An Addendum to an Application

for a

Public Facility

IDAHO COMMUNITY DEVELOPMENT BLOCK GRANT

by the

City of Gooding

for

Wastewater Treatment Plant Improvements

March 1, 2019

Jeff Brekke, Mayor

City of Gooding

"Gateway to a Good Life"
308 5th Ave West
Gooding, ID 83330-1205
208 934-5669 Phone
208 934-5425 Fax

Incorporated November 21, 1910

Mayor: Jeff Brekke
Clerk: Hollye Lierman

City Council
Michael 'Mitch' Arkoosh
Vern France
Chuck Cram
Colin Smith

March 1, 2019

Mr. Tom Kealey, Director
Idaho Department of Commerce
700 W. State Street
P.O. Box 83720
Boise, Idaho 83720-0093

Re: Wastewater System Improvements

Dear Director Kealey:

The City of Gooding is excited to provide the following information in support of our Idaho Community Development Block Grant (ICDBG) application to facilitate a major upgrade to our wastewater system. We are pleased that you have considered partnering with the City on this important project. We will begin this addendum by addressing the questions identified in the letter we received from Dennis Porter, Manager, Community Development dated February 7, 2019. We will then address each of the items outlined in the Addendum Checklist that was attached with Mr. Porter's letter.

Provide a copy of the EPA's notice of violations.

- The City of Gooding is operating under an expired NPDES permit. The City has been working on meeting the new limits of a draft NPDES permit for several years. DEQ is currently working on the parameters for the new IPDES permit. DEQ has indicate that the pollutant concentration limits used by EPA in the draft NPDES permit are likely to appear in the new IPDES permit. The ability of the existing plant to treat wastewater was evaluated against the draft permit effluent limits. The 2016-2018 effluent phosphorus loading (8.3 pounds/day – 112.6 pounds/day) has been consistency above the proposed limits (monthly limit is 1.21 pounds/day and weekly 2.43 pounds/day). The existing treatment plant was not designed to remove phosphorus out of the wastewater stream.

  In addition, the WWTP would have had several violations based on the new residual chlorine, ammonia, and fecal coliform limits (for example – below is the assessment for ammonia).

2016-2018 Total Ammonia	Monthly Average (lb/day)	Daily Max (lb/day)	Monthly Average (mg/L)	Daily Max (mg/L)
Draft IPDES Limits	**4.2**	**9.8**	**0.5**	**1.2**
Average	1.3	2.0	0.6	1.0
Min	0.1	0.2	0.1	0.1
Max	11.7	14.6	5.5	6.3
Violations	**2**	**1**	**9**	**6**

Without any changes at the WWTP, the City will be in violation of the new permit as soon as that permit comes into effect. The proposed WWTP improvements are being designed to meet the new effluent limits.

Will the project be bid out as one bid or broken out into phases?

- The consulting engineer anticipates that the project will be bid as one schedule for one contract.

The cost estimate identifies that Davis-Bacon and AIS increase the project cost by a total of 30% ($1,630,000). This seems to be rather high, are you confident with the percentage?

- According to Oksana Roth, P.E., it is estimated that the project cost will increase 15% due to AIS requirement and 15% due to Davis-Bacon requirements. This is the engineer's opinion of probable cost and the City believes that these are reasonable budget numbers. These percentages are based on the engineer's experience in the industry and have been confirmed with a contractor who is familiar with this type of construction and has recently bid projects with similar requirements. The Contractor's input includes the following information: a project with AIS requirements warrants a 60% increase of the total cost for steel. Additionally, the cost of AIS-compliant valves and pipe is 50% higher. A labor cost of $32 per composite man-hour goes up to approximately $55 per composite man-hour for projects that require compliance with the Davis-Bacon Act. It is the recommendation of the City's engineering team to keep the AIS and Davis-Bacon percentages as presented in the project budget.

Identify any changes to the project's scope of work.

- The scope of work has not changed since the City submitted their ICDBG application November 16, 2018.

Submit an updated Application Information Page, Budget Page, EAC Briefing Page, Design Professional Cost Estimates, and Project Schedule Page.

  - Application Information Page
  - Budget Page
  - EAC Briefing Page
  - Design Professional Cost Estimate
  - Project Schedule

- The requested updated Application Information Page, Budget Page, and EAC Briefing Page are provided in Exhibit 1.

- Oksana Roth, P.E. from Keller Associates, Inc. has provided the updated Design Professional Cost Estimates and Project Schedule. That information is also attached in Exhibit 1.

Provide written evidence of the community's ability to secure the local and other match committed to the project. Evidence must be a commitment letter or executed loan/grant agreement from the agency providing the matching funds (the matching amount should be the same as reported on the budget page).

- DEQ has agreed to purchase that bond and has issued a Loan Offer dated May 3, 2018. That agreement was executed by the Mayor on behalf of the City of Gooding on May 7, 2018. A copy of that executed loan offer is attached as Exhibit 2.

Provide documentation of ownership and title to the subject building (if project involves building).

- The proposed project does not include the acquisition or construction of a building; however, information regarding the ownership of the property required for the development of the wastewater infrastructure improvements was included in the original application, and is once again attached as Exhibit 3.

Provide documentation that a Fair Housing Resolution has been adopted before the addendum deadline of March 1, 2019.

- The City of Gooding Council adopted Fair Housing Resolution No. 256 on October 15, 2018. A copy of the Resolution was included in the original application and is attached herein as Exhibit 4.

Submit a copy of the City's most current audited financial statements.

- A copy of the City of Gooding's 2017 Audit was submitted electronically to the Idaho Department of Commerce on November 16, 2018. In response to documenting the submission, an email dated February 4, 2019 was received from Amanda Ames, Community Development Specialist, Idaho Department of Commerce verifying that the city's audit was received back in November.

The City of Gooding is excited to partner with the Idaho Department of Commerce on our project. Improvements to our municipal wastewater treatment system will resolve our National Pollutant Discharge Elimination System (NPDES) permit and impeding Idaho Pollution Discharge Elimination System (IPDES) violations, and provide our community room for growth and future development.

If you have any questions regarding our project, please contact Larry Bybee, Public Works Director or Hollye Lierman, City Clerk at (208) 934-5669. You can also contact Georgia Dimick, Community Development Planner, with Region IV Development Association at (208) 732-5727 extension 3003. Your consideration of our grant request is greatly appreciated. We look forward to working with you to make this a successful project.

Sincerely,

Jeff Brekke, Mayor

EXHIBIT 1

Idaho Community Development Block Grant Application Information Form

Applicant: City of Gooding Chief Elected Official: Jeff Brekke, Mayor
Address: 308 5th Ave. W, Gooding, ID 83330 Phone: (208) 934-5669
Email Address: mayor@goodingidaho.org DUNS#: 028-51-6953 CAGE Code: 4C7D2

Application prepared by: Carleen Herring Phone: (208) 732-5727 x 3010
Address: Region IV Development Association P.O. Box 5079 Twin Falls, Idaho 83303-5079

Engineer: Oksana Roth, P.E. Phone: (208) 238-2146
Address: Keller Associates, Inc. 305 N. 3rd Ave, Suite A, Pocatello, Idaho 83201

National Objective: **Project Type:**

X	LMI Area		LMI Clientele		Imminent Threat		X	Public Facility		Imminent Threat
	LMI Jobs		Slum & Blight		LMI Housing			Infrastructure for Jobs		Senior Center
								Downtown Revitalization		Public Park
								Community Center		

Project Population to Benefit (Persons): Survey
Total # to Benefit: 3,452 Total LMI to Benefit: 1,888 % LMI to Benefit: 54.70%

- Population estimates 2017 American Community Survey

Project Description:
The proposed project consists of improvements to the City of Gooding's municipal wastewater treatment system to resolve the City's NPDES permit violations. Project components include the development of new headworks, treatment capacity, sand filtration, dying beds, UV sanitation, as well as lift station and tertiary treatment improvements.

Also included in the budget are line items for engineering, administrative services, interim interest, and legal expenses.

Source	Amount	Funds Committed/Award Date	Documentation
ICDBG	500,000.00		
Local Cash			
Local In-Kind	-		
DEQ - Loan	9,000,000.00		1
USACE Grant			
USDA - Loan			
TOTAL	9,500,000.00		

Identify Loan Source(s): DEQ Date of Judicial Confirmation: February 14, 2018

City of Gooding – Wastewater System Treatment Plant Project

Idaho Community Development Block Grant Budget Form						
Applicant:	City of Gooding					
Project Name:	City of Gooding Wasteswater Treatment Plant Project					
Line Items	**ICDBG**	**Cash**	**DEQ**	**Federal - USDA RD**	**Federal - USACE**	**Total**
Planning	-	-	-	-	-	-
Facilities Plan	-	-	-	-	-	-
Administration	50,000		40,000	-	-	90,000
Design Professional	-	-	1,530,000	-		1,530,000
Acquisition	-	-	-	-	-	-
Soft Costs	-		-	-	-	-
Construction	450,000	-	7,414,750	-	-	7,864,750
Materials/Equipment	-		-	-	-	-
Financing Expenses	-	-	-	-	-	-
Legal	-		15,250	-	-	15,250
USACE Admin	-	-	-	-	-	-
Total Costs	500,000	-	9,000,000	-	-	9,500,000
	5.26%	0.0%	94.74%	0.0%	0.0%	100.0%

City of Gooding – Wastewater System Treatment Plant Project

Economic Advisory Council

Wastewater treatment is not something that most folks think about on a daily basis. The toilet flushes, the shower drains, the dishes get washed. What's there to think about? However, changes in federal regulations for effluent discharge to the Little Wood River started an odyssey in sewer issues for the citizens of Gooding. As a result, over the last several years, Gooding residents have been doing a lot of thinking -- and talking -- about wastewater.

Since 2015, the City has been under an EPA/DEQ notice of violation and struggling to operate its sewer plant through a temporary National Pollution Discharge Elimination System (NPDES) permit with virtually unattainable discharge limits and requirements. Phosphorus levels, ammonia, and fecal coliform violations have forced the community to consider options and make plans. Following an engineering assessment of the facilities, and a number of public meetings and community conversations about wastewater, the City's intent to meet the EPA/DEQ requirements has culminated in a Judicial Confirmation hearing to allow Gooding to borrow $9.0 million to fix the system's problems.

Project components include replacement of the existing headworks building and equipment with a new screen and vortex grit removal system, as well as the installation of a new magnetic flow meter. The existing oxidation ditch system will be replaced with the Aero-Mod technology and chemical treatment, followed by filtration to eliminate excessive phosphorus loading. A new UV disinfection system and sand filter will replace the existing chlorination/dechlorinating facilities. Solids handling processes will be expanded to include additional drying beds. Lift station improvements, site electrical and piping, and tertiary water system upgrades round out the project components. With DEQ supporting the proposal, these improvements will help the City of Gooding finally achieve compliance – and will allow DEQ to issue a new NPDES permit. However, a continuing escalation of construction costs indicates that the implementation of the project will now require approximately $9.5 million.

While parts of the Magic Valley may be experiencing growth, Gooding remains one of those rural communities still trying to gain economic traction. A recent income survey puts the citizenry firmly in the low- to moderate-income category with more than 52% of the town reporting incomes less than the county median. Since the Judicial Confirmation will only go so far, Gooding needs the participation of the Idaho Community Development Block Grant program to finance the project.

The City of Gooding is seeking $500,000 from the ICDBG program to serve the community of 3,452 residents. Improvements to the wastewater treatment plant will resolve EPA and DEQ compliance issues and will allow the community room for growth and future development.

KELLER ASSOCIATES

305 North 3rd Ave. Suite A
Pocatello, ID 83201
(208) 238-2146

City of Gooding WWTP Project Budget

- DEQ Loan Amount = $9,000,000
- CDBG = $500,000
- Annual Interest Rate = 1.75%
- Loan Period = 30 years
- EDUs = 1720

Item	Units	Unit Price	Quantity	Total Cost
Headworks	LS	$530,000	1	$530,000
Treatment	LS	$3,034,000	1	$3,034,000
Sand Filter	EA	$773,000	1	$773,000
Additional Drying Beds	LS	$238,000	1	$238,000
Site Piping	LS	$271,000	1	$271,000
Lift Station	EA	$100,000	1	$100,000
Site Electrical	LS	$122,000	1	$122,000
Tertiary Water	LS	$111,000	1	$111,000
UV System	EA	$254,000	1	$254,000
Direct Total				**$5,433,000**
AIS, 15%				$815,000
Davis Bacon Wages, 15%				$815,000
Contractor OH&P, 10%				$544,000
Contingency, 4.75%				$257,750
TOTAL CONSTRUCTION COST				**$7,864,750**
Bond Council				$15,250
Engineering Fees				$1,530,000
Davis Bacon Oversight				$40,000
Block Grant Administration				$50,000
TOTAL COST				**$9,500,000**

Opinions of probable cost are based on Keller Associates perception of the current conditions and reflect our opinion of probable cost at the time. Opinions of probable cost are subject to change as the project design matures. The design costs for each of the alternatives have been estimated to reflect the anticipated conditions for each of the various project alternatives. Keller Associates has no control over the cost of labor, materials, equipment, services provided by others, contractor's methods of determining prices, competitive bidding, market conditions, and/or bidding practices or strategies. Keller Associates cannot and does not guarantee the proposals, bids, or actual construction costs will not vary from the costs presented herein.

PROFESSIONAL ENGINEER REGISTERED 9956 STATE OF IDAHO JAMES P. MULLEN

2/11/19

WWTP Project User Rate

- DEQ Loan Amount = $9,000,000
- Annual Interest Rate = 1.75%
- Loan Period = 30 years
- EDUs = 1720

Number of Payments (two per year)	60
Interest rate on semi-annual payments	0.88%
Semi-annual Payment	$193,445
Annual Payment	**$386,890**
Annual Debt Service Reserve, 10%	$38,689
WWTP O&M, estimated**	$202,497
WW Collection System O&M, estimated**	$418,481
SLA Reserve, estimated	$37,000
Total Annual Cost	$1,083,557
Estimated Monthly Cost per EDU	**$52.50**
Current Monthly User Rate	$26.20
Estimated Monthly User Rate Increase	**$26.30**

**Updated with projected 2019 O&M costs during the Budget meeting with City on July 12, 2018.

City of Gooding – Wastewater System Treatment Plant Project
Project Schedule

Project Activity	Date (to be) Completed	Documentation
Design Professional Contract Executed	November 13, 2017	9
Grant Administration Contract Executed	December 2018	
Environmental Release	January 23, 2018	10
Bid Document Approval	April 2020	
Bid Opening	June 2020	
Construction Contract Executed	July 2020	
Start Construction	July 2020	
Construction 50% Complete	April 2021	
Second Public Hearing	April 2021	
Certificate of Substantial Completion	January 2022	
Update Fair Housing Plan	April 2020	
Update 504 Review and Transition Plan	April 2020	
LEP Four Factor Analysis	April 2020	
Construction 100% Complete	February 2022	
Final Closeout	April 2022	

EXHIBIT 2

RECEIVED
MAY 14 2018
Department of Environmental Quality
State Water Quality Programs

STATE OF IDAHO
DEPARTMENT OF ENVIRONMENTAL QUALITY
LOAN OFFER, ACCEPTANCE AND AGREEMENT
FOR WASTEWATER TREATMENT FACILITY
DESIGN AND CONSTRUCTION

SECTION I. INTRODUCTION

The State of Idaho (State) is authorized by Title 39, Chapter 36 (Act), Idaho Code, to make loans from the Wastewater Treatment Facility Loan Account (Account) to assist municipalities in the construction of wastewater treatment facilities. The Idaho Board of Environmental Quality, through the Department of Environmental Quality (Department), is authorized to administer the Act. The Department has determined that the City of Gooding (Borrower) has established eligibility for a loan under the terms of the Act and IDAPA 58.01.12, the Idaho Rules for Administration of Water Pollution Control Loans (the Rules).

The Borrower is a public entity created for the purposes, among other purposes, of operating and maintaining the waste water treatment system located at 1775 S 1800 S Gooding, Idaho 83330 and taking all necessary actions to ensure that the waste water system meets all applicable laws. . The Department hereby offers a loan to the Borrower according to the terms and conditions contained in this document and the Rules.

SECTION II. DESCRIPTION OF PROJECT

This loan agreement is for design and construction of the following project:

A. Loan Project Number: WW1804

B. Name and Address of Borrower: City of Gooding
308 5th Ave. West
Gooding, Idaho 83330-1205

C. Project Description: This loan is to replace headworks and improve the treatment process, include adding filtration, chemical treatment and sludge drying beds.

D. Terms: $9,000,000 at 1.75% (interest of 0.75% and loan fee of 1.00%) to be repaid in biannual installments over 30 years for a total repayment obligation of $9,000,000.

E. Estimated Project Budget:

1.	Administrative Costs	$ 0
2.	Engineering Fees	$ 1,530,000
3.	Construction	$ 7,470,000
4.	Total	$ 9,000,000

SECTION III. GENERAL CONDITIONS

This offer may only be accepted by signature by an authorized representative of the Applicant. Upon acceptance by the Applicant, this offer shall become a loan agreement (Agreement) and the Applicant shall become a Borrower. By accepting this offer, the Borrower agrees to all terms and conditions set forth in this document and the Rules:

The Borrower agrees:

A. To not transfer, assign or pledge any beneficial interest in this Agreement to any other person or entity without the prior written consent of the Director of the Department of Environmental Quality (Director). To not enter into sale, lease or transfer of any of the property related to the Agreement. To not make any additional material encumbrances to the project without the prior written consent of the Director. To not incur any liabilities that would materially affect the funds pledged to repay this loan without the prior written consent of the Director. To not delegate legal responsibility for complying with the terms, conditions, and obligations of this Agreement without the prior written consent of the Director. Notwithstanding any other provision of this paragraph, the Borrower may sell or otherwise dispose of any of the works, plant, properties and facilities of the project or any real or personal property comprising a part of the same which shall have become unserviceable, inadequate, obsolete or unfit to be used in the operation of the project, or no longer necessary, material or useful in such operation, without the prior written consent of the Director.

B To enter into such contractual arrangements with third parties as it deems advisable to assist it in meeting its responsibilities under this Agreement.

C. To fulfill all declarations, assurances, representations and statements in the application and all other documents, amendments and communications filed with the Department by the Borrower in support of the request for this loan. Which application is attached hereto and incorporated by reference herein.

D. To comply with applicable State and Federal employment requirements including, but not limited to, Equal Employment Opportunity and Civil Rights requirements.

E. To make efforts to award subagreements to Disadvantaged Business Enterprises (DBE) which includes Minority and Women-owned businesses (MBE/WBE).

a. The separate fair share goals for MBE and for WBE, will be in bid solicitations and documentation of efforts to obtain MBE/WBE participation will be required of any contractor who fails to attain the goals; and,

b. Annual reports of MBE/WBE utilization will be prepared on forms supplied by the Department; and,

c. Include the following language in all procurement contracts *"The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies."*

F. The Borrower has provided the Department with documentation evidencing ownership of, and/or the right of access or easements for real property on which the project is proposed to be constructed. Clear title or legal right to access all real property necessary for the successful operation of the facilities shall be guaranteed by the Borrower for the useful life of the project, prior to commencement of construction. Land acquisitions shall only be reimbursed by DEQ if obtained from a willing seller.

G. That if prior to completion of this Agreement the project is damaged or destroyed, there will be no reduction in the amounts payable by the Borrower to the Department.

H. That in the event there is any default in the payment of either the principal amount, loan fee or the interest due under this Agreement, or any breach by the Borrower of any of the terms or conditions of this Agreement, the entire principal amount and whatever interest and fees are due to the date of payment may be declared due and immediately payable. The amount of such default shall bear the same interest and fee rate as applies to the principal of this loan from the date of default until the date of payment by the Borrower. All costs incurred by the Department due to such default, including court costs and attorney's fees, shall be repaid by the Borrower to the Department.

I. That Borrower shall levy assessments and take those actions necessary to collect unpaid charges for services or assessments, including without limitation, seeking money judgments and filing and foreclosing on liens. Borrower agrees that, in the event Borrower fails to meet its obligations under this Agreement and the subsequent Bond to repay the Department, that the Department is entitled to seek specific performance of this Agreement to force the Borrower to take those actions necessary to collect unpaid charges for services or assessments in order to repay the Department. Nothing in this paragraph limits any other remedy available to the Department in the event the Borrower violates this Agreement or the terms of the Bond.

J. That any waiver by the Department at any time of the rights or duties under this Agreement shall not be deemed a waiver of any subsequent or additional rights or duties under this Agreement.

K. That the use by the Department of any remedy specified in this Agreement for its enforcement is not exclusive and shall not deprive the Department of the right to seek any other appropriate legal or equitable remedy.

L. That this Agreement is binding upon the Borrower and the Department, and any person, office or entity succeeding the Borrower or the Department.

M. To comply with all applicable federal, state and local laws.

N. In the event any term of this Agreement is held to be invalid or unenforceable by a court, the remaining terms of this Agreement will remain in force.

O. The total loan funds disbursed per this Agreement are considered federal financial assistance per the Single Audit Act of 1984, as amended by the Single Audit Act Amendments of 1996 (SAA), 31 U.S.C. §§7501-7507. (2000). If Borrower expends more than $750,000 of any federal funds in a fiscal year, Borrower shall conduct an audit in accordance with the SAA. In such case, Borrower shall provide the Department a copy of the SAA audit within nine (9) months of the end of the audit period per the SAA. Borrower recognizes that it is responsible for determining if the $750,000 threshold is reached and if a SAA audit is required. Additionally, Borrower shall inform the Department, in writing, of findings or recommendations pertaining to the State Revolving Fund contained in any SAA audits conducted by Borrower.

P. Comply with all federal requirements applicable to the Agreement (including those imposed by the 2014 Consolidated Appropriations Act (Public Law 113-76, Section 436) and related SRF Policy Guidelines) which includes requirements that all of the iron and steel products used in the Project are to be produced in the United States ("American Iron and Steel Requirement") unless (i) the Borrower has requested and obtained a waiver from Department pertaining to the Project or (ii) Department has otherwise advised the Borrower in writing that the American Iron and Steel Requirement is not applicable to the Project.

Comply with all record keeping and reporting requirements under the Clean Water Act (Section 1386 of Title 33), including any reports required by a Federal agency or Department such as information on costs and project progress.

The Borrower understands that (i) each contract and subcontract related to the project is subject to audit by appropriate federal and/or state entities and (ii) failure to comply with the Clean Water Act and this Agreement may be a default hereunder that results in a repayment of the loan in advance of the maturity of the Bonds and/or other remedial actions.

Q. As per Executive Order 12549, 2 CFR 180 and 2 CFR 1532 the Borrower agrees to not enter

into covered transactions with any contractors or subcontractors that have been suspended or debarred, and to include a similar term or condition in all lower tier covered contracts and transactions.

SECTION IV. PROJECT MANAGEMENT

The Borrower agrees to:

A. Require the prime engineering firm(s) and their principals retained for engineering services to carry professional liability indemnification to protect the public from the engineer's negligent acts and errors of omission of a professional nature. The total aggregate of the engineer's professional liability indemnification shall be at least one hundred thousand dollars ($100,000) or twice the amount of the engineer's fee, whichever is greater. Professional liability indemnification must cover all services rendered for all phases of the project, whether or not those services are state funded, until the certification of project performance is accepted by the Department.

B. Comply with the Public Works Contractors License Act and the Public Contracts Bond Act, Title 54, Chapter 19, Idaho Code, including requiring the prime construction contractor retained for construction to carry performance and payment bonds equal to one hundred percent (100%) of the contract price. The bond will be released when the constructed facility is accepted by the Borrower.

C. Assure that contracts related to the project which provide for arbitration allow appeal of any resulting arbitration decision to a district court or allow the arbitration to be non-binding on both parties if either party desires not to use arbitration as a method of dispute settlement.

D. Jointly with an engineering consultant provide assurances that the physical and operational integrity of the works, when constructed, will achieve the level of treatment provided for in the design specifications.

E. Provide for the accumulation of funds through charges made for services, assessments on property owners or otherwise, for the purposes of (1) establishing a fund dedicated solely to the repayment of principal, interest and loan fee on this loan, (2) capital replacement and (3) future improvement, betterment, and extension of such works occasioned by increased usage on the facility.

F. Provide a plan and program for an equitable user charge system for payment of operation and maintenance of constructed facilities. Make available on an equitable basis the services of the project to the residents and commercial and industrial establishments of the area it was designed to serve. The user charge system shall be approved by the Department and enacted by the Borrower prior to receiving final payment.

G. Review and update the user charge system at least biennially during the life of this

Agreement to assure that all costs including applicable debt retirement, operation and maintenance are offset by sufficient revenues.

H. Develop and adopt a sewer use ordinance prior to receiving final payment of State loan funds.

I. Provide an operation and maintenance manual for the system approved by the Department prior to receiving final payment of State loan funds.

J. Provide adequate staffing and qualified operation and maintenance personnel as specified in the operation and maintenance manual approved by the Department.

K. Assure that the operator in charge of the treatment facility has a licensure commensurate with the nature of the collection and treatment facility per the Wastewater Rules, IDAPA 58.01.16.

L. Assure that facility personnel shall participate in operator training programs approved by the Department and designed to assure competence in the operation and maintenance of the facility.

M. Commence satisfactory operation and maintenance of the sewage treatment facility on completion of the project in accordance with applicable provisions, rules of the Department and any other applicable law, rule or regulation and not discontinue operation or dispose of the treatment facility without the written approval of the Department.

N. Maintain project accounts in accordance with generally accepted accounting principles.

O. Certify whether or not the project is performing in accordance with the design performance standards after the project has been in operation for one year. If the project cannot meet these standards, the Borrower must submit a corrective action report and a schedule for bringing the project into compliance to the Department.

P. All laborers and mechanics employed by the prime construction contractor and subcontractors in the project using State Revolving Fund (SRF) loans shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality in accordance with the labor standards, including prevailing wage rates and instructions for reporting, as established by the United States Department of Labor (subchapter IV of Chapter 31 of title 40, United States Code). Borrower agrees that all procurement contracts must include as a term and condition that contractors and subcontractors must obtain wage determinations from the Department of Labor and comply with Department of Labor guidance and regulations implementing wage rate requirements applicable to SRF funds. Wage determinations shall be finalized prior to final bid submissions. Specific requirements related to Davis Bacon compliance are included in Chapter 6, Form C, of the CWSRF Loan Handbook, located at http://www.deq.idaho.gov/media/578581-form_6_c.pdf (*current as of* 04/26/2018).

SECTION V. SPECIAL CONDITIONS

A. The Borrower shall complete the attached project schedule and submit to the Department for approval on or before 60 days from the date of this loan offer. No funds shall be disbursed per this Agreement until a project schedule has been approved by the Department. The Department approved project schedule shall be attached to this Agreement as Attachment A and incorporated by reference as if fully set forth herein. The Borrower shall complete the project in accordance with the approved project schedule.

B. All amendments to the project schedule must be approved by the project engineer in the Department's Boise regional office, prior to becoming effective.

C. Manage direct and indirect environmental impacts from the project that are specified in the environmental determination.

D. If your community receives $750,000 or more in Federal monies, in any single fiscal year, during the period under which you are receiving loan disbursements, than you must submit a Single Audit Act audit report to DEQ (for each and every year the threshold is met).

E. Provide for continuing acceptance and treatment of local septage waste, if such facilities were constructed under this Agreement.

F. A technical memorandum shall be developed and submitted during the detailed design phase for each Green Project Reserve (GPR) component identified in the Letter of Interest. The memorandum shall fully detail the GPR justification according to the current EPA guidance for determining project eligibility and comparable to the examples provided on the Department's website. Please review the following URL for guidance (*current as of* 04/26/2018):

   1. http://www.deq.idaho.gov/water-quality/grants-loans/green-project-reserve.aspx

G. Prior to loan closure the Borrower will implement all management and technology based sustainability efforts per their Letter or Interest.

H. Prior to the payment of the final ten percent (10%) of the Borrower shall have a responsible charge operator (RCO) has been designated and is licensed at or above the classification level of the treatment and collection system. At such time, a substitute RCO shall be designated to replace the RCO, who is licensed at or above the classification level of the system as well.

I. Prior to loan closure, the Borrower must develop a Customer Service Policy.

SECTION VI. SECURITY REQUIREMENTS

The Borrower agrees:

A. This loan will be evidenced and secured by a bond in the amount of $9,000,000 (nine million dollars). The bond will be issued upon project completion and incorporated by reference into this Agreement.

B. There will be a reserve fund equal to one year's payment of principal, fees and interest on the loan established. The Borrower has ten years to establish the reserve, setting aside 10% (ten percent) of one year's payment into the reserve fund each year.

SECTION VII. LOAN DISBURSEMENTS

The Borrower agrees:

A. This loan shall be used solely to aid in the financing of the Borrower's project described in Section II.

B. Requests for actual disbursement of loan funds will be made by the Borrower using forms provided by the Department. Upon approval of the disbursement request by the Department loans funds shall be released to the Borrower.

C. The costs set forth in Section II have been determined by the Department to be eligible costs for funding. Some of the costs however, have been estimated, and the actual costs may differ from such estimated costs. A project review by the Department will determine final eligible costs for the project.

D. If the actual eligible cost of the project is determined by the Department to be lower than the estimated eligible cost, the loan amount will be reduced accordingly.

E. An increase in the loan amount as a result of an increase in eligible project costs shall be considered, provided funds are available. Documentation supporting the need for an increase must be submitted to the Department for approval prior to incurring any costs above the eligible cost ceiling.

F. Payment of the final five percent (5%) of this loan shall be withheld until the following requirements are met:

   1. The Borrower's engineer certifies (a) that the project has been constructed according to plans and specifications previously approved by the Department, (b) an operations manual has been completed and (c) that the project is fully operational; and

2. The Department has inspected the project and verifies the engineer's certification.

G. Payment of the final ten percent (10%) of this loan shall be withheld until the following requirements are met:

1. The Special Conditions in Section V have been met; and

2. A responsible charge operator (RCO) has been designated who is licensed at or above the classification level of the system. At such times as the RCO is not available, a substitute RCO shall be designated to replace the RCO, who is licensed at or above the classification level of the system.

H. This offer is subject to the existence of the offered sum of money in the Account at the time of payment. Should the offered sum of money not be available in the Account at the time of payment, the Department hereby agrees to pay the Borrower the offered sum of money on the basis of the Borrower's priority position immediately upon the accrual of said sum in the Account.

SECTION VIII. REPAYMENT TERMS AND SCHEDULE

The Borrower agrees:

A. This loan shall be repaid in the manner set forth in the bond, which shall be attached to this Agreement and incorporated by reference. The payment terms of the bond shall be consistent with this Agreement.

B. To pay biannual payments of principal, fees and interest and to fully amortize this loan not later than thirty (30) years from project completion. Interest will begin accruing with the first disbursement of funds. At the time of closing, accrued interest will be either paid to the Department or incorporated into the final loan amount if the approved amount has not been exceeded.

C. At the time of closing, the Department may elect to impose a loan fee (not to exceed 1%) pursuant to the Rules. If a loan fee is imposed, the loan interest rate will be reduced by the amount of the loan fee. The loan fee will be assessed against the final loan balance, which shall include the entire principal balance and may include capitalized interest. Any loan fee shall be due and payable concurrently with scheduled loan principal and interest repayments over the repayment period.

D. This Agreement shall remain in full force and effect until all loan proceeds, including principal, interest and loan fee, have been paid in full or the Agreement is otherwise suspended or terminated by the Department.

SECTION IX. PROHIBITIONS

The Borrower agrees:

Expansion of collection systems in excess of reserve capacity of the treatment works will be prohibited unless prior to expansion, provisions for adequate treatment are provided in writing by the Borrower to the Department and approved by the Department.

SECTION X. SUSPENSION OR TERMINATION OF LOAN AGREEMENT

A. The Director may suspend or terminate this Agreement prior to final disbursement for failure of the loan recipient or its agents, including engineering firm(s), contractor(s), or subcontractor(s) to perform. This Agreement may be suspended or terminated for good cause including, but not limited to, the following:

1. Commission of fraud, embezzlement, theft, forgery, bribery, misrepresentation, conversion, malpractice, misconduct, malfeasance, misfeasance, falsification or unlawful destruction of records, receipt of stolen property or any form of tortious conduct; or

2. Commission of any crime for which the maximum sentence includes the possibility of one (1) or more years imprisonment or any crime involving or affecting the project; or

3. Violation(s) of any term of this Agreement; or

4. Any willful or serious failure to perform within the scope of the project, plan of operation and project schedule, terms of engineering subagreements, or contracts for construction; or

5. Utilizing a contractor or subcontractor who has been suspended or debarred by order of any federal or state agency from working on public work projects funded by that agency.

B. The Director will notify the Borrower in writing and by certified mail of the intent to suspend or terminate this Agreement. The notice of intent shall state:

1. Specific acts or omissions which form the basis for suspension or termination; and

2. Availability of a contested case hearing before the Board of Environmental Quality conducted as provided for in the Rules of Administrative Procedure Before the Board of Environmental Quality, IDAPA 58.01.23.

C. If the Borrower does not initiate a contested case hearing before the Board by filing a

petition within the time period specified by the Rules of Administrative Procedure Before the Board of Environmental Quality, IDAPA 58.01.23., the Department may thereafter terminate or suspend the Agreement by written notice to the Borrower. If the Borrower initiates a contested case, the termination or suspension shall be determined by the Board.

D. The Borrower shall perform no work under the Agreement after receiving a notice of intent to suspend or terminate until all administrative proceedings and appeals therefrom are final or the Department reinstates the Agreement or it is terminated as provided herein.

E. Upon written request by the Borrower with evidence that the cause(s) for suspension no longer exists, the Director may, if funds are available, reinstate the Agreement. If a suspended Agreement is not reinstated, the loan will be amortized and a repayment schedule prepared in accordance with the provisions of this Agreement.

F. No terminated loan shall be reinstated. Terminated loans will be amortized and a repayment schedule prepared in accordance with the provisions of this Agreement. If the loan is terminated prior to final disbursement, the Borrower shall immediately pay back to the Department all disbursed funds and accrued interest.

SECTION XI. ACCESS AND INDEMNIFICATION

The Borrower agrees to:

A. Provide the Director, or his/her authorized agents, and the U.S. Environmental Protection Agency, access to all files, records, accountings and books relating to the management and accountability of this loan.

B. Indemnify and hold harmless the State of Idaho, its agents and its employees from any and all claims, actions, damages, liabilities and expenses directly or indirectly connected to the Borrower or its agents, employees, contractors, or assignees actions related to the location, design, construction, operation, maintenance, repair, failure or deactivation of the project or any part of the project.

SECTION XII. OFFER

The offer set forth herein must be accepted, if at all, on or before June 30, 2018 days from the date of this loan offer. An acceptance must be accompanied by a resolution of the Applicant's governing body authorizing the signator to sign on the Applicant's behalf for the purpose of this agreement.

Dated May 3, 2018.

John H. Tippets
Director
Department of Environmental Quality

SECTION XIII. ACCEPTANCE

The City of Gooding, by and through its undersigned representative(s), accepts the foregoing offer and agrees to discharge all obligations and to comply with all terms and conditions contained herein.

Signature of Representative

Jeffrey W. Brekke - Mayor
Name and Title of Representative - type or print

5/7/18
Date

EXHIBIT 3

WARRANTY DEED

#GG-03132

For Value Received

Nancy Ballard as Personal Representative of the Estate of Charles M. Luther, deceased, pursuant to Letters Testamentary, Dated March 13, 2001, Case number SP-01-00041, Gooding County Fifth Judicial District, recorded as Instrument number 189746, Gooding County records

Hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto

Clive A. Pope and Vivian H. Pope, husband and wife
Address: 1773 East 1850 South, Gooding, ID 83330

Hereinafter called the Grantee, the following described premises situated in Gooding County, Idaho, to-wit:

Parcel No. 1:

TOWNSHIP 5 SOUTH, RANGE 14, EAST OF THE BOISE MERIDIAN, GOODING COUNTY, IDAHO

Section 36: SW¼SE¼;

Parcel No. 2:

TOWNSHIP 5 SOUTH, RANGE 14, EAST OF THE BOISE MERIDIAN, GOODING COUNTY, IDAHO

Section 36: SE¼SE¼ and the NW¼SE¼ lying South of the railroad;

Instrument # 193075
GOODING, GOODING, IDAHO
2001-11-30 02:09:04 No. of Pages: 2
Recorded for : LAND TITLE
HELEN EDWARDS Fee: 6.00
Ex-Officio Recorder Deputy
Index to: DEED, WARRANTY

SUBJECT TO:

All reservations in patents or deeds in the chain of title.

Taxes subsequent to the year 2001, which are not yet due or payable.

2001 taxes are an accruing lien, the first one-half of which is not delinquent until after December 20 of the current year.

Assessments of the American Falls Reservoir District No. 2 and the rights and powers of said District as by law provided.

Assessments of the Big Wood Canal Company and the rights and powers of said Company as by law provided.

Right of way for canals, laterals and waste ditches of Big Wood Canal Company.

Power Line Easement given by R.W. Houston and Gertrude Houston, his wife to Idaho Power Company, a corporation, dated November 15, 1913, recorded December 1, 1913 in Book 1 at Page 190 as Instrument Number 1632, Gooding County records, affecting the N½SE¼SE¼ of Section 36, Township 5 South, Range 14, East of the Boise Meridian.

Power Line Easement given by R.F. Bliss and Orra Bliss, his wife to Idaho Power Company, a corporation, dated June 21, 1935, recorded April 22, 1936 in Book 4 of Miscellaneous at Page 45 as Instrument Number 64395, Gooding County records, affecting SW¼SE¼ of Section 36, Township 5 South, Range 14, East of the Boise Meridian.

Power Line Easement given by Edwin W. Dwyer, a single man to Idaho Power Company, a corporation, dated April 17, 1939, recorded October 13, 1939 in Book 4 at Page 349 as Instrument Number 74706, Gooding County records, affecting the E½SE¼SE¼ of Section 36, Township 5 South, Range 14, East of the Boise Meridian.

Power Line Easement given by R.F. Bliss and Ora Bliss, his wife to Idaho Power Company, a corporation, dated April 4, 1940, recorded September 6, 1940 in Book 4 of Miscellaneous at Page 429 as Instrument

WARRANTY DEED

#GG-03654

For Value Received

Clive A. Pope and Vivian H. Pope, aka Vivian Pope, husband and wife

Hereinafter called the Grantor, hereby grants, bargains, sells and conveys unto

James A. Braga and Roxana Braga, husband and wife
Address: 601 Montana Street, Gooding, ID 83330

Instrument # 196306
GOODING, GOODING, IDAHO
2002-08-02 01:44:44 No. of Pages: 2
Recorded for : LAND TITLE
HELEN EDWARDS Fee: 6.00
Ex-Officio Recorder Deputy

Hereinafter called the Grantee, the following described premises situated in Gooding County, Idaho, to-wit:

TOWNSHIP 5 SOUTH, RANGE 14 EAST OF THE BOISE MERIDIAN, GOODING COUNTY, IDAHO

Section 36: A tract of land being the E½SW¼SE¼, more particularly described as follows:

Beginning at the Southwest corner of said SW¼SE¼;
Thence South 89°54'06" East a distance of 653.85 feet along the Southerly boundary of said SW¼SE¼ to the Southwest corner of said E½SW¼SE¼ and the TRUE POINT OF BEGINNING;
Thence North 00°05'10" East a distance of 1326.55 feet along the Westerly boundary of said E½SW¼SE¼ to the Northwest corner thereof;
Thence South 89°54'37" East a distance of 654.97 feet along the Northerly boundary of said E½SW¼SE¼ to the Northeast corner thereof;
Thence South 00°08'05" West a distance of 1326.55 feet along the Easterly boundary of said E½SW¼SE¼ to the Southeast corner thereof;
Thence North 89°54'06" West a distance of 653.85 feet along the Southerly boundary of said E½SW¼SE¼ to the TRUE POINT OF BEGINNING.

SUBJECT to the rights of a public road which affects the Southerly 25.00 feet thereof and also subject to the rights of the Little Wood River.

SUBJECT TO:

All reservations in patents or deeds in the chain of title.

Taxes for 2002 and subsequent years, taxes are an accruing lien, not yet due or payable.

Assessments of the American Falls Reservoir District No. 2 and the rights and powers of said District as by law provided.

Assessments of the Big Wood Canal Company and the rights and powers of said company as by law provided.

Right of way for canals, laterals and waste ditches of Big Wood Canal Company.

Power Line Easement given by R.F. Bliss and Ora Bliss, his wife to Idaho Power Company, a corporation, dated April 4, 1940, recorded September 6, 1940 in Book 4 of Miscellaneous at Page 429 as Instrument Number 78119, Gooding County records, affecting SW¼SE¼ of Section 36, Township 5 South, Range 14, East of the Boise Meridian.

Easement given by R.F. Bliss and Owa E. Bliss to The Mountain States Telephone and Telegraph Co. the right, privilege and authority to construct, operate and maintain its lines, dated November 25, 1941, recorded May 23, 1942 in Book 5 of Miscellaneous at Page 131 as Instrument Number 84174, Gooding County records, affecting the N½SW¼SE¼ of Section 36, Township 5 South, Range 14, East of the Boise Meridian.

Power Line Easement given by Charles M. Luther, unmarried to Idaho Power Company, a corporation, dated July 31, 1967, recorded February 23, 1968 as Instrument Number 24412, Gooding County records, affecting the SW¼SE¼ of Section 36, Township 5 South, Range 14, East of the Boise Meridian.

EASEMENT

THIS AGREEMENT, Made and entered into this 9 day of November, 1979, by and between FAULKNER LAND AND LIVESTOCK, INC., an Idaho Corporation, Party of the First Part, and CHARLES LUTHER, a single man, Party of the Second Part.

WITNESSETH:

WHEREAS, the Party of the First Part is the owner of certain real estate located in the County of Gooding, State of Idaho, described as follows, to-wit:

Township 5 South, Range 14 East of the Boise Meridian
Section 36: S½NE¼SE¼

IN THE COUNTY OF GOODING, STATE OF IDAHO

and

WHEREAS, the Party of the Second Part desires an easement and right-of-way across a portion of the above-described lands owned by the Party of the First Part, for use as a road to be constructed and maintained by the Party of the Second Part;

NOW, THEREFORE, for the sum of one hundred dollars, and other good and valuable consideration, the receipt of which is hereby acknowledged by the Party of the First Part and in consideration of the mutual covenants herein contained, it is hereby agreed by and between the parties as follows:

1. The Party of the First Part does hereby grant, assign and set over to the Party of the Second Part an easement and right-of-way across the above described lands of the Party of the First Part for the purpose of allowing the Party of the Second Part to construct a road way. Said easement and right-of-way conveyed hereunder being described as follows, to-wit: A strip of land 40 feet in width running through the southwest corner of the above-described tract. The exact legal description shall be added hereto by addendum following a survey of said easement. The Party of the First Part shall have final approval of said

EXHIBIT "A"

Gooding Sewer Treatment Plant
Right-of-Way for Access Road

A 40.00 foot right-of-way for an access road, located in the Southeast 1/4 of Section 36, Township 5 South, Range 14 East, Boise Meridian, Gooding County, Idaho, said 40.00 foot right-of-way being 20.00 feet left of and 20.00 feet right of the following described centerline:

Commencing at the southeast corner of said Section 36; thence North along the easterly boundary of said Section 36, 1,296.84 feet to the REAL POINT OF BEGINNING of said centerline; thence North 89°59'42" West, 1,245.23 feet; thence northerly along a curve to the right, having a radius of 79.78 feet, through a central angle of 89°59'42" a distance of 125.31 feet; thence northwesterly along a curve to the left, having a radius of 162.58 feet, through a central angle of 52°16'21", a distance of 148.32 feet; thence North 52°16'21" West, 383.63 feet to the end of said centerline.

EXHIBIT "B"

legal description. Said approval shall not be unreasonably withheld.

2. It is understood and agreed by and between the parties

party of the Second Part shall be responsible for all

legal description. Said approval shall not be unreasonably withheld.

2. It is understood and agreed by and between the parties that the Party of the Second Part shall be responsible for all expenses and costs incurred in constructing said road upon said right-of-way.

3. It is further agreed that the Party of the Second Part shall build and maintain a legal livestock fence between the right-of-way and the remainder of the above-described tract.

4. This Agreement shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties have hereunto set their hands and seals the day and year first above written.

FAULKNER LAND AND LIVESTOCK, INC.

BY: Floyd Faulkner
President

Charles Luther
Charles Luther

Party of the Second Part

ATTEST:

Edith Faulkner
Secretary

Party of the First Part

STATE OF IDAHO)
) SS.
County of Gooding)

On this 11th day of ~~November~~ FEBRUARY, 1979 80, before me a Notary Public in and for said State, personally appeared Ralph Faulkner and Edith Faulkner, known to me to be the President and Secretary of the Corporation that executed this instrument or the persons who executed the instrument on behalf of said Corporation executed the same.

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

Secret Johnson Jr.
Notary Public for the State of Idaho
Residing at Gooding, Idaho

STATE OF IDAHO)
) SS.
County of Gooding)

On this 9 day of November, 1979, before me, a Notary Public in and for said State, personally appeared Charles Luther, a single man, known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

Notary Public for the State of Idaho
Residing at Gooding, Idaho

ADDENDUM TO EASEMENT

Agreement made this 23rd day of July, 1981, by and between FAULKNER LAND AND LIVESTOCK, INC., an Idaho Corporation, Party of the First Part, and CHARLES LUTHER, a single man, Party of the Second Part.

WITNESSETH:

WHEREAS, on the 5th day of November, 1979, the parties hereto entered into a written Easement, a copy whereof is hereto attached and incorporated herein by this reference as Exhibit "A", wherein the Party of the First Part agreed to convey an Easement and right of way for the purpose of allowing the Party of the Second Part to construct a road way, the width of fourty feet running through the southwest corner of the tract described therein.

WHEREAS, JUB Engineers, Inc., Twinfalls, Idaho, has completed a survey of said roadway, said description being attached hereto as Exhibit "B".

NOW, THEREFORE, for the sum of $100, as set out in the above mentioned Easement, and other good and valuable consideration, the receipt of which is hereby acknowledged by the Party of the First Part, and in consideration of mutual covenants contained in said Easement, and herein, it is hereby agreed by and between the parties as follows:

1. That the description of the roadway contained in Exhibit "B" shall be the legal description for the Easement contained in Exhibit "A" where said description describes said roadway as crossing the property of the Party of the First Part as described in the Easement herein.

2. This agreement shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

IN THE WITNESS WHEREOF the parties have hereunto set their hands and seals the day and year first above written.

FAULKNER LAND AND LIVESTOCK, INC.

President

Charles Luther

ATTEST:

Secretary

115623

STATE OF IDAHO
COUNTY OF GOODING, S S
RECORDED AT REQUEST

'85 JUN 28 PM 4 56

MARGARET F. CLEMENTS, REC.
DEP. FEE 14.00

Indexed

ADDENDUM TO EASEMENT
FAULKNER-LUTHER

EASEMENT

STATE OF IDAHO)
) ss.
Gooding County)

On this 23rd day of July, 1981, before me, the undersigned, a Notary Public in and for said State, personally appeared CHARLES LUTHER, a single man, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same.

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

JOHN C. ARKOUSE NOTARY PUBLIC STATE OF IDAHO

Notary Public for the State of Idaho
Residing at Gooding, Idaho

STATE OF IDAHO)
) ss.
Gooding County)

On this 30th day of July, 1981, before me, a Notary Public in and for said State, personally appeared Ralph Faulkner and Edith Faulkner known to me to be the President and Secretary of the corporation that executed this instrument or the persons who executed the instrument on behalf of said corporation executed the same.

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

Notary Public for the State of Idaho
Residing at Gooding

ADDENDUM TO EASEMENT
FAULKNER-LUTHER

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS AGREEMENT made and entered into this 20th day February, 2002 by and between CLIVE A. POPE and VIVIAN H. POPE, husband and wife, 1773 E 1850 S, Gooding, Idaho 83330 (hereinafter Sellers) and the CITY OF GOODING, IDAHO, a municipal corporation organized pursuant to the laws of the State of Idaho, (hereinafter Buyer).

WITNESSETH:

In consideration of the sum of Twenty-five Thousand Dollars ($25,000.00) Sellers sell and Buyer purchases the following described real property situate in Gooding County, Idaho to-wit:

> See Exhibit A attached hereto and by this reference made a part hereof as if set forth in full.

It is understood between the parties that Buyer will pay for a survey of the property which will include twenty-five (25) acres, more or less.

The agreement purchase price shall be paid in cash at closing.

Buyer has examined the real property which is the subject of this agreement, and knows the condition thereof and is exercising its own judgment as to the condition and value of said property. No warranties have been made by Sellers with respect to the real property subject to this agreement, except for those warranties expressly appearing in this agreement or in the subsequent Deed.

Buyer is purchasing this property with the knowledge that Buyer currently is the lessee of a portion of the property and Buyer's sewage treatment plant is located upon a portion of the property.

As additional consideration, Buyer shall grant to Sellers a right to hook up to the City sewer line that currently runs through Seller's property. This right will be restricted to no more than twelve (12) hook-ups and such hook-ups must be paid for by Sellers and Sellers (or Seller's assignees) will be charged a monthly fee once they have hooked-up to the City's sewer system the hook-up charge and monthly fee will be determined by the City of Gooding. Such hook-ups must be completed no later than five (5) years from the date of this signing of this agreement. All hook-ups must be for residential use only.

Sellers fully understand that it is the normal policy for the City of Gooding not to allow hook-ups to its sewer system for property outside the City limits, and it is understood that the property owned by Sellers, adjacent to the sewer trunk line is outside the City limits.

All taxes and legal assessments for the year 2001 (and pro-rata to the date of closing for 2002)

and previous years have been or will be paid by Sellers. It being further understood that property taxes for subsequent years will not be assessed against Buyer since Buyer is a municipal corporation.

As promptly as the same can be obtained, Sellers will obtain and submit to Buyers a Preliminary Title Report which shall be made to show good and marketable title in the name of Sellers, subject only to existing rights-of-way and liens or encumbrances made or suffered by Buyer.

Land Title and Escrow, Gooding branch, shall act as closing agent. Sellers and Buyer agree to equally share the costs of the closing of the sale.

Upon the closing of the sale seller shall execute a Warranty Deed in the ususal Idaho form conveying said property to Buyer, subject only to existing rights-of-way and any liens or encumbrances made or suffered by Buyer and such Deed shall be delivered upon the closing of this sale to Buyer.

It is further understood, between the parties, that the lease between CHARLES M. LUTHER and the Buyer shall be merged into the sale.

This agreement shall be binding upon and inure to the heirs, personal representatives, administrators, successors and assigns of the parties hereto.

In the event any suit, action or other proceeding is instituted by either party to require performance of any provision, term or condition of this agreement, the prevailing party shall be entitled to reasonable attorney fees to be determined by the Court together with the usual costs and disbursements allowed by law.

In witness whereof the parties have hereunto set their hands the day and year first above written.

Clive A. Pope

Vivian H. Pope

City of Gooding

By: Herb Stroud - Mayor

ATTEST:

Linda Wildman - Clerk

WARRANTY DEED

For value received the CLIVE A. POPE and VIVIAN H. POPE, husband and wife, Gooding, Idaho, hereinafter called the Grantors, hereby grant, bargain, sell and convey unto, the CITY OF GOODING, Gooding, Idaho 83330, hereinafter called the Grantee, the following described real property, located in Gooding County, Idaho:

> See Exhibit A attached hereto and by this reference made a part hereof as if set forth in full.

TO HAVE AND TO HOLD, the said premises, with their appurtenances unto the said Grantee and to the Grantee's heirs and assigns forever. And the Grantors do hereby covenant to and with the said Grantee, that the Grantors are the owners in fee simple of said premises; that they are free from all encumbrances except as above described and that Grantors will warrant and defend the same from all lawful claims whatsoever.

DATED THIS 7th day of March, 2001.

Clive A. Pope

Vivian H. Pope

STATE OF IDAHO)
)ss.
County of Gooding)

Instrument # 194341
GOODING, GOODING, IDAHO
2002-03-13 04:03:07 No. of Pages: 2
Recorded for : CITY OF GOODING
HELEN EDWARDS Fee: 0.00
Ex-Officio Recorder Deputy

On this 7th day of March, 2002, before me a Notary Public in and for said State, personally appeared CLIVE A. POPE and VIVIAN H. POPE, known to me to be the persons whose names subscribed to the within instrument and acknowledged to me that they executed the same.

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

CRAIG HOBDEY NOTARY PUBLIC STATE OF IDAHO

NOTARY PUBLIC FOR IDAHO
Residing at: Gooding
Commission Expires: 10-24-06

EXHIBIT A

Legal Description

for

City of Gooding
(25.87 Acre Tract)

A tract of land located in the Northwest Quarter of the Southeast Quarter of Section 36, Township 5 South, Range 14 East, Boise Meridian, Gooding County, Idaho, more particularly described as follows:

Beginning at the Southeast corner of said Section 36;

THENCE North 00° 13' 53" East a distance of 1326.85 feet along the easterly boundary of said Section 36 to the Southeast corner of the Northeast Quarter of the Southeast Quarter of said Section 36;

THENCE North 89° 54' 37" West a distance of 1309.95 feet to the southeast corner of said NW4 SE4 and the True Point of Beginning;

THENCE North 89° 54' 37" West a distance of 535.11 feet along the southerly boundary of said NW4 SE4 to the center of the Little Wood River;

THENCE Northwesterly along the center of said Little Wood River the following courses and distances: North 39° 08' 56" West a distance of 56.98 feet;

THENCE North 69° 26' 34" West a distance of 153.23 feet;

THENCE North 78° 18' 11" West a distance of 172.48 feet;

THENCE North 70° 58' 25" West a distance of 87.08 feet;

THENCE North 62° 52' 55" West a distance of 165.85 feet;

THENCE North 67° 27' 44" West a distance of 126.03 feet;

THENCE North 40° 57' 32" West a distance of 121.90 feet to the westerly boundary of said NW4 SE4;

THENCE leaving the centerline of said Little Wood River North 00° 02' 16" East a distance of 771.21 feet along the westerly boundary of said NW4 SE4 to the southerly boundary of the Union Pacific Railroad property;

THENCE South 73° 51' 00" East a distance of 1145.49 feet along the southerly boundary of said Union Pacific Railroad property to a point of curvature;

THENCE Southeasterly along said railroad right of way a distance of 218.25 feet on the arc of a curve to the left with a radius of 5829.65 feet, a central angle of 02° 08' 42", and a chord which bears South 74° 55' 21" East a distance of 218.23 feet to the easterly boundary of said NW4 SE4;

THENCE South 00° 08' 05" West a distance of 773.97 feet along the easterly boundary of said NW4 SE4 to the southeast corner thereof and the True Point of Beginning.

The above-described tract contains 25.90 acres more or less.

EXHIBIT 4

Resolution No. 256

RESOLUTION OF THE CITY OF GOODING DECLARING APRIL 2019 TO BE FAIR HOUSING MONTH IN THE CITY OF GOODING AND AFFIRMING THE CITY'S COMMITMENT TO FAIR HOUSING POLICIES AS HEREIN PROVIDED.

WHEREAS, The City of Gooding, Idaho desires to let it be known to all persons of the City of Heyburn that discrimination on the basis of race, color, religion, gender or national origin in the sale, rental, leasing or financing of housing or land to be used for construction of housing or in the provision of brokerage services is prohibited by Title VIII of the 1968 Civil Rights Act (Federal Fair Housing Law); and

WHEREAS, it is the policy of the City of Gooding to encourage equal opportunity in housing for all persons regardless of race, color, religion, gender or national origin. The Fair Housing Amendments Act of 1988 expands coverage to include disabled persons and families with children. Therefore, the City does hereby pass the following Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GOODING AS FOLLOWS:

Section 1: Within available resources the City will assist all persons who feel they have been discriminated against because of race, color, religion, gender, national origin, disability or familial status to seek equity under federal and state laws by referring them to the U.S. Department of Housing and Urban Development, Office of Fair Housing and Equal Opportunity, Compliance Division.

Section 2: The City shall publicize this Resolution and through this publicity shall encourage owners of real estate, developers, and builders to become aware of their respective responsibilities and rights under the Federal Fair Housing Law and amendments and any applicable state or local laws or ordinances.

Section 3: SAID PROGRAM will at a minimum include: 1) publicizing this resolution; 2) posting applicable fair housing information in prominent public areas; 3) providing fair housing information to the public; 4) preparing a fair housing impediments analysis; and 5) declaring April as Fair Housing Month.

Passed this 15th day of October, 2018, by the City Council of the City of Gooding.

Approved this 15th day of October, 2018, by the Mayor of the City of Gooding

By _____
Jeff Brekke, Mayor

ATTEST:

_____
Hollye Lierman, City Clerk

CITY OF GOODING INCORPORATED
SEAL
NOV 21, 1910
GOODING COUNTY, IDAHO