

DEPARTMENT OF
ECOLOGY
State of Washington

AMENDMENT NO. 1 [FINAL]
TO LOAN AGREEMENT NO. L1200031

BETWEEN
THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY
AND
PACIFIC COUNTY

PURPOSE: To amend the above-referenced (LOAN) agreement between the Washington State Department of Ecology (DEPARTMENT) and Pacific County (RECIPIENT) for the Pacific County On-Site Financial Repair Program Project (PROJECT). This amendment is needed to officially close out the project and deobligate funds. The RECIPIENT was unable to implement a loan program; no loan funds were disbursed.

IT IS MUTUALLY AGREED that the LOAN agreement is amended as follows:

1. On September 15, 2014, the RECIPIENT requested termination of the LOAN agreement with the DEPARTMENT.
2. The DEPARTMENT has not disbursed any LOAN funds under the agreement.
3. The PROJECT Completion Date is changed from June 30, 2015, to October 31, 2014.
4. The LOAN agreement is terminated on the effective date of this amendment.
5. The final LOAN amount is \$0.00. The amortization schedule is void. No repayment is required.

FURTHER, this amendment is effective upon the date of signature by the Water Quality Program Manager of the DEPARTMENT.

Except as expressly provided by this amendment, all other terms and conditions of the original LOAN agreement and any amendments remain in full force and effect.

IN WITNESS WHEREOF, the parties have signed this amendment.

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

PACIFIC COUNTY
BOARD OF HEALTH

HEATHER R. BARTLETT DATE
WATER QUALITY PROGRAM MANAGER

STEVE ROGERS DATE
CHAIR

APPROVED AS TO FORM ONLY:
ASSISTANT ATTORNEY GENERAL
(Revised 05/05/09)



ESTIMATED LOAN REPAYMENT SCHEDULE

(REVISED) ATTACHMENT 8

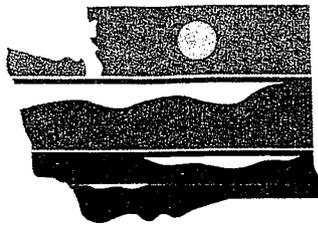
Loan Number	L1200031	Loan Amount	\$0.00
Recipient Name	Pacific County	Term of Loan	39 Payments
Amortization Method	Compound-365 D/Y	Annual Int. Rate	2.600 %
Project Completion Date	10/31/2014	Interest Compounded	Monthly
Initiation of Operations		Loan Date	10/31/2014

Loan Number	L1200031	Department of Ecology
Recipient Name	Pacific County	Date Created

Payment #	Due Date	Payment Amount	Interest	Principal	Balance
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SubTotal

Grand Total



DEPARTMENT OF
ECOLOGY
State of Washington

AMENDMENT NO. 1
TO GRANT AGREEMENT NO. G1300057
BETWEEN THE
STATE OF WASHINGTON DEPARTMENT OF ECOLOGY
AND
PACIFIC COUNTY

PURPOSE: To amend the above-referenced grant agreement between the Washington State Department of Ecology [DEPARTMENT] and Pacific County [RECIPIENT] for the Pacific County OSS Repair Program Project. This amendment is needed to modify the scope of work, budget, project goals and outcomes, to extend the expiration date of the agreement, and to add new language to the General Terms and Conditions.

IT IS MUTUALLY AGREED that the grant agreement is amended as follows:

1. **PART II. PROJECT SUMMARY** of the agreement is modified to read as follows:

This project will address water quality for the state of Washington. The RECIPIENT will establish a financial assistance program to repair deficient (sub-optimal) and failed on-site septic systems (OSS) or connection to a sewer line. The program will reduce sewage contamination of surface and groundwater, will ensure the RECIPIENT's shellfish industry is not impacted by contaminated waters, will alleviate any public health issues from contaminated waters, and will provide an incentive for landowners by helping to reduce the financial burden of on-site septic system repairs by providing a low interest loan, and some cases, a limited grant program for low income households. Funding for the program will come from this grant and the private match funds.

2. **PART III. PROJECT BUDGET** of the agreement as shown below is deleted.

Pacific County OSS Repair Program			
TASKS/OBJECTS	Total Project Costs	Total GRANT Eligible Project Costs	TOTAL GRANT AMOUNT
1. Project administration/management	\$10,970	\$10,970	\$10,970
2. Development of a Septic Loan Program	\$22,215	\$22,215	\$22,215
3. Hardship Grant OSS Repair Fund	\$43,476	\$43,476	\$43,476
4. Loan Loss Reserve	\$50,000	\$50,000	\$50,000

5. On-site Septic Surveys	\$46,014	\$46,014	\$46,014
Total	\$172,675	\$172,675	\$172,675
*The DEPARTMENT'S Fiscal Office will track to the total GRANT amount. However, the RECIPIENT cannot deviate among elements without DEPARTMENT approval.			
Other Funders:			
Washington Water Pollution Control State Revolving Fund Loan, L1200031			\$500,000

3. A new **PART III. PROJECT BUDGET** is added as shown below.

Pacific County OSS Repair Program		
TASKS/OBJECTS	Total Eligible Project Costs	TOTAL GRANT AMOUNT
6. Project administration/management	\$15,350	\$7,675
2. Financial Assistance to Homeowners	\$330,000	\$165,000
Total	\$345,350	\$172,675
*The DEPARTMENT'S Fiscal Office will track to the total GRANT amount. However, the RECIPIENT cannot deviate among elements without DEPARTMENT approval.		
Other Funders:		
Pacific County		\$7,675
Craft3		\$165,000

4. **PART IV. PROJECT GOALS AND OUTCOMES** of the agreement is modified to read as follows:

- A. Financial Assistance Water Quality Project Goals: One or more of the selected following goals apply to this project.
- Severe Public Health Hazard or Public Health Emergency eliminated.
 - Designated beneficial uses will be restored or protected, 303(d)-Listed water bodies restored to water quality standards, healthy waters prevented from being degraded.
 - Regulatory compliance with a consent decree, compliance order, TMDL or waste load allocation, etc., achieved.
- B. Water Quality and Environmental Outcomes: The following are the anticipated water quality and environmental improvements from the project. Please include types and amounts of BMPs that will be installed, and the water quality parameters addressed and improvements to these parameters that will occur as a result of the project.
1. Provide loans (or grants) to 15 homeowners during the project, improving local ground and surface water quality.

5. The project scope of work will be modified as follows:

Task 1 - Project Administration/Management

- A. The RECIPIENT will administer the project. Responsibilities will include, but not be limited to: maintenance of project records; submittal of payment vouchers, fiscal forms, and progress reports; compliance with applicable procurement, contracting, and interlocal agreement requirements; application for, receipt of, and compliance with all required permits, licenses, easements, or property rights necessary for the project; and submittal of required performance items.
- B. The RECIPIENT must manage the project. Efforts will include: conducting, coordinating, and scheduling project activities and assuring quality control. Every effort will be made to maintain effective communication with the RECIPIENT's designees; the DEPARTMENT; all affected local, state, or federal jurisdictions; and any interested individuals or groups. The RECIPIENT must carry out this project in accordance with any completion dates outlined in this agreement.

Required Performance:

- 1. Effective administration and management of this grant project.
- 2. Timely submittal of all required performance items, progress reports, and financial vouchers.

Task 2. Financial Assistance to Homeowners

- A. The RECIPIENT or its designees will provide low-interest loans to private (residential and small commercial) entities to repair or replace failing on-site sewage systems. The RECIPIENT or its designees will use a dollar-for-dollar public to private match to fund individual on-site septic system repairs or replacements or for connection to sewer where available. Loan interest rates and terms will be based on a predetermined scale depending on the financial capability of the property owner.

Required Performance:

- 1. Enter into at least 15 loan agreements.

6. The grant expiration date is extended from June 30, 2015, to June 30, 2017.

7. The following language will be added to the existing General Terms and Conditions as Clause W:

W. FUNDING AVAILABILITY

The DEPARTMENT's ability to make payments is contingent on availability of funding. In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date and prior to completion or expiration date of this agreement, the DEPARTMENT, at its sole discretion, may elect to terminate the agreement, in whole or part, or renegotiate the agreement, subject to new funding limitations or conditions. The DEPARTMENT may also elect to suspend performance of the agreement until the DEPARTMENT determines the funding insufficiency is resolved. The DEPARTMENT may exercise any of these options with no notification restrictions.

FURTHER, this amendment is effective September 1, 2014.

Except as expressly provided by this amendment, all other terms and conditions of the original grant agreement and all amendments remain in full force and effect.

IN WITNESS WHEREOF: the parties have signed this amendment.

STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

PACIFIC COUNTY
BOARD OF HEALTH

HEATHER R. BARTLETT DATE
WATER QUALITY PROGRAM MANAGER

STEVE ROGERS DATE
CHAIR