#### **RESOLUTION NO. 201**

A RESOLUTION OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, AUTHORIZING FOR THE ACQUISITION OF EQUIPMENT AND FOUR FINANCING CONTRACTS AND RELATED DOCUMENTATION FOR SAID EQUIPMENT.

WHEREAS, it is deemed necessary and advisable that the City of University Place (the "City") acquire the equipment and property identified on four notices of intent ("NOI") attached hereto ("Property"); and

WHEREAS, the City has undertaken or will undertake to acquire the Property in accordance with all applicable purchasing statutes and regulations; and

WHEREAS, the City has executed a Notice of Intent to the Office of State Treasurer, in the form attached hereto [Four Notices of Intent], for the financing of the Equipment and Property under the provisions of RCW Chapter 39.94; and

WHEREAS, the City desires to enter into a Local Government Financing Contract with the Office of the State Treasurer, in the form attached hereto as Exhibit 3, as the method or payment for the Property,

WHEREAS, the City desires to authorize four contracts and four financing leases with the Office of the State Treasurer;

WHEREAS, John J. Caulfield is the duly appointed Finance Director of the City ("Authorized Representative"); now, therefore,

BE IT RESOLVED THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, AS FOLLOWS:

Section 1. <u>Acquisition of Property and Financing Contract.</u> The City Council of the City of University Place hereby authorizes the acquisition of the Property and hereby empowers John J. Caulfield, Finance Director (the "Authorized Representative") to execute the Local Government Financing Contracts for the Equipment and Property. The form of the Local Government Financing Contract is hereby approved and authorized to be executed and delivered to finance the acquisition of the Equipment and Property.

Section 2. <u>Execution of Financing Agreements and Documents.</u> The Authorized Representative is hereby further authorized to execute and deliver to the Office of State Treasurer all other documentation in connection with the financing of the Property, including, but not limited to agreements relating to initial and ongoing disclosure in connection with the offering of securities related to the Local Government Financing Contract.

Section 3. <u>Effective Date.</u> This resolution shall become effective immediately upon its signing.

APPROVED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, AT A REGULAR MEETING HELD ON JANUARY 4, 1999.

APPROVED:

Doblie Klosews Debbie Klosowski, Mayor

ATTEST:

Susan Matthew, City Clerk

#### Notice of Intent and Application Form State of Washington LOCAL Program (Local Option Capital Asset Lending)

This is a Notice of Intent only.  This NOI is accompanied by a Credit Form.
Local Government Information
Legal Name: City of University Place MCAG No.: 1021-000)  Contact Person: John Caulfield Title: Fiveure Nirector
Contact Person: John Caulfield Title: Finance Nicetor
Address: 3715 Beidenet Wen Wint United to Alare 1446
Phone No: (253) 460-2512 Fax No.: (253) 566-5658 E-mail: Jeaufi @ ci. Univasty-place. Wa. Us
Would you prefer to receive financing documents (check one):
Hard copy by U.S. mail  MS Word 6.0 by e-mail  3.5" disk - Word 6.0 by U.S. mail
Property/Equipment
Property/Equipment Description: Jung Truck - 1999 made - 5 yd
1100 1170 71
Quantity: Cost: 493,453.81 Amount to Finance: 93,453.81
Finance Term: 5 gears Useful Life: 10 gears Expected Acceptance Date: March, 1999
Purpose of Equipment (Please be specific and include dept. of use): Public Works - This trude will levels (5 fo
provide butter service of the snow planing and sanding operations.
Yes No - Property has already been acquired. Equipment cost was paid with general funds and will be reimbursed from program proceeds. If yes, include a copy of the local government's reimbursement resolution with the financing documents.
Security Pledge
General obligation of local government.  Voted Levy.  Not Voted.
Revenue pledge of an established enterprise system. Local government <u>must include</u> pages from its most recent revenue bond resolution that include: conditions for issuance of parity debt, rate covenant, reserve account or fund, and flow of funds (include only the indicated excerpts).
Other Information
Approximate Population: 29,550 (not required for cities and counties).
If any of the following apply, please provide a complete discussion on a separate page:
Yes No - Does the local government use registered warrants, interfund loans or other cash flow borrowing?
Yes No - Is the local government a party to significant litigation?
Please check the box that applies:
Requested Credit Form is provided: by disk (Word 6.0) by e-mail (Word 6.0) hard copy.
We are not required to submit the Credit Form because Me recived an "Al" hard rating from Moolg's.
Does local government have a Bond Rating? Yes No Rating Agency Moule's (AI)
Submitted by: John J. Gaul Add Title: Finance Director
Signature: / //m / / // // Date: 12/14/98

#### Notice of Intent and Application Form State of Washington LOCAL Program (Local Option Capital Asset Lending)

Exhibit A-1

This is a Notice of Intent only.  This NOI is accompanied by a Credit Form.
Local Government Information
Legal Name: City of University Place MCAG No.: 1021-0002
Contact Person: John Cauffield Title: Finance Nicector
Address: 3715 Bridgeport Way West Guirersty Mare, WA 98466
Phone No: (253) 410-25/2 Fax No.: (253) 566-5658 E-mail: Jenulfill ci. univasty-place. wa. US
Would you prefer to receive financing documents (check one):
Hard copy by U.S. mail  MS Word 6.0 by e-mail  3.5" disk - Word 6.0 by U.S. mail
Property/Equipment
Property/Equipment Description: Sideboom Majwer - 1997 Tiger 100 hours usek, I year major
Quantity: Cost: 35, 295,000 Amount to Finance: 35, 295,00
Purpose of Equipment (Please be specific and include dept. of use): Purpose of Equipment (Please be specific and include dept. of use): Public Works Storm Durings - this agricultural transfer in the second of the
will be used to maintain shoulders for pedictrian traffic and sight distance for motoroits. It will also be used to maintain our
MCAWAL ATTAK AND STORM ITAINAL DONA.
Yes No - Property has already been acquired. Equipment cost was paid with interfund loan general funds and will be reimbursed from program proceeds. If yes, include a copy
of the local government's reimbursement resolution with the financing documents.
Sagurity Pladas
Security Pledge
General obligation of local government. Voted Levy. Not Voted.
Revenue pledge of an established enterprise system. Local government <u>must include</u> pages from its most recent revenue bond resolution that include: conditions for issuance of parity debt, rate covenant, reserve
account or fund, and flow of funds (include only the indicated excerpts).
Other Yes Commention
Other Information
Approximate Population: $24,550$ (not required for cities and counties).
If any of the following apply, please provide a complete discussion on a separate page:
Yes No - Does the local government use registered warrants, interfund loans or other cash flow borrowing?
Yes No - Is the local government a party to significant litigation?
Please check the box that applies:
Requested Credit Form is provided: by disk (Word 6.0) by e-mail (Word 6.0) hard copy.
We are not required to submit the Credit Form because NAVE received an Al bond rating from Movely's
Does local government have a Bond Rating? Yes No Rating Agency Molly (AI)
TITO III
Submitted by: John J. Chulfied Title: France Director
Signature: 12/14/98
400

Exhibit A-1

#### Notice of Intent and Application Form State of Washington LOCAL Program (Local Option Capital Asset Lending)

This is a Notice of Intent only.  This NOI is accompanied by a Credit Form.
Local Government Information
Legal Name: City of Univarsity Place MCAG No.: 1021-0003
Contact Person: John Caulfield Title: Finance Nicetor
Address: 3715 Bridgenet Way West United United to Alare WA 95466
Phone No: (253) 460-25/2 Fax No.: (253) 566-5658 E-mail: Jeaufie ci. University-place. Wa. US
Would you prefer to receive financing documents (check one):
Hard copy by U.S. mail  MS Word 6.0 by e-mail  3.5" disk - Word 6.0 by U.S. mail
Property/Equipment
Property/Equipment Description: DAKhue with Sweeper Brown - 1992 Case, 5805K with 3,219 hours
Quantity: 1 Cost: 30,896.70 Amount to Finance: #30,896.70
Purpose of Equipment (Please be specific and include dept. of use): Whice Works - this will be used to sweep graved back and the shouldes have the madway, eliminated the truly to sweep the grain with the street queen and paint to disput of it. We also have the optim of removing the below and vising the back of its support of our maintaneous and cit projects.  Yes No - Property has already been acquired. Equipment cost was paid with interfund loan general funds and will be reimbursed from program proceeds. If yes, include a copy of the local government's reimbursement resolution with the financing documents.
Security Pledge
General obligation of local government. Voted Levy. Not Voted.
Revenue pledge of an established enterprise system. Local government must include pages from its most recent revenue bond resolution that include: conditions for issuance of parity debt, rate covenant, reserve account or fund, and flow of funds (include only the indicated excerpts).
Other Information
Approximate Population: 29,550 (not required for cities and counties).
If any of the following apply, please provide a complete discussion on a separate page:
Yes No - Does the local government use registered warrants, interfund loans or other cash flow borrowing?
Yes No - Is the local government a party to significant litigation?
Please check the box that applies:
Requested Credit Form is provided: by disk (Word 6.0) by e-mail (Word 6.0) hard copy.
We are not required to submit the Credit Form because 14 received on "A hour race from Mong a
Does local government have a Bond Rating? X Yes No Rating Agency March (Al)
Submitted by: John J. Coal had Title: Finance Vicular  Signature: Date: 12/14/93

Exhibit A-1

#### Notice of Intent and Application Form State of Washington LOCAL Program (Local Option Capital Asset Lending)

This is a Notice of Intent only.  This NOI is accompanied by a Credit Form.
Local Government Information
Legal Name: City of University Place MCAG No.: 1021 -0004  Contact Person: Tohn Caulfield Title: Fiveure Nivertor
Contact Person: John Caulfield Title: Fiveure Sirector
Address 3715 Bodenet Way West United Way 1004 LUA 98466
Phone No: (253) 460-2512 Fax No.: (253) 566-5658 E-mail: Jeaufi @ cj. UNIVANTY-place. Wa. US
Would you prefer to receive financing documents (check one):
Hard copy by U.S. mail  MS Word 6.0 by e-mail  3.5" disk - Word 6.0 by U.S. mail
Property/Equipment
Property/Equipment Description: VAW, 15 pustinger, Ford Super Clots (Mynn)
Quantity: 1 Cost: \$23,571.77 Amount to Finance: \$23,571.77
Finance Term: 5664 Useful Life: 5-7665 Expected Acceptance Date: April 1999
Purpose of Equipment (Please be specific and include dept. of use): Knywan - The 15 Magnet VAW Will be used to
transport preparation program participants for trips, tours, dry number, souther citizen continues in add than to making expreparant + supp
Yes No - Property has already been acquired. Equipment cost was paid with interfund loan general funds and will be reimbursed from program proceeds. If yes, include a copy of the local government's reimbursement resolution with the financing documents.
Security Pledge
General obligation of local government.
Revenue pledge of an established enterprise system. Local government <u>must include</u> pages from its most recent revenue bond resolution that include: conditions for issuance of parity debt, rate covenant, reserve account or fund, and flow of funds (include only the indicated excerpts).
Other Information
Approximate Population: 29,550 (not required for cities and counties).
If any of the following apply, please provide a complete discussion on a separate page:
Yes No - Does the local government use registered warrants, interfund loans or other cash flow borrowing?
Yes No - Is the local government a party to significant litigation?
Please check the box that applies:
Requested Credit Form is provided: by disk (Word 6.0) by e-mail (Word 6.0) hard copy.
We are not required to submit the Credit Form because have received an "Al" hand cating from Moody's
Does local government have a Bond Rating? X Yes No Rating Agency May (A)
Submitted by: John J. Caul field Title: FINANCE DIRECTOR
Signature: Date: 12/14/98

#### FINANCING CONTRACT EQUIPMENT CERTIFICATE

Name of Local Agency:	City of University 1	lue	
Address:	3715 Rilgrant WA	a West	
	University Place, and	98466	
		1	
The undersigned,	[Name/title] John J. C		does hereby certify,
that he/she is an Authorized	d Agency representative of	Gly of University	the "Local
Agency") pursuant to the t	erms of the Financing Contrac	t between the Local A	gency and the State Treasurer, dated
by the Local Agency. All Personal Property has been spects satisfactory to the Contract.  Notwithstanding to any claim against the vendor	I installation or other work ne in examined and/or tested and Local Agency and complies the foregoing, the undersigned	is in good operating with all terms of the does not waive or lite contractor or other pro-	whas been delivered to and received the thereof has been completed. The order and condition and is in all re-Master Contract and the Financing mit, by execution of this certificate, ovider of property or services related Property.
<b>~</b> ,	y further confirms that the Pe as the authority to provide in the		e used to fulfill an essential function
	* * * * * * * *	* * * * * * *	*
Personal Property Inform			Wille Earlie Ta
Description: /999 5 yd	•	Name of Vendor	77 0, NY
Serial No.:	•	Address: 277	•
State Tag No.: Acquisition Personal Prope			11, WA 98047
Location:	-	Payment Amoun	
		Disburse to:/_ Method of Payment:	has here recovered
Attached hereto are:		,	
	r the Personal Property approving the authority		y. Agency Representative to sign this
3. Certificate of Insurance, demonstrating liability insurance coverage and stating that insurance will be renewed annually automatically, unless said office notifies the State Treasurer of any discontinuation of coverage.  You are hereby requested to make a disbursement as indicated above			
	,	Date:	nd Agericy Representative
Countersigned and Approved for Payment:	alem	at.	· _
•	Designated State Trea	surer Representative	
	Date: Schill.	1990	

# EXHIBIT 3 FORM OF FINANCING CONTRACT PERSONAL PROPERTY - LOCAL AGENCY

State Transaction No. 1021-0001

### PERSONAL PROPERTY FINANCING CONTRACT

This Agreement is between the governmental organization identified in Exhibit A attached hereto, (the "Local Agency") and the Office of the State Treasurer (the "State Treasurer") under authority granted by Resolution No. 879 of the State Finance Committee of the State of Washington,

WHEREAS, Chapter 39.94 RCW, as amended, (the "Act") authorizes the State Treasurer to enter into financing contracts to provide lower costs to Local Agencies (as defined herein) for equipment acquisition; and

WHEREAS, the State Treasurer has negotiated the terms of a Master Financing Contract, dated as of September 1, 1998 (the "Master Contract") with Washington Finance Officers Association, as lessor ("WFOA"), pursuant to which financing will be made available for the acquisition of property by Local Agencies over a period of time under terms set forth therein; and

WHEREAS, the Local Agency desires to participate in the Master Contract for the acquisition of certain items of property; IT IS THEREFORE AGREED AS FOLLOWS:

Section 7 through Section 24 of this agreement are attached hereto as exhibit D and incorporated by this reference herein. Exhibit D also is on file in the office of the State Treasurer and, accordingly, may be detached from this agreement for convenience of the parties.

Section 1. <u>Defined Terms</u>. Unless otherwise defined in the recitals to this agreement, capitalized terms used in this agreement have the meanings given such terms in the Master Contract.

Section 2. <u>Lease Purchase</u>; <u>Acquisition of Equipment</u>. The Local Agency has delivered a Notice of Intent to Lease/Purchase in the form of Exhibit A-1 attached hereto. In order to evidence its acceptance of the Equipment, the Local Agency [has executed and delivered herewith,] [expects to execute and deliver within 60 days] as Exhibit A-2, an "Equipment Certificate."

Attached hereto (and incorporated herein) as Exhibit B is a copy of the "Certificate Designating Authorized Local Agency Representatives" for the Local Agency. Said Certificate is currently in force and has not been amended or superseded, and the signatures shown therein are true and correct copies of the signatures of the persons who hold the titles shown opposite their names. The signature of any one of the individuals shown on said Certificate is sufficient to bind the Local Agency under this agreement and with respect to any of the undertakings contemplated herein.

Section 3. Agency Rent Plus Supplemental Rent. The payments for Agency Rent are set forth in Exhibit C to this agreement. Upon execution of this Financing Contract by the State Treasurer, a copy of Exhibit C shall be forwarded to the Local Agency. The Agency Rent set forth in Exhibit C shall be based on the principal amount requested to be financed by such Local Agency in Exhibit A-2. From and after the date of this agreement, the Local Agency will make each payment of Agency Rent on the respective Agency Rent Payment Date to the State Treasurer for deposit in a Capital Lease Program Account (#739). The Local Agency hereby acknowledges receipt of a conformed copy of the Master Contract.

Section 4. <u>Prepayment.</u> Upon at least 60 days prior notice to the State Treasurer, the Local Agency may prepay Agency Rent and/or Agency Supplemental Rent to the State Treasurer on any date in an amount sufficient to defease the obligation at the interest rates applicable at the time of prepayment. Any prepayment of Agency Rent and/or Agency Supplemental Rent shall not discharge or defease the Local Agency's obligations under this Financing Contract, except to the extent of the dollar amount paid to the State Treasurer.

Section 5. <u>Personal Property</u>. The State Treasurer hereby subleases to the Local Agency, and the Local Agency hereby subleases from the State Treasurer, the Personal Property in accordance with the provisions of this Financing Contract, to use for its lawful public purposes for the term hereof. Upon acceptance of the Personal Property hereunder by the Local Agency and payment for such Personal Property pursuant to Section 2.2 of the Master Contract, all rights as sublessee with respect to the Personal Property granted to the Local Agency by the State Treasurer under this Financing Contract shall vest in the Local Agency, without any further action on the part of the State Treasurer. The Local Agency shall not assign or sublease the use or possession of any items of Personal Property or assign any of its rights under this Financing Contract to any third party.

Section 6. <u>Term</u>. The term of this Financing Contract will commence as of the date hereof and continue through the final Agency Rent Payment Date, as shown on Exhibit C, unless earlier terminated as expressly provided for in this Financing Contract.

STATE TREASURER	City of University Space
STATE OF WASHINGTON	as Local Agency
By lille Mark	By What Geoffeed
Designated State Treasurer Representative	Town Middle
Date Jeli Ty 1999	Title Mysul Differen
Date	Date 4ANNUG 5, 1999
	/ /

## FINANCING CONTRACT EQUIPMENT CERTIFICATE

Name of Local Agency:	City of University	flue		4 <u>.</u>
Address:	3715 Brilgenet	NAY West		
	Minoresity Place, a	VA 98466		
	0			
	[Name/title]		) jeelm	_ does hereby certify,
that he/she is an Authorize	ed Agency representative of	Lity of Universit	g Place	(the "Local
	terms of the Financing Con	( 1 //	gency and the	State Treasurer, dated
by the Local Agency. All Personal Property has bee spects satisfactory to the Contract.  Notwithstanding any claim against the vend to the purchase, shipment, The Local Agence	confirms that the Personal installation or other work on examined and/or tested a Local Agency and complete the foregoing, the undersigner or any other seller, installation or make y further confirms that the last he authority to provide the confirms that the last he authority to provide the confirms that the last he authority to provide the confirms that the last he authority to provide the confirms that the last he authority to provide the confirms that the last he authority to provide the confirms that the last he confirms that the last head he confirms that the last head he confirms that the last head head head he confirms the last head head head head head head head head	and is in good operating its with all terms of the greed does not waive or liter, contractor or other printenance of the Personal Personal Property will be	se thereof has order and cond Master Contra imit, by execut rovider of property.  e used to fulfil	been completed. The dition and is in all re- act and the Financing ion of this certificate, erty or services related
Personal Property Inform	* * * * * * * * * * * * * * * * * * *	* * * * * * * *	*	
Description: 1997 Tigar	· Silahrom Mower	Name of Vendor	r. Masterio Pri	ver + Euroment, One.
Serial No.:	Str. Little 17 112	Address: 270		Vichiusa N.
State Tag No.:		A !	N. WA 98001	
Acquisition Personal Prop	erty	Payment Amour	gt: 35,295.0	30
Location:		Disburse to:	ligy Uniocot	la Dace
		Method of Payment:	· nocount	y .
		Payment:	MICOMO( 7)	
Attached hereto are:				
1. A vendor's invoice fo	or the Personal Property app	roved by the Local Agend	ev.	
2. An incumbency certification	ificate verifying the author			sentative to sign this
annually automatically	ce, demonstrating liability y, unless said office notifies sted to make a disbursemen	s the State Treasurer of an	tating that insury discontinuation	rance will be renewed on of coverage.
		Authori	zed Agericy Re	presentative
	AN	Date:	99	·
Countersigned and Approved for Payment:	(ile) n	rech		
reperoved for Fayment.	Designated State 7	reasurer Representative		•
•	Date: Jul 11 9	•		

# EXHIBIT 3 FORM OF FINANCING CONTRACT PERSONAL PROPERTY - LOCAL AGENCY

State Transaction No. /02/-0002

### PERSONAL PROPERTY FINANCING CONTRACT

This Agreement is between the governmental organization identified in Exhibit A attached hereto, (the "Local Agency") and the Office of the State Treasurer (the "State Treasurer") under authority granted by Resolution No. 879 of the State Finance Committee of the State of Washington,

WHEREAS, Chapter 39.94 RCW, as amended, (the "Act") authorizes the State Treasurer to enter into financing contracts to provide lower costs to Local Agencies (as defined herein) for equipment acquisition; and

WHEREAS, the State Treasurer has negotiated the terms of a Master Financing Contract, dated as of September 1, 1998 (the "Master Contract") with Washington Finance Officers Association, as lessor ("WFOA"), pursuant to which financing will be made available for the acquisition of property by Local Agencies over a period of time under terms set forth therein; and

WHEREAS, the Local Agency desires to participate in the Master Contract for the acquisition of certain items of property; IT IS THEREFORE AGREED AS FOLLOWS:

Section 7 through Section 24 of this agreement are attached hereto as exhibit D and incorporated by this reference herein. Exhibit D also is on file in the office of the State Treasurer and, accordingly, may be detached from this agreement for convenience of the parties.

Section 1. <u>Defined Terms</u>. Unless otherwise defined in the recitals to this agreement, capitalized terms used in this agreement have the meanings given such terms in the Master Contract.

Section 2. <u>Lease Purchase</u>; <u>Acquisition of Equipment</u>. The Local Agency has delivered a Notice of Intent to Lease/Purchase in the form of Exhibit A-1 attached hereto. In order to evidence its acceptance of the Equipment, the Local Agency [has executed and delivered herewith,] [expects to execute and deliver within 60 days] as Exhibit A-2, an "Equipment Certificate."

Attached hereto (and incorporated herein) as Exhibit B is a copy of the "Certificate Designating Authorized Local Agency Representatives" for the Local Agency. Said Certificate is currently in force and has not been amended or superseded, and the signatures shown therein are true and correct copies of the signatures of the persons who hold the titles shown opposite their names. The signature of any one of the individuals shown on said Certificate is sufficient to bind the Local Agency under this agreement and with respect to any of the undertakings contemplated herein.

Section 3. Agency Rent Plus Supplemental Rent. The payments for Agency Rent are set forth in Exhibit C to this agreement. Upon execution of this Financing Contract by the State Treasurer, a copy of Exhibit C shall be forwarded to the Local Agency. The Agency Rent set forth in Exhibit C shall be based on the principal amount requested to be financed by such Local Agency in Exhibit A-2. From and after the date of this agreement, the Local Agency will make each payment of Agency Rent on the respective Agency Rent Payment Date to the State Treasurer for deposit in a Capital Lease Program Account (#739). The Local Agency hereby acknowledges receipt of a conformed copy of the Master Contract.

Section 4. <u>Prepayment.</u> Upon at least 60 days prior notice to the State Treasurer, the Local Agency may prepay Agency Rent and/or Agency Supplemental Rent to the State Treasurer on any date in an amount sufficient to defease the obligation at the interest rates applicable at the time of prepayment. Any prepayment of Agency Rent and/or Agency Supplemental Rent shall not discharge or defease the Local Agency's obligations under this Financing Contract, except to the extent of the dollar amount paid to the State Treasurer.

Section 5. <u>Personal Property</u>. The State Treasurer hereby subleases to the Local Agency, and the Local Agency hereby subleases from the State Treasurer, the Personal Property in accordance with the provisions of this Financing Contract, to use for its lawful public purposes for the term hereof. Upon acceptance of the Personal Property hereunder by the Local Agency and payment for such Personal Property pursuant to Section 2.2 of the Master Contract, all rights as sublessee with respect to the Personal Property granted to the Local Agency by the State Treasurer under this Financing Contract shall vest in the Local Agency, without any further action on the part of the State Treasurer. The Local Agency shall not assign or sublease the use or possession of any items of Personal Property or assign any of its rights under this Financing Contract to any third party.

Section 6. <u>Term.</u> The term of this Financing Contract will commence as of the date hereof and continue through the final Agency Rent Payment Date, as shown on Exhibit C, unless earlier terminated as expressly provided for in this Financing Contract.

STATE TREASURER -	City of University Place
STATE OF WASHINGTON	as Local Agency
By All Mart	By Chim J. (malling)
Designated State Teasurer Representative	1 + 1
- 21.11 1699	Title Minua Dikeath
Date 747	5. Augustin 5 1909
	Date / //////////////////////////////////
	/ 0

## FINANCING CONTRACT EQUIPMENT CERTIFICATE

Name of Local Agency:	to of University Place	e	
Address: 37	15 Brilgeart Way 1	Upt	
-Ua	noresity Plue, wa go	466	
	. 0	· 	
The undersigned, [Nan	ne/title] John J. Cau	(kdl, Fixmere ) jegelm	
that he/she is an Authorized Age	ncy representative of	ly of University Place	(the "Local
Agency") pursuant to the terms	of the Financing Contract be	tween the Local Agency and the	State Treasurer, dated
by the Local Agency. All insta Personal Property has been exact spects satisfactory to the Local Contract.  Notwithstanding the for any claim against the vendor or a to the purchase, shipment, delive	ellation or other work necess mined and/or tested and is in Agency and complies with regoing, the undersigned do any other seller, installer, con cry, installation or maintenance ther confirms that the Person	al Property will be used to fulfill	been completed. The dition and is in all re- act and the Financing ion of this certificate, erty or services related
	* * * * * * * *	* * * * * *	
Personal Property Information Description:	khorw/ Sweeper	Name of Vendor: Western for Address: 2702 West Valley    Address: 4702 West Valley    Payment Amount: 30, 896. F  Disburse to: 14 ff University    Method of Payment: 511-account the	Hishwag W
Attached hereto are:			
<ol> <li>An incumbency certificate Certificate.</li> <li>Certificate of Insurance, defannually automatically, unless</li> </ol>	monstrating liability insurance	the Authorized Agency Representation of any discontinuation icated above	rance will be renewed on of coverage.
Countersigned and Approved for Payment:	Designated State Treasures	Authofized Agerloy Rep Date:	oresentative

# EXHIBIT 3 FORM OF FINANCING CONTRACT PERSONAL PROPERTY - LOCAL AGENCY

State Transaction No. 1021-0003

### PERSONAL PROPERTY FINANCING CONTRACT

This Agreement is between the governmental organization identified in Exhibit A attached hereto, (the "Local Agency") and the Office of the State Treasurer (the "State Treasurer") under authority granted by Resolution No. 879 of the State Finance Committee of the State of Washington,

WHEREAS, Chapter 39.94 RCW, as amended, (the "Act") authorizes the State Treasurer to enter into financing contracts to provide lower costs to Local Agencies (as defined herein) for equipment acquisition; and

WHEREAS, the State Treasurer has negotiated the terms of a Master Financing Contract, dated as of September 1, 1998 (the "Master Contract") with Washington Finance Officers Association, as lessor ("WFOA"), pursuant to which financing will be made available for the acquisition of property by Local Agencies over a period of time under terms set forth therein; and

WHEREAS, the Local Agency desires to participate in the Master Contract for the acquisition of certain items of property; IT IS THEREFORE AGREED AS FOLLOWS:

Section 7 through Section 24 of this agreement are attached hereto as exhibit D and incorporated by this reference herein. Exhibit D also is on file in the office of the State Treasurer and, accordingly, may be detached from this agreement for convenience of the parties.

Section 1. <u>Defined Terms</u>. Unless otherwise defined in the recitals to this agreement, capitalized terms used in this agreement have the meanings given such terms in the Master Contract.

Section 2. <u>Lease Purchase</u>; <u>Acquisition of Equipment</u>. The Local Agency has delivered a Notice of Intent to Lease/Purchase in the form of Exhibit A-1 attached hereto. In order to evidence its acceptance of the Equipment, the Local Agency [has executed and delivered herewith,] [expects to execute and deliver within 60 days] as Exhibit A-2, an "Equipment Certificate."

Attached hereto (and incorporated herein) as Exhibit B is a copy of the "Certificate Designating Authorized Local Agency Representatives" for the Local Agency. Said Certificate is currently in force and has not been amended or superseded, and the signatures shown therein are true and correct copies of the signatures of the persons who hold the titles shown opposite their names. The signature of any one of the individuals shown on said Certificate is sufficient to bind the Local Agency under this agreement and with respect to any of the undertakings contemplated herein.

Section 3. Agency Rent Plus Supplemental Rent. The payments for Agency Rent are set forth in Exhibit C to this agreement. Upon execution of this Financing Contract by the State Treasurer, a copy of Exhibit C shall be forwarded to the Local Agency. The Agency Rent set forth in Exhibit C shall be based on the principal amount requested to be financed by such Local Agency in Exhibit A-2. From and after the date of this agreement, the Local Agency will make each payment of Agency Rent on the respective Agency Rent Payment Date to the State Treasurer for deposit in a Capital Lease Program Account (#739). The Local Agency hereby acknowledges receipt of a conformed copy of the Master Contract.

Section 4. <u>Prepayment.</u> Upon at least 60 days prior notice to the State Treasurer, the Local Agency may prepay Agency Rent and/or Agency Supplemental Rent to the State Treasurer on any date in an amount sufficient to defease the obligation at the interest rates applicable at the time of prepayment. Any prepayment of Agency Rent and/or Agency Supplemental Rent shall not discharge or defease the Local Agency's obligations under this Financing Contract, except to the extent of the dollar amount paid to the State Treasurer.

Section 5. <u>Personal Property</u>. The State Treasurer hereby subleases to the Local Agency, and the Local Agency hereby subleases from the State Treasurer, the Personal Property in accordance with the provisions of this Financing Contract, to use for its lawful public purposes for the term hereof. Upon acceptance of the Personal Property hereunder by the Local Agency and payment for such Personal Property pursuant to Section 2.2 of the Master Contract, all rights as sublessee with respect to the Personal Property granted to the Local Agency by the State Treasurer under this Financing Contract shall vest in the Local Agency, without any further action on the part of the State Treasurer. The Local Agency shall not assign or sublease the use or possession of any items of Personal Property or assign any of its rights under this Financing Contract to any third party.

Section 6. <u>Term.</u> The term of this Financing Contract will commence as of the date hereof and continue through the final Agency Rent Payment Date, as shown on Exhibit C, unless earlier terminated as expressly provided for in this Financing Contract.

STATE TREASURER	City of University Place
STATE OF WASHINGTON	as Local Agency
By lile Marty.	By Colon C. Constant
Designated State Treasurer Representative	The Mark
Date Hill 1999	Title / Januar Sileto
Date	Date ( anux 5, 1999
	7 0

EXHIBIT A-2 No. <u>/02/-00</u>04

## FINANCING CONTRACT EQUIPMENT CERTIFICATE

Name of Local Agency: City of University Play	<u> </u>	
Address: 3715 Brilgenet Way 1	Wat	
Maioresity Muse, wit 90	5466	
The undersigned, [Name/title] John J. Cau	(Kild, France) jeelm does hereby certify,	
that he/she is an Authorized Agency representative of	the "Local" (the "Local"	
Agency") pursuant to the terms of the Financing Contract be	( )	
	•	
by the Local Agency. All installation or other work neces Personal Property has been examined and/or tested and is spects satisfactory to the Local Agency and complies wit Contract.  Notwithstanding the foregoing, the undersigned deany claim against the vendor or any other seller, installer, co to the purchase, shipment, delivery, installation or maintenant.	in good operating order and condition and is in all re- h all terms of the Master Contract and the Financing bes not waive or limit, by execution of this certificate, intractor or other provider of property or services related face of the Personal Property.	
* * * * * * *	* * * * * *	
Personal Property Information  Description:	Name of Vendor: Dlympic Ford  Address: P.O. Box 1800  Marysville, WA 98271  Payment Amount: 23,571.77  Disburse to: Whith William (All Writher Miller)  Method of Milliam (All Writher Miller)  Payment:	
Attached hereto are:		
<ol> <li>A vendor's invoice for the Personal Property approved by the Local Agency.</li> <li>An incumbency certificate verifying the authority of the Authorized Agency Representative to sign this Certificate.</li> <li>Certificate of Insurance, demonstrating liability insurance coverage and stating that insurance will be renewed annually automatically, unless said office notifies the State Treasurer of any discontinuation of coverage.         You are hereby requested to make a disbursement as indicated above.     </li> </ol>		
	Date: 2/3/99	
Countersigned and Approved for Payment:	erli	
Designated State Treasure	er Representative	
Date:	1997	

# EXHIBIT 3 FORM OF FINANCING CONTRACT PERSONAL PROPERTY - LOCAL AGENCY

State Transaction No. /021-0004

### PERSONAL PROPERTY FINANCING CONTRACT

This Agreement is between the governmental organization identified in Exhibit A attached hereto, (the "Local Agency") and the Office of the State Treasurer (the "State Treasurer") under authority granted by Resolution No. 879 of the State Finance Committee of the State of Washington,

WHEREAS, Chapter 39.94 RCW, as amended, (the "Act") authorizes the State Treasurer to enter into financing contracts to provide lower costs to Local Agencies (as defined herein) for equipment acquisition; and

WHEREAS, the State Treasurer has negotiated the terms of a Master Financing Contract, dated as of September 1, 1998 (the "Master Contract") with Washington Finance Officers Association, as lessor ("WFOA"), pursuant to which financing will be made available for the acquisition of property by Local Agencies over a period of time under terms set forth therein; and

WHEREAS, the Local Agency desires to participate in the Master Contract for the acquisition of certain items of property; IT IS THEREFORE AGREED AS FOLLOWS:

Section 7 through Section 24 of this agreement are attached hereto as exhibit D and incorporated by this reference herein. Exhibit D also is on file in the office of the State Treasurer and, accordingly, may be detached from this agreement for convenience of the parties.

Section 1. <u>Defined Terms</u>. Unless otherwise defined in the recitals to this agreement, capitalized terms used in this agreement have the meanings given such terms in the Master Contract.

Section 2. <u>Lease Purchase</u>; Acquisition of Equipment. The Local Agency has delivered a Notice of Intent to Lease/Purchase in the form of Exhibit A-1 attached hereto. In order to evidence its acceptance of the Equipment, the Local Agency [has executed and delivered herewith,] [expects to execute and deliver within 60 days] as Exhibit A-2, an "Equipment Certificate."

Attached hereto (and incorporated herein) as Exhibit B is a copy of the "Certificate Designating Authorized Local Agency Representatives" for the Local Agency. Said Certificate is currently in force and has not been amended or superseded, and the signatures shown therein are true and correct copies of the signatures of the persons who hold the titles shown opposite their names. The signature of any one of the individuals shown on said Certificate is sufficient to bind the Local Agency under this agreement and with respect to any of the undertakings contemplated herein.

Section 3. Agency Rent Plus Supplemental Rent. The payments for Agency Rent are set forth in Exhibit C to this agreement. Upon execution of this Financing Contract by the State Treasurer, a copy of Exhibit C shall be forwarded to the Local Agency. The Agency Rent set forth in Exhibit C shall be based on the principal amount requested to be financed by such Local Agency in Exhibit A-2. From and after the date of this agreement, the Local Agency will make each payment of Agency Rent on the respective Agency Rent Payment Date to the State Treasurer for deposit in a Capital Lease Program Account (#739). The Local Agency hereby acknowledges receipt of a conformed copy of the Master Contract.

Section 4. Prepayment. Upon at least 60 days prior notice to the State Treasurer, the Local Agency may prepay Agency Rent and/or Agency Supplemental Rent to the State Treasurer on any date in an amount sufficient to defease the obligation at the interest rates applicable at the time of prepayment. Any prepayment of Agency Rent and/or Agency Supplemental Rent shall not discharge or defease the Local Agency's obligations under this Financing Contract, except to the extent of the dollar amount paid to the State Treasurer.

Section 5. <u>Personal Property</u>. The State Treasurer hereby subleases to the Local Agency, and the Local Agency hereby subleases from the State Treasurer, the Personal Property in accordance with the provisions of this Financing Contract, to use for its lawful public purposes for the term hereof. Upon acceptance of the Personal Property hereunder by the Local Agency and payment for such Personal Property pursuant to Section 2.2 of the Master Contract, all rights as sublessee with respect to the Personal Property granted to the Local Agency by the State Treasurer under this Financing Contract shall vest in the Local Agency, without any further action on the part of the State Treasurer. The Local Agency shall not assign or sublease the use or possession of any items of Personal Property or assign any of its rights under this Financing Contract to any third party.

Section 6. <u>Term.</u> The term of this Financing Contract will commence as of the date hereof and continue through the final Agency Rent Payment Date, as shown on Exhibit C, unless earlier terminated as expressly provided for in this Financing Contract.

STATE TREASURER	City of University Mace
STATE OF WASHINGTON	as Local Agency
By Cilla Mark	By John & gelfind
Designated State Treasurer Representative  Date  Date	Title Flywnu Diachr
Date	Date / JANNAY 5, 1999

#### EXHIBIT D

#### FINANCING CONTRACT

(General Obligation/Nonvoted)

- Section 7. Representations: Warranties and Covenants of the Local Agency. The Local Agency hereby authorizes and directs the State Treasurer to deliver the Personal Property Certificate to WFOA and to direct WFOA to make disbursement in accordance with the terms thereof. In consideration of the State Treasurer's agreement to make funds available for such acquisition, the Local Agency agrees that any payment required of the State Treasurer under the Master Contract with respect to the Personal Property shall be deemed an obligation of the Local Agency, and that the respective terms and conditions of the Master Contract applicable to the State Treasurer are in turn binding upon the Local Agency. The Local Agency further specifically represents, warrants and covenants as follows:
- 7.1 The obligations of the Local Agency under this Financing Contract constitute a general obligation of the Local Agency, to which the full faith and credit of the Local Agency are hereby pledged. The Local Agency hereby pledges that it will levy taxes in such amounts and at such times as shall be necessary, within and as a part of the tax levy permitted to the Local Agency without a vote of its electors, to provide funds, together with other legally available moneys, to make the payments of Agency Rent provided for in this Financing Contract.
- 7.2 The Treasurer of the Local Agency is authorized and directed to establish and/or maintain a special account/fund in the "bonds payable" category of accounts of the Local Agency for purposes of paying Agency Rent. The Treasurer of the Local Agency is hereby authorized and directed to remit each payment of Agency Rent to the Fiscal Agent on each Payment Date. Such payment shall be made from any legally available funds of the Local Agency, and the Treasurer is hereby authorized and directed to withdraw money from any legally available funds of the Local Agency in order to make timely payments of Agency Rent.
- 7.3 The Local Agency has determined that the Personal Property being acquired under this Financing Contract is essential to the Local Agency's ability to carry out its governmental functions and responsibilities, and the Local Agency expects to make immediate use of the Personal Property, which need is not temporary or expected to diminish during the term of this Financing Contract.
- 7.4 The anticipated use of the Personal Property by the Local Agency is to be in connection with and to carry out the Local Agency's essential governmental functions (including general services and administration).
  - 7.5 The useful life of the Personal Property is equal to or exceeds the term hereof.

7.6 The obligations of the Local Agency under this Financing Contract, together with all other outstanding indebtedness of the Local Agency, does not exceed any statutory or constitutional debt limits applicable to the Local Agency.

Section 8. Limitation on Warranties. The Local Agency acknowledges and agrees that the Personal Property is of a size, design, and capacity selected by the Local Agency, that the State Treasurer is neither a manufacturer nor a vendor of such personal property. TREASURER MAKES NO WARRANTY OR REPRESENTATION EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE PERSONAL PROPERTY OR AS TO ITS TITLE THERETO OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PERSONAL PROPERTY. The Local Agency acknowledges that the Personal Property has been selected in accordance with the Local Agency's specifications and that the State Treasurer is not a manufacturer of or dealer in the Personal Property, and that the State Treasurer has made no representation or warranty and assumes no obligation with respect to the merchantability, condition, quality or fitness of the property or the enforcement of the manufacturer's warranties or guarantees. The parties acknowledge that as a condition precedent to each disbursement all representations and warranties from the manufacturer and vendor relating to the Personal Property to be financed shall be transferred to the Local Agency. No salesman or agent of the supplier is authorized to waive or alter any term or condition of this Financing Contract, and no supplier shall in any way affect the Local Agency's duty to pay and perform its other obligations as set forth in this Financing Contract. In no event shall WFOA be liable for any incidental, indirect, special or consequential damages in connection with or arising out of this Financing Contract or the existence, furnishing, functioning or the Local Agency's use of the Personal Property.

The State Treasurer hereby assigns to the Local Agency during the term hereof, to the extent permitted and so long as no Agency Default Event or other event permitting termination of this Financing Contract has occurred and is continuing hereunder, all warranties, if any, express or implied with respect to the Personal Property, and the State Treasurer authorizes the Local Agency to obtain the customary services furnished in connection with such warranties at the Local Agency's expense, subject, however, to a reservation by the State Treasurer of a right to independently enforce such warranties and guaranties.

Section 9. <u>Title</u>. Title to the Personal Property shall be held by the Local Agency, subject to the security interest of WFOA.

Section 10. Security Agreement. This agreement acknowledges a prior interest in the Personal Property of and for the benefit of WFOA. The Local Agency hereby pledges its interest under this Financing Contract and in the Personal Property to secure its performance hereunder. Accordingly, this Financing Contract also constitutes a security agreement under the Washington Uniform Commercial Code and any other applicable law. The Local Agency expressly acknowledges and agrees that each provision of this Financing Contract is also a provision of this security agreement and that a Agency Default Event under this Financing Contract is a default under this security agreement. The Local Agency further agrees that:

WFOA may: commingle Personal Property which comes into its possession; repledge such Personal Property upon terms which impair the Local Agency's right to redeem such; and require the Local Agency to assemble the Personal Property and make it available to WFOA in a manner which is reasonably convenient to both parties. To the extent WFOA is required for any reason to provide commercially reasonable notice to the Local Agency, the Local Agency agrees that notice mailed by first class mail five days before the event of which notice is given, is commercially reasonable notice;

The standard by which WFOA's rights and duties under Article 9 of Chapter 62A RCW, including but not limited to Part 5 thereof, shall be measured is gross negligence or willful misconduct.

If required by WFOA or the State Treasurer, at any time during the term of this Financing Contract, the Local Agency will execute and deliver to WFOA or the State Treasurer, as the case may be, in form satisfactory to WFOA or the State Treasurer, as the case may be, additional security agreements, financing statements and/or other instruments covering the Personal Property and all accessions thereto.

Section 11. <u>Use, Repairs</u>. The Local Agency will (i) maintain the items of Personal Property in good operating condition and appearance, and protect same from deterioration other than normal wear and tear; (ii) cause the Personal Property to be used within its normal capacity, without abuse and in the manner contemplated by the manufacturer's specification and in compliance with the requirements of applicable laws, ordinances and regulations, the requirements of any warranties applicable thereto and the requirements of any insurance or self insurance program required under Section 16 hereof; (iii) cause the Personal Property to be operated by or under the direction of competent persons only and obtain all registrations, permits and licenses, if any, required by law for the operation of the Personal Property; and (iv) will pay all costs, claims, damages, fees and charges arising out of its possession, use or maintenance of the Personal Property. The Local Agency, at its expense, will keep the Personal Property in good repair, and furnish all parts, mechanisms and devices required therefor. If the Local Agency fails to maintain the Personal Property in accordance with this Section 11, the State Treasurer shall have the right, but not the obligation, to maintain the Personal Property.

If the State Treasurer incurs any expense in maintaining the Personal Property for which the Local Agency is responsible or liable under this Section 11, the Local Agency shall reimburse the State Treasurer promptly therefor.

Section 12. <u>Alterations</u>. The Local Agency will not make any alterations, additions or improvements to the Personal Property without prior written notice to the State Treasurer unless such alterations, additions or improvements may be readily removed without damage to the

Personal Property. All such alterations, additions or improvements shall be deemed "Personal Property" and shall be subject to the terms of this Financing Contract.

Section 13. <u>Location</u>: <u>Inspection</u>. The Personal Property will be located within the State or, with the prior written consent of the State Treasurer outside the geographic boundaries of the State. The State Treasurer and WFOA will be entitled to inspect the Personal Property during reasonable business hours. Such right to inspection shall be subject to reasonable security arrangements. The Local Agency consents to the right of the State Treasurer and WFOA to so inspect the Personal Property.

Section 14. Liens and Taxes. The Local Agency shall keep the Personal Property free and clear of all liens and encumbrances not permitted in this Financing Contract. The Local Agency represents that no charges or taxes (local, state and federal) are presently imposed on the ownership, leasing, rental, sale, purchase, possession or use of the Personal Property. If during the term hereof, the ownership, leasing, rental, sale, purchase, possession or use of the Personal Property shall result in the imposition of any charges or state, local or federal taxes, freight and transportation charges and any other charges imposed or liabilities incurred with respect to the ownership, possession or use of the Personal Property or any payment by the Local Agency hereunder, and any fines, penalties or interest imposed on any of the foregoing, the Local Agency shall pay all such charges and taxes when due. The Local Agency at its own expense may contest the assessment of such charges and taxes until it obtains a final administrative or judicial determination of its liability for such charges or taxes unless the Personal Property is encumbered by any levy, lien, or any other type of encumbrance because of the Local Agency's failure to pay such charges and taxes. If the Local Agency fails to pay said charges and taxes when due the State Treasurer after consultation with the Local Agency shall have the right, but shall not be obligated, to pay said charges and taxes. If the State Treasurer pays any charges or taxes for which the Local Agency is responsible or liable under this Financing Contract the Local Agency shall reimburse the State Treasurer therefor. The Local Agency shall hold harmless the State Treasurer and WFOA from and against all such charges and taxes during the term of this Financing Contract.

Section 15. Risk of Loss: Damage; Destruction; Condemnation. The Local Agency assumes all risk of loss of or damage to the Personal Property from any cause whatsoever, and the obligation of the Local Agency to pay Agency Rent or to perform any other obligation under this Financing Contract shall in no way be released, discharged or otherwise affected for any reason, including without limitation (a) any defect in the condition, quality or fitness for use of, or title to, any portion of the Personal Property, or (b) any damage to, or abandonment, destruction, requisition or taking of any portion of the Personal Property. In the event of damage to any item of Personal Property, the Local Agency will immediately place the same in good repair as required by Section 11 hereof. If the State Treasurer determines that any item of Personal Property is lost, stolen, destroyed or damaged beyond repair or if any of the Personal Property is taken by condemnation, the Local Agency will either (a) replace the same with equipment of equivalent value and usefulness in good repair, or (b) prepay its obligations for Payments in full.

1-C-4 P:\CMWCMW3FA 98/12/22

#### Section 16. Insurance.

- Liability Insurance. The Local Agency shall maintain, or cause to be maintained, in full force and effect, comprehensive general liability insurance covering the Personal Property in such amounts as may be established by the Local Agency from time to time but in any event not less than \$1,000,000 per occurrence. The Local Agency may provide all or a portion of any insurance by self insurance. Such insurance shall be applied toward extinguishment or satisfaction of the Local Agency's Payment obligations. Such insurance may be carried under a blanket policy with umbrella coverage. It is understood that this insurance covers any and all liability of the Local Agency and its officials, officers, employees and volunteers, and the procurement thereof does not constitute a waiver of the defense of governmental immunity. Such insurance (1) shall include coverage for any accident resulting in personal injury to or death of any person and consequential damages arising therefrom; (2) shall include comprehensive property damage insurance; (3) shall be issued by a financially responsible insurance company authorized to do business in the State; (4) shall name the State Treasurer as an additional insured thereunder; and (5) shall provide that the same may not be canceled or given notice of non-renewal nor shall the terms of conditions thereof be altered, amended or modified without at least 45 days prior written notice being given by the insurer to the State Treasurer.
- (b) Property Insurance. The Local Agency will carry or cause to be carried fire and extended coverage insurance covering the Personal Property in such amounts and covering such risks as the Local Agency may determine from time to time. Such insurance shall be carried with financially responsible insurance companies authorized to do business in the State, and may be carried under a policy or policies covering other property owned or controlled by the Local Agency or may be accomplished through a program of self-insurance, if a funded program of self insurance (reviewed at least annually by an actuary) is then maintained for similarly situated facilities of the State. The Local Agency agrees that such policies shall contain a provision that the same may not be canceled or given notice of non-renewal nor shall the terms of conditions thereof be altered, amended or modified without at least 45 days' prior written notice being given by the insurer to the State Treasurer.

In the alternative, the Local Agency may assume financial responsibility for any physical damage to and/or loss of the Personal Property; provided, however, if the Local Agency elects this option, the Local Agency hereby covenants that it will repair and replace the Personal Property promptly upon any loss or damage. This covenant shall survive any Permitted Termination Event.

(c) Insurance Certificate. At the time of delivery of the Personal Property Certificate to the State, a certificate of insurance shall be provided to the State Treasurer.

Section 17. <u>Assignments: Release of Lien</u>. It is contemplated by the parties hereto that WFOA and the State Treasurer will assign their respective rights and interests in and under this Agreement and the Personal Property to the Fiscal Agent under an Assignment of Payments.

The Local Agency and the State Treasurer hereby acknowledge and agree that such assignment by WFOA of WFOA's interest is intended to be a true sale of WFOA's interest, and that upon assignment of WFOA's interest, WFOA will have no other rights or obligations under this Agreement, and that the Local Agency and the State Treasurer shall look solely to the State Treasurer, the Fiscal Agent, and the Owners' Trustee, if any, for purposes of exercising any rights or obligations formerly held by WFOA.

Section 18. Assignment. The Local Agency may not assign, transfer, pledge, hypothecate or grant any security interest in, or sublet or otherwise dispose of, or lend this Financing Contract or the Personal Property, or any interest in this Financing Contract or the Personal Property, or permit the Personal Property to be operated by anyone other than the Local Agency employees authorized by the Local Agency in connection with the Local Agency's operation of the Personal Property in its governmental activities. Any attempted sale, disposition or encumbrance in violation of this covenant shall be void. The State Treasurer, without the Local Agency's prior written consent, may consent and intends to consent to the assignment of its rights and interest in and to the Master Contract and any other documents executed with respect thereto in whole or in part to WFOA.

- Section 19. <u>Agency Default Events</u>. An Agency Default Event means the occurrence of any one or more of the following events:
- 19.1 The Local Agency fails to make for a reason <u>any</u> Agency Rent as it becomes due in accordance with the terms of this Financing Contract and any such failure continues for five days after the due date thereof;
- 19.2 The Local Agency fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder, and such failure is not cured within 20 days after written notice thereof to the Local Agency by the State Treasurer or WFOA;
- 19.3 The discovery by the State Treasurer or WFOA that any material statement, representation, or warranty made by the Local Agency in this Financing Contract or in any writing ever delivered by the Local Agency pursuant hereto or in connection herewith is false, misleading, or erroneous in any material respect.
- Section 20. Rights of State Treasurer Following Agency Default Event. Upon the occurrence of an Agency Default Event, and as long as such Agency Default Event is continuing, the State Treasurer, at its option, may exercise any one or more of the following remedies:
- 20.1 State Treasurer's Right to Receive Personal Property. At the written request of the State Treasurer, the Local Agency shall promptly return possession and use of the Personal Property to the State Treasurer or at his direction, to WFOA or to any location specified in the United States (at the cost and expense of the Local Agency) in good repair and working order, ordinary wear and tear excepted.

- 20.2 <u>State Treasurer's Right to Receive Balance Due</u>. Notwithstanding any return of the Personal Property, the Local Agency shall automatically be deemed to have exercised its option to prepay its obligations hereunder in full pursuant to Section 4 hereof, and the Local Agency shall be obligated to pay and shall pay to the State Treasurer upon demand of the State Treasurer all remaining unpaid Payments due and anticipated to be due in order to satisfy fully its obligations hereunder.
- 20.3 <u>Intercept Provisions</u>. In the event that the Local Agency fails to make any payment due hereunder, the State Treasurer is authorized and directed to withhold any distribution of tax or other revenues held by the State Treasurer that would otherwise be authorized or mandated by statute. Such withholding shall continue to be made until any deficiency hereunder shall be satisfied. Withholding may be made from leasehold excise taxes, sales and use taxes, excise taxes, property taxes, liquor control board receipts, or any other legally available revenues but only to the extent that such money (i) would be lawfully distributable to the Local Agency, and (ii) the use of such money for the satisfaction of the Local Agency's obligations would be statutorily permissible.
- 20.4 <u>Additional Remedies</u>. In the event that the Local Agency fails to return possession of the Personal Property pursuant to Section 20.1 hereof and fails to pay the balance due of Agency Rent, WFOA shall have the right to:
- a. By written notice to the Local Agency with a copy to WFOA, declare an amount equal to all amounts coming due and payable under this Financing Contract during the Local Agency's then current fiscal year to be immediately due and payable, whereupon the same shall become immediately due and payable;
- b. Take immediate possession of and remove the Personal Property and thereupon sell or sublease the Personal Property for the account of the Local Agency; and
- c. Exercise any other right, remedy or privilege which may be available to it under applicable laws of the State, or any other applicable law, or proceed by appropriate court action to enforce the terms of this Financing Contract or to recover damages for the breach of this Financing Contract or to rescind this Financing Contract.

Section 21. <u>Notices</u>. All notices to be given under this Financing Contract shall be made in writing and personally delivered or mailed by certified mail, postage prepaid, return receipt requested, to the other party at its address set forth below or at such address as the party may provide in writing from time to time.

To the State:

Office of the State Treasurer Legislative Building, 2nd Floor Mail Stop AX-2 Olympia, WA 98504-0200 Attention: Michael J. Murphy

Telephone: (360) 586-4647 Telefax: (360) 586-6147 To WFOA:

Washington Finance Officers Association c/o Debbie Tarry
City Clerk and Finance Director
City of Mill Creek
15728 Mill Creek Blvd.
Mill Creek, WA 98012
Telephone: (425) 745-1891
Telefax: (425) 745-9650

To the Local Agency:

See Exhibit A-1 attached to the agreement

Section 22. <u>Section Headings</u>. All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Financing Contract.

Section 23. <u>Governing Law; Venue</u>. This agreement shall be construed in accordance with, and governed by, the law of the State. Venue for any dispute regarding this Financing Contract shall be Superior Court in Thurston County, Washington.

Section 24. Execution in Counterparts. This agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Date:	December 29, 1998	Transaction No.	1021-0001
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This Certificate is delivered to the State Treasurer with respect to the Equipment described on Exhibit A-2 attached hereto.
The Equipment was acquired through a public bidding process. If so, please describe the procurement process.
[OR]
The Equipment was exempt from any public bidding process. If so, please identify the statutory authority for the exemption.
Purchased via Pierce County's existing bid with Valley Freighliner's
Council approved at their December 7, 1998 regular council meeting Per RCW 39.34.030
Fer RC w 39.34.030
City of University Place
as Kocal Agency
By Total
John J. Caulfield, Finance Director
Name and Title

Date:	December 29, 1998	Transaction No.	1021-0002	

This Certificate is delivered to the State Treasurer with respect to the Equipment
described on Exhibit A-2 attached hereto.
The Feeting and was acquired through a public hidding process. If so places describe the
The Equipment was acquired through a public bidding process. If so, please describe the procurement process.
production process.
Equipment was bid in early November 1998 with bid closing on November 15, 1998
The City received three responses: Western Power; Coastline Ford Tractor; and Clyde
West. Western Power was awarded the bid based upon price - City Council approved
at their December 7, 1998 regular council meeting.
[OR]
The Equipment was exempt from any public bidding process. If so, please identify the
statutory authority for the exemption.
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City of University Place as Local Agency
7 14 7 V / Jak 1
JOHN J. (SHILL)
by (
John J. Caulfield, Finance Director
Name and Title

Date:	December 29, 1998	Transaction No.	1021-0003	

This Certificate is delivered to the State Treasurer with respect to the Equipment
described on Exhibit A-2 attached hereto.
The Equipment was acquired through a public bidding process. If so, please describe th
procurement process.
Equipment was bid in early November 1998 with bid closing on November 15, 1998
The City received three responses: Western Power; Coastline Ford Tractor; and Clyde
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[OR]
The Equipment was exempt from any public bidding process. If so, please identify the
statutory authority for the exemption.
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City of University Place
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By / O
John J. Caulfield, Finance Director
Name and Title

Date:	December 29, 1998	•	Transaction No.		1021-0004	
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This Certificate is delivered to the State Treasurer with respect to the Equipment escribed on Exhibit A-2 attached hereto.
The Equipment was acquired through a public bidding process. If so, please describe the rocurement process.
[OR]
The Equipment was exempt from any public bidding process. If so, please identify the tatutory authority for the exemption.
Purchased via State procurement contract – per RCW 39.34.030
City of University Place  s You of University Place
John J. Caulfield, Finance Director  ame and Title