
- Federal Financing Bank;

- (2) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- Senior debt obligations rated "Aaa" by Moody's and "AAA" by S&P issued by the Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC)
- Obligations of the Resolution Funding Corporation (REFCORP)
- Senior debt obligations of the Federal Home Loan Bank System
- Senior debt obligations of other Government Sponsored Agencies approved by AMBAC;

- (3) U.S. dollar denominated deposit accounts, federal funds and bankers' acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P and "P-1" by Moody's and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank.);
- (4) Commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P and "P-1" by Moody's and which matures not more than 270 days after the date of purchase;
- (5) Investments in a money market fund rated "AAA_m" or "AAA_m-G" or better by S&P;

- (6) Pre-refunded Municipal Obligations defined as follows: Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and
- (A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P and Moody's or any successors thereto; or
- (B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph A(2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate; [Pre-refunded Municipal Obligations meeting the requirements of subsection (B) hereof may not be used as Permitted Investments for annual appropriation lease transactions without the prior written approval of S&P.]
- (7) General obligations of States with a rating of at least "A2/A" or higher by both Moody's and S&P.
- (8) Investment agreements approved in writing by AMBAC Indemnity Corporation [supported by appropriate opinions of counsel] with notice to S&P; and
- (9) Other forms of investments (including repurchase agreements) approved in writing by AMBAC with notice to S&P.

C. The value of the above investments shall be determined as follows:

"Value", which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

- (1) As to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;
- (2) As to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;
- (3) As to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and
- (4) As to any investment not specified above: the value thereof established by prior agreement between the Issuer, the Trustee and AMBAC Indemnity Corporation.