Agenda - AMENDED

City of Ocean Shores
Special City Council Meeting
***** AMENDED *****
Join by Phone
Phone Number: 1.253.215.8782
Meeting ID: 842 4737 7657
Join by Computer
Click Here

Live Streaming at
Ocean Shores City Council Recordings
The City Council Meeting will be aired by NBCTV on
Thursdays at 12:00 PM and Sundays at 10:00 AM on channel 68.
Audio recordings are archived at
KOSW 88.9 Radio

Tuesday
June 30, 2026
6:00 PM

Ocean Shores Convention Center
120 W Chance A La Mer NW
Ocean Shores, Washington

Page

Call to Order

5 1. Special Meeting Notice.

Roll Call

Pledge of Allegiance

Approval of Meeting Agenda

Ceremonies and Proclamations

Announcements

2. Board and Committee Vacancies
Twelve vacancies on the Council Ethics Violations Review Pool, four vacancies on the Radio Board, one vacancy on the Parks Board, two vacancies on the Building Code Board of Appeals, and one vacancy on the Planning Commission.

Board, Committee, and Commission Application

Appointments

3. Mayor to reappoint Patrick Wendlandt to the Radio Board with Council consensus.

Other Reports

7 - 15 4. Big Brothers Big Sisters of Southwest Washington Presentation
- Presented by: Mentoring Program Coordinator, Allianna Elgin

Public Communication to Council - 3 Minutes

17 - 20 5. The City Council welcomes public comment and has established procedures to ensure the orderly and timely conduct of City business.
- Individuals wishing to speak in person must sign up at least five (5) minutes prior to the meeting at the Ocean Shores Convention Center.
- Those wishing to speak remotely must notify the City Clerk's Office by 5:00 p.m. on the day of the meeting via email at publiccomment@osgov.com.
- Written public comments must be submitted by 12:00 p.m. (noon) on the day of the meeting via email at publiccomment@osgov.com.

Visit Public Comment (osgov.com) for participation instructions and to watch the meeting live.
Special City Council Meeting Public Comment(s) 06.30.2026

Staff Report

6. City Administrator Report
- Presented by: City Administrator, Scott Andersen

7. City of Ocean Shores Grant Updates
- Presented by: Project Manager, Becky Leach

Council Liaison Reports & Council Committee Reports

Mayor's Report

Consent Agenda

21 - 26 8. Approval of minutes for the Regular City Council Meeting on June 9, 2026.

9. Approval of Claims.

Special Meeting - Transportation Benefit District

27 - 34 10. Transportation Benefit District Agenda Packet
- Presented by: TBD Board Secretary, Sara D. Logan and Public Works Director, Ricardo Victoriano

Old Council Business

New Council Business

35 - 38 11. Resolution
A Resolution of the City Council of the City of Ocean Shores, Washington, establishing reinspection trip fees and non-compliance fees pursuant to Ocean Shores Municipal Code (OSMC) Chapter 8.30, "Transient Accommodations Standards".

- Presented by: City Administrator, Scott Andersen
- Public Comment
- Council Questions and Discussion
- Council Action

39 - 72 12. Resolution - AMENDED
A Resolution of the City Council of the City of Ocean Shores, Washington, adopting the revised City Council Guidelines and Procedures.

- Presented by: Mayor Pro Tem, Denise Siers
- Public Comment
- Council Questions and Discussion
- Council Action

73 - 111 13. Request
A Request of the City Council of the City of Ocean Shores, Washington, authorizing the application submission and the funding of a USDA loan for the purchase of a City Hall/Police building and construction.

- Presented by: Mayor, Frank T. Elduen, City Administrator, Scott Andersen, and Finance Director, Sara D. Logan
- Public Comment
- Council Questions and Discussion
- Council Action

113 - 117 14. Request
A Request of the City Council of the City of Ocean Shores, Washington, approving the South Fire Station EMS Communication System Purchase and Installation Project to Communications Northwest.

- Presented by: Fire Chief, Brian Ritter
- Public Comment
- Council Questions and Discussion
- Council Action

Discussion

Executive Session

Agenda Review Committee

15. Thursday, July 2, 2026 at 9:00 AM

For the Good of the Order - 3 Minutes

Adjourn

Public Notice:

- Persons requiring auxiliary aids or special arrangements in order to participate in meetings should call 360.940.7498 at least two (2) business days prior to the scheduled meeting.
- The public is invited to view the full City Council packet on our website at https://oceanshores.civicweb.net/filepro/documents/183.
- This institution is an equal opportunity provider and employer.

CITY OF OCEAN SHORES, WASHINGTON

NOTICE OF SPECIAL MEETING
SPECIAL CITY COUNCIL MEETING
Tuesday, June 30, 2026
6:00 PM

NOTICE IS HEREBY GIVEN that the City Council of the City of Ocean Shores will hold a Special Meeting on **Tuesday, June 30, 2026, at 6:00 PM** at the Ocean Shores Convention Center located at 120 W Chance A La Mer NW, Ocean Shores, Washington 98569. Remote attendance is available via Zoom.

The Agenda is attached.

Nicole Birch, City Clerk
City of Ocean Shores

June 24, 2026

Copies: City Council
Public Postings
KOSW
NBCTV


Big Brothers Big Sisters®
OF SOUTHWEST WASHINGTON
Allianna Elgin
Mentoring Program Coordinator

OUR MISSION

Our mission is to create and support one-to-one mentoring relationships that ignite the power and promise of youth.

OUR VISION

Our Vision is that all youth achieve their full potential.

SERVICE AREA

We serve 5 counties across Southwest Washington

Thurston - Mason - Grays Harbor - Pacific - Lewis



OUR PROGRAMS

Site Based

- Meet once a week at the youths school
- Meetings are in a group setting, facilitated by BBBS Staff
- Mentors can be High School or Adult Bigs, Youth are elementary or middle school aged.
- Matches receive regular support to ensure a healthy and safe relationship!

Career Mentoring

- Matches meet once a month during the school year
- Mentors are 18+, Youth are High Schoolers
- Explore aspects of the career field with their mentor
- Matches go on field trips and get direct experience in the field.
- Internship opportunities are available for youth
- Matches receive regular support to ensure a healthy and safe relationship!

Community Based

- Matches meet 2-4 times per month for at least one year
- Mentors are 18+, Youth are 5-18
- Matches find free to low-cost activities to engage in
- Matches receive regular support to ensure a healthy and safe relationship!



OUR YOUTH

Youth in our programs are anywhere from ages 5-18 and come from a variety of backgrounds.

In 2024, we served 208 youth across 5 counties.







OUR VOLUNTEERS

Volunteers in our programs are adults over the age of 18



SUPPORT FOR MATCHES

Every Match gets support from a Match Support Specialist and provides all kinds of support!

- **Offer support and guidance**
- **Connect matches to local resources**
- **Provide activity ideas**
- **Troubleshoot issues that arise**



MONTHLY ACTIVITIES

BBBS hosts at least one activity each month for our matches. Activites are focused on STEAM, Social-Emotional Learning, JEDI and Career Connections. Here are some examples of activities offered in 2024.



Fishing with the Dept of Fish and Wildlife



Rock Climbing with the Mountaineers Club



Summer pool party



Golfing with Tumwater Golf Academy



Hiking with the Mountaineers Club



Arcade at Legends Arcade



Pickleball at 23 Kitchens



Vegetable farming with GRuB



Salmon Run at Kennedy Creek

OUTCOMES

Youth in our program reported the following outcomes in 2024:

- **96%** maintained or improved their academic performance/grades.
- **93%** maintained or improved their educational expectations.
- **93%** maintained or improved their connection to their families.
- **91%** avoided risky behaviors including bullying, substance use, school discipline.
- **78%** maintained or improved relationships with their peers.
- **87%** said they had a very important adult in their lives (not their parent) that supports them.



READY TO LEARN MORE?

360-943-0409

info@swwabigs.org

https://swwabigs.org

Scan here to sign up!

CITY COUNCIL PUBLIC COMMENT

In Person Public Comment(s)

- Citizens wishing to engage in Public Communication to Council shall use the signup sheet at the Ocean Shores Convention Center prior to the meeting.

Remote Public Comment(s)

- Council is providing the opportunity for public comments to be given via remote platform. Individuals shall send an email to the City Clerk's Office via email at publiccomment@osgov.com or by submitting the new public comment form no later than 5:00 PM on June 30, 2026.

Written Public Comment(s)

- Council is providing the opportunity for public comments by submitting written comments. Individuals shall send an email to the City Clerk's Office via email at publiccomment@osgov.com or by submitting the new public comment form no later than 12:00 PM (noon) on June 30, 2026. Written public comments will be distributed to the City Council on the day of the meeting and placed on the City's website following the conclusion of the meeting.

Order of Public Comment(s)

- Individuals attending in person.
- Individuals attending remotely.
- General public comments, whether in person or remotely, will continue in the usual position on the agenda.
- Comments related to specific agenda items will be available during the time the agenda item is scheduled.
- If an individual wishes to speak on a specific agenda item, however, that item has been removed by the City Council, the Mayor will ask during public communication to council if an individual would still like to make public comment on the removed item.

Comments must comply with:

- Please limit your comments to three (3) minutes.
- Upon entry, please state your name and address for the meeting record.
- We request that comments be courteous and respectful.
- This is not a question-and-answer time, and the Council cannot engage in conversation with the public.
- Remote comments
    - Name of individual requesting remote public comment shall be called two (2) times. If there is no response due to connectivity issues the individual will be moved to the end of the list and called one (1) additional time. If the individual still does not respond, the public comment time will be forfeited.

Council Meeting Code of Conduct

Public Comment Expectations

Public comment is an opportunity for citizens to address the Council on matters within its authority. To ensure fairness and efficiency:

- Speakers must be recognized by the Mayor and/or their designee before approaching the podium.
- Comments must be directed to the Council as a body, not to individual Councilmembers, staff, or audience members.
- Personal attacks, abusive language, slanderous remarks, or disruptive behavior will not be tolerated.
- Speakers must comply with established time limits.
- The Mayor and/or their designee has the authority to interrupt or terminate comments that are disruptive or violate these standards.

Noise and Decorum in Council Chambers

Maintaining a professional atmosphere is essential for conducting public business.

- Audience members shall remain quiet during the meeting and avoid conversations that interfere with proceedings.
- Applause, shouting, booing, demonstrations, or other disruptive behavior are prohibited.
- Signs interfering with others' observation of the meeting are not permitted.
- Electronic devices must be silenced.
- Individuals who refuse to comply with decorum requirements may be asked to leave the chambers.

The Mayor and/or their designee is authorized to take necessary action to restore order, including recessing the meeting or directing the removal of disruptive individuals.

Enforcement

Anyone who violates this Code of Conduct or applicable law may be:

- Warned by the Mayor and/or their designee
- Removed from the meeting
- Subject to law enforcement action when appropriate

Commitment to Civil Engagement

The City Council values community input and encourages respectful dialogue. By adhering to these standards, citizens help ensure that meetings remain productive, transparent, and welcoming for all participants.

Call to Order: Mayor Frank Elduen called the Regular City Council Meeting to order at 6:00 p.m., at the Ocean Shores Convention Center. The meetings are simulcast and archived on KOSW radio. Meetings are live streamed and may be accessed on the city website or viewed on cable Channel 68 Thursdays at 12:00 p.m. and Sunday at 10:00 a.m.

Elected Officials present: Mayor Elduen, and Councilmembers Siers, Taylor, Griebel, Cline, Scott, Wills, and Dooley.

Elected Officials present remotely: None.

City Staff present: City Administrator, Scott Andersen, Police Chief, Caridad Vesco, Police Officer, Josh Roller, Code Enforcement Officer, Christine Tamez-McClain, Finance Director, Sara D. Logan, Library Director, Keitha Owen, Project Manager, Becky Leach, and City Clerk, Nicole Birch.

Roll Call: City Clerk Birch called roll.

Pledge of Allegiance: Councilmember Dooley led the Pledge of Allegiance.

Meeting Agenda Approval: Recording #00:01:15 – *Councilmember Siers made a motion to approve the agenda. Councilmember Scott seconded the motion. The motion passed with 7 yes votes.*

Ceremonies and Proclamations: None.

Announcements: Twelve vacancies on the Council Ethics Violations Review Pool, four vacancies on the Radio Board, one vacancy on the Parks Board, two vacancies on the Building Code Board of Appeals, and one vacancy on the Planning Commission.

Appointments: None.

Other Reports: Library Director, Keitha Owen and Library Board Secretary, Alex Suarez gave an update on the Library Board and Library statistics and activities.

Port of Grays Harbor Director of Government and Public Affairs, Kayla Dunlap presented the Port of Grays Harbor's Annual Outreach Report.

Public Communication:

Anest (AJ) Peters commented on Cannabis Restrictions/ 69.50.331 Buffer Zone and 69.50.445 also 5.10 that states only 1 retail store may be permitted.

Lillian Broadbent commented on Transportation Benefit District.

Taylor Priest commented on Ocean Shores City business.

Susan Conniry commented on prudence before priorities.

Shari Dooley commented on update from the City.

Staff Report:

City Administrator, Scott Andersen provided an update on the north jetty repairs, the addition of trees on the Golf Course as a natural netting to protect the Police Station, Fire Station and Library, and thanked the City for trusting him for the past 7 years.

Council Liaison Reports & Council Committee Reports:

Councilmember Dooley reported attending the Fresh Waterways Advisory Board meeting and signing warrants.

Councilmember Wills reported attending the Hotel Coalition meeting and the Scoops with the Troops event.

Councilmember Scott had no report.

Councilmember Siers reported attending the Finance Committee meeting, the Council Guidelines Ad Hoc Committee meeting, and signing warrants.

Councilmember Griebel reported attending the Council Guidelines Ad Hoc Committee meeting.

Councilmember Taylor had no report.

Mayor's Report:

Mayor Elduen reminded everyone the June 23 meeting will be rescheduled for June 30, recognized the Ocean Shores Police Department for their traffic enforcement, and gave an update on the Harbor Regional Health Walk-in Clinic.

Consent Agenda:

Recording #00:53:48– *Councilmember Siers made a motion to approve the Consent Agenda. Councilmember Wills seconded the motion. The motion passed with 7 yes votes.*

The Consent Agenda included:

1. Approval of minutes for May 26, 2026, Regular City

Council Meeting.

2. Approval of Accounts Payable Warrants #191911 through #192031 in the amount of $637,302.14 dated May and June 2026.
3. Approval of Treasurer Check Warrants #14012 through #14019 in the amount of $2,127.79 dated June 2026.
4. Approval of Payroll Warrants #706904 through #706909 in the amount of $14,598.67 and electronic transactions in the amount of $308,457.20 totaling $323,055.87 dated June 2026.
5. Approval of Payroll Benefits Warrants #804584 through #804590 in the amount of $275,415.93 and electronic transactions in the amount of $63,356.79 totaling $338,772.72 dated June 2026.

Transportation Benefit District Special Meeting

Mayor Elduen recessed the Regular City Council Meeting at 6:53 p.m. to convene into the Ocean Shores Transportation Benefit District Board Special Meeting before the City Council of the City of Ocean Shores, Washington.

Mayor Elduen convened the Ocean Shores Transportation Benefit District Board Meeting at 6:53 p.m.

Mayor Elduen adjourned the Ocean Shores Transportation Benefit District Board Meeting at 7:18 p.m.

Mayor Elduen reconvened the Regular City Council Meeting at 7:18 p.m.

Old Council Business:

None.

New Council Business:

Ordinance 1155 Repealing and Replacing Ocean Shores Municipal Code Chapter 8.30:

An Ordinance of the City Council of the City of Ocean Shores, Washington, Repealing Ocean Shores Municipal Code Chapter 8.30 Entitled "Short Term Occupation Facilities Standards," and Replacing it with a New Ocean Shores Municipal Code Chapter 8.30 Entitled "Transient Accommodations Standards," providing for severability and an effective date.

APPROVED

There was Public Comment.

There were Council Questions and Discussion.

Recording #01:37:08– *Councilmember Wills made a motion to approve an Ordinance of the City Council of the City of Ocean Shores, Washington, Repealing Ocean Shores Municipal Code Chapter 8.30 Entitled "Short Term Occupation Facilities Standards," and Replacing it with a New Ocean Shores Municipal Code Chapter 8.30 Entitled "Transient Accommodations Standards," providing for severability and an effective date. Councilmember Cline seconded the motion. The motion passed with 7 yes votes.*

Ordinance 1156 Repealing and Replacing Ocean Shores Municipal Code Chapter 5.02:

APPROVED

An Ordinance of the City Council of the City of Ocean Shores, Washington, Repealing and Replacing Ocean Shores Municipal Code Chapter 5.02 Relating to Business Licenses, providing for severability, and establishing an effective date.

There was no Public Comment.

There were Council Questions and Discussion.

Recording #01:42:09– *Councilmember Scott made a motion to approve an Ordinance of the City Council of the City of Ocean Shores, Washington, Repealing and Replacing Ocean Shores Municipal Code Chapter 5.02 Relating to Business Licenses, providing for severability, and establishing an effective date. Councilmember Siers seconded the motion. The motion passed with 7 yes votes.*

Request Awarding the Golf Course Pro Shop Merchandise and Supplies for Resale:

APPROVED

A Request of the City Council of the City of Ocean Shores, Washington, to Award the Golf Course Pro Shop Merchandise and Supplies for Resale Contract to Cleveland Golf, Srixon, Skechers, and Dynamic Brands, and to Authorize the Purchasing Coordinator to Negotiate and Execute Agreements with Additional Qualified Vendors for the Procurement of Golf Course Merchandise, Equipment, and Related Supplies Consistent with the Operational Needs of the Ocean Shores Municipal Golf Course.

There was Public Comment.

There were Council Questions and Discussion.

Recording #01:51:01– *Councilmember Scott made a motion to approve a Request of the City Council of the City of Ocean Shores, Washington, to Award the Golf Course Pro Shop Merchandise and Supplies for Resale Contract to Cleveland Golf, Srixon, Skechers, and Dynamic Brands, and to Authorize*

the Purchasing Coordinator to Negotiate and Execute Agreements with Additional Qualified Vendors for the Procurement of Golf Course Merchandise, Equipment, and Related Supplies Consistent with the Operational Needs of the Ocean Shores Municipal Golf Course. Councilmember Wills seconded the motion. The motion passed with 7 yes votes.

Discussion None.

Executive Session Mayor Elduen recessed the Regular City Council Meeting at 7:51 p.m. to convene into Executive Session under RCW 42.30.110(1)(b) to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price.

Mayor Elduen announced the Executive Session would be held for approximately 20 minutes and would begin at 8:11 p.m.

Mayor Elduen extended the Executive Session by 10 minutes at 8:11 p.m.

Mayor Elduen adjourned the Executive Session at 8:21 p.m.

Mayor Elduen reconvened the Regular City Council Meeting at 8:22 p.m.

Agenda Review: Mayor Pro Tem Siers assigned Councilmembers Siers, Dooley and Cline to Agenda Review on Thursday, June 18, 2026, at 9:00 a.m.

For the Good of the Order: Councilmembers shared items they felt were for the good of the order.

Adjourn: Mayor Elduen adjourned the Regular City Council meeting at 8:30 p.m.

Signed:

_____
Frank T. Elduen, Mayor

Attest:

_____
Nicole Birch, City Clerk

Agenda

Board of Ocean Shores
Transportation Benefit District No. 1
Special Meeting

Tuesday
June 30, 2026
6:10 PM

Convention Center
120 W Chance a la Mer NW
Ocean Shores, Washington

Call to Order

Roll Call

Request

1. A Request of the Transportation Benefit District No. 1 Board to approve the 2026 Budget Request No. 3.
    - Presented by: Transportation Benefit District No. 1 Board Secretary, Sara D. Logan and Public Works Director, Ricardo Victoriano
    - Board Action

Adjourn

CITY OF OCEAN SHORES, WASHINGTON

NOTICE OF SPECIAL MEETING
BOARD OF OCEAN SHORES TRANSPORTATION BENEFIT DISTRICT NO. 1
Tuesday, June 30, 2026
6:10 PM

NOTICE IS HEREBY GIVEN that the Board of the Ocean Shores Transportation Benefit District No. 1 will hold a Special Meeting on **Tuesday, June 30, 2026 at 6:10 PM** at the Ocean Shores Convention Center, 120 W Chance a la Mer NW, Ocean Shores, Washington 98569.

The Agenda is attached.

Sara D. Logan, Secretary
Ocean Shores Transportation Benefit District No. 1

June 24, 2026

Copies: TBD Board
Mayor
Public Postings

2026
Transportation Benefit District No. 1
Budget Request No. 3

Groundworks Washington, LLC. has submitted a proposal to perform Dynamic Cone Penetrometer (DCP) testing at four separate locations within the City. The purpose of the testing is to evaluate subsurface conditions and pavement support characteristics. The data collected will provide valuable geotechnical information to support future pavement evaluations, maintenance planning, and capital roadway improvement projects within the identified corridors. This report will include recommended work to remedy the compromised substructure that we will use to draft an Invitation to Bid (ITB).

The funding framework for 2026 is as follows:

Total Fund Balance……	$2,510,615.66
Total Estimated Project Cost ……	$25,564.28
Remaining Fund Balance ……	$2,485,051.38

The work includes traffic control, asphalt coring, installation of DCP testing equipment, and testing to a depth of approximately 20 feet at the following locations:

Dolphin Road – Five test sites
E Ocean Shores Blvd SW – Two test sites
E Chance A La Mer NE – Three test sites
JK Lewis – Three test sites

City of Ocean Shores
AGENDA BILL

COUNCIL MEETING DATE: June 30, 2026

SUBJECT: A Request of the Transportation Benefit District No. 1 Board to approve the 2026 Budget Request No. 3.

CATEGORY:

_____CONSENT AGENDA	_____ORDINANCE	_____STAFF REPORT
_____PUBLIC COMMUNICATION	_____RESOLUTION	_____PROCLAMATION
_____OLD BUSINESS	___X__REQUEST	_____STUDY SESSION
__X__NEW BUSINESS	_____CONSULTANT REPORT	_____OTHER

ATTACHMENTS: Groundworks Proposal

SUMMARY/BACKGROUND:

Groundworks Washington, LLC. has submitted a proposal to perform Dynamic Cone Penetrometer (DCP) testing at four separate locations within the City. The purpose of the testing is to evaluate subsurface conditions and pavement support characteristics. The data collected will provide valuable geotechnical information to support future pavement evaluations, maintenance planning, and capital roadway improvement projects within the identified corridors. This report will include recommended work to remedy the compromised substructure that we will use to draft an Invitation to Bid (ITB).

The work includes traffic control, asphalt coring, installation of DCP testing equipment, and testing to a depth of approximately 20 feet at the following locations:

Dolphin Road – Five test sites
E Ocean Shores Blvd SW – Two test sites
E Chance A La Mer NE – Three test sites
JK Lewis – Three test sites

EXPENDITURE AMOUNT: $25,564.28

AMOUNT BUDGETED: BUDGET MODIFICATION REQUIRED: No

STAFF RECOMMENDATION:

MAYOR'S RECOMMENDATION:

PRESENTED BY: Transportation Benefit District No. 1 Secretary, Sara D. Logan and Public Works Director Ricardo Victoriano

(BELOW TO BE COMPLETED BY CITY CLERK'S OFFICE)

11-14-07 updated

COUNCIL ACTION:

APPROVED_____ CONTINUED_____

DENIED_____

COUNCIL REQUEST FOR INFORMATION: _____

11-14-07 updated

Groundworks Washington, LLC
18915 16th Ave. S.
SeaTac, WA 98188
(206) 308-7732
www.groundworks.com

License #: GROUN76305**

Groundworks Estimate/Proposal

Client Name: City of Ocean Shores
Phone Number: 360-589-6329
Email: rvictoriano@osgov.com
Project Address: Multiple

Date: 06/22/26

Job Description – 4 Treatment Areas

Area 1 – Dolphin Rd.

- Treatment area consists of an area measuring 1.5 Miles long, 5 test sites
- Set up traffic diversion/flaggers
- Core hole through asphalt to expose sub-grade
- Install DCP rig at test location
- Perform DCP testing down to 20′
- Area expected to take 1 day

Area 2 – E Ocean Shores Blvd SW

- Treatment area consists of an area measuring ¾ Miles long, 2 test sites
- Set up traffic diversion/flaggers
- Core hole through asphalt to expose sub-grade
- Install DCP rig at test location
- Perform DCP testing down to 20′
- Area expected to take 1 day

Area 3 – E Chance A La Mer NE

- Treatment area consists of an area measuring 1 Mile long, 3 test sites
- Set up traffic diversion/flaggers
- Core hole through asphalt to expose sub-grade
- Install DCP rig at test location
- Perform DCP testing down to 20′
- Area expected to take 1 day

Area 4 – JK Lewis

- Treatment area consists of an area measuring 660', 3 test sites
- Set up traffic diversion/flaggers
- Core hole through asphalt to expose sub-grade
- Install DCP rig at test location
- Perform DCP testing down to 20'
- Area expected to take 1 day

Description/Product	QTY	PRICE PER UNIT	Sub Total
Area 1 Dolphin Rd.	5	$1,000	$5,000
Area 2 Ocean Shores Blvd. SW	2	$1,000	$2,000
Area 3 E Chance A	3	$1,000	$3,000
Area 4 Jk Lewis	3	$1,000	$3,000
Site work/Mobilization	1	$475.00	$475.00
Traffic Control	4	$2,500	$10,000
Subtotal	1		$23,475
Taxes			$2,089.28
		Total	**$25,564.28**

Prepared by: Dan Southerland

Date: 06/22/2026

Thank you for the opportunity to earn your business!

This estimate includes:

- Payment terms not to exceed Net 30
- Lump Sum polymer charges, polymer not unit price unless otherwise specified.
- Mobilization

This estimate excludes:

- Engineering and permits if Applicable
- Prevailing Wage if Applicable
- OCIP/CCIP fees
- Required software memberships.
- Polymer beyond amount indicated in description
- De-mobilizations and Re-Mobilizations imposed on, but not caused by Groundworks

- **All additional changes may be facilitated by revising the bid and/or change order

Terms and Conditions

1. Contractor's scope of work under this Contract does not include any of the following items: Repair or replacement of any flooring, drywall, hardscape or softscape, or any finish work that may be required when the scope of work is completed. All utilities that may be affected by the install or lift are the responsibility of the customer. Any existing or new breaks in plumbing lines may result in polymer infiltration to which Groundworks is not responsible. Water and Sewer line leak detection testing is always recommended prior to work commencement.

2. Contract may change based upon on the actual conditions noted when work is started. Assumptions are normal footings with no additions to footings that require additional work. This includes caissons, additional concrete, deep footings etc. Any additional labor outside of the original SCOPE OF WORK will be charged at a rate of $165 per hour per man.

3. Customer acknowledges and warrants that he/she has provided or disclosed to Groundworks any and all known prior work associated with the above-mentioned repair. This includes any geotechnical and/or geological reports, engineering reports, soils stabilization or work that has been done similar to the work subject to this proposal, plans, or drawings relating to foundations, soils or structural components, that pertain to, or would affect or be affected by the work proposed to be done by Groundworks

4. This is a construction project and although Groundworks will take appropriate precautions and work in a good and workmanlike manner, customer is responsible for any finish carpentry, painting, paneling, drywall, etc. that may be required after our operations are completed. Groundworks is not responsible for any pipes the become damaged or broken through the installation process, the cleaning out of polyurethane, due to product's intrusion into any broken or damaged pipes, any concrete replacement or finish work unless specified in the project description.

City of Ocean Shores
AGENDA BILL

COUNCIL MEETING DATE: June 30, 2026

SUBJECT: A Resolution of the City Council of the City of Ocean Shores, Washington, establishing reinspection trip fees and non-compliance fees pursuant to Ocean Shores Municipal Code (OSMC) Chapter 8.30, “Transient Accommodations Standards”.

CATEGORY:

_____CONSENT AGENDA	_____ORDINANCE	_____STAFF REPORT
_____PUBLIC COMMUNICATION	__X__RESOLUTION	_____PROCLAMATION
_____OLD BUSINESS	_____REQUEST	_____STUDY SESSION
__X__NEW BUSINESS	_____CONSULTANT REPORT	_____OTHER

ATTACHMENTS: Resolution

SUMMARY/BACKGROUND:

This resolution establishes reinspection trip fees and non-compliance fees authorized by OSMC Chapter 8.30 to support enforcement of the Transient Accommodations Standards. The fee structure is intended to promote timely compliance, improve enforcement consistency, recover administrative and enforcement costs associated with repeated unresolved violations and preserve City Council authority to establish and adjust fee amounts by future resolution. These fees are administrative in nature and are intended to encourage compliance rather than serve as punitive penalties.

EXPENDITURE AMOUNT: $0

AMOUNT BUDGETED: $0 BUDGET MODIFICATION REQUIRED: No

STAFF RECOMMENDATION:

MAYOR'S RECOMMENDATION:

PRESENTED BY: City Administrator Scott Andersen

(BELOW TO BE COMPLETED BY CITY CLERK’S OFFICE)

COUNCIL ACTION:

APPROVED_____ CONTINUED_____

DENIED_____

COUNCIL REQUEST FOR INFORMATION: _____

11-14-07 updated

CITY OF OCEAN SHORES, WASHINGTON

RESOLUTION No.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEAN SHORES, WASHINGTON, ESTABLISHING REINSPECTION TRIP FEES AND NON-COMPLIANCE FEES PURSUANT TO OCEAN SHORES MUNICIPAL CODE, CHAPTER 8.30 "TRANSIENT ACCOMMODATIONS STANDARDS."

WHEREAS, Ocean Shores Municipal Code (OSMC), Chapter 8.30 "Transient Accommodations Standards," authorizes the City to recover costs associated with inspections, reinspections, enforcement, and non-compliance administration fees; and

WHEREAS, the City Council finds that repeated reinspections and continued unresolved violations create additional administrative, enforcement, and operational costs for the City; and

WHEREAS, the City Council further finds that establishing a fee schedule promotes fairness, accountability, timely compliance, efficient use of City resources, and recovery of administrative and enforcement costs, and that such fees are intended to be administrative rather than punitive in nature;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OCEAN SHORES, WASHINGTON, AS FOLLOWS:

Section 1. Trip Fee.

Beginning with the second reinspection trip for the same unresolved violation, a **trip fee of one hundred fifty dollars ($150.00)** shall be assessed for each such reinspection and each additional reinspection trip thereafter.

Section 2. Non-Compliance Fees.

A. First determination of continued non-compliance for the same unresolved violation: **one hundred fifty dollars ($150.00).**

DRAFT

B. Second determination of continued non-compliance for the same unresolved violation: **three hundred dollars ($300.00).**

C. Continued non-compliance beyond the second determination for the same unresolved violation may result in additional enforcement action pursuant to Chapter 8.30 OSMC, including but not limited to civil infractions, license denial, or revocation, abatement, or judicial proceedings.

Section 3. Payment Requirements.

A. All fees imposed under this resolution shall be paid prior to:

1. Scheduling additional inspections;
2. Issuance or renewal of any license or certificate; or
3. Final approval of compliance.

B. Failure to pay required fees may result in denial of additional inspection scheduling, withholding of approvals, or denial, suspension, or nonrenewal of any applicable City license or certificate as provided in Chapter 8.30 OSMC.

Section 4. Effective Date.

This resolution shall take effect immediately upon adoption.

THIS RESOLUTION PASSED AND ADOPTED by the City Council of the City of Ocean Shores, Washington, at a regular open public meeting on this ____ day of _____, 2026.

SIGNED: **ATTEST:**

_____ _____

Frank T. Elduen, Mayor Nicole Birch, City Clerk

DRAFT

City of Ocean Shores
AGENDA BILL

COUNCIL MEETING DATE: June 30, 2026

SUBJECT: A Resolution of the City Council of the City of Ocean Shores, Washington, adopting the revised City Council Guidelines and Procedures.

CATEGORY:

_____CONSENT AGENDA	_____ORDINANCE	_____STAFF REPORT
_____PUBLIC COMMUNICATION	__X__RESOLUTION	_____PROCLAMATION
_____OLD BUSINESS	_____REQUEST	_____STUDY SESSION
__X__NEW BUSINESS	_____CONSULTANT REPORT	_____OTHER

ATTACHMENTS: Resolution, Council Guidelines Markup, and Exhibit A - Council Guidelines Clean

SUMMARY/BACKGROUND:

The City Council appointed an ad hoc committee to review and revise the formal guidelines and procedures to govern the conduct of their meetings in order to increase meeting efficiency and reduce conflict.

The Ad Hoc Committee consisted of Mayor Pro Tem Denise Siers and Councilmembers Lisa Griebel and Alison Cline.

EXPENDITURE AMOUNT: $0

AMOUNT BUDGETED: $0 BUDGET MODIFICATION REQUIRED: No

BARS CODE:

STAFF RECOMMENDATION:

MAYOR'S RECOMMENDATION:

PRESENTED BY: Mayor Pro Tem, Denise Siers

(BELOW TO BE COMPLETED BY CITY CLERK'S OFFICE)

COUNCIL ACTION:
APPROVED_____ CONTINUED_____
DENIED_____
COUNCIL REQUEST FOR INFORMATION: _____

11-14-07 updated

CITY OF OCEAN SHORES, WASHINGTON

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEAN SHORES, WASHINGTON, ADOPTING THE REVISED CITY COUNCIL GUIDELINES & PROCEDURES

WHEREAS, the City Council wishes to adopt formal guidelines and procedures to govern the conduct of their meetings in order to increase meeting efficiency and reduce conflict; and

WHEREAS, RCW 35A.12.120 authorizes the City Council to "determine its own rules and order of business and to establish formal rules for the conduct of the council meetings"; and

WHEREAS, these guidelines and procedures are adopted for the sole benefit of the members of the City Council to assist in the orderly conduct of Council business; and

WHEREAS, these guidelines of procedure do not grant rights or privileges to members of the public or third parties; and

WHEREAS, the City Council may implicitly or by a majority vote determine to temporarily waive any of these guidelines or procedures; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ocean Shores:

Section 1: The City of Ocean Shores City Council hereby adopts the City Council Guidelines & Procedures as set forth in Exhibit A

PASSED AND ADOPTED by the City Council of the City of Ocean Shores, Washington, at an open, public meeting thereof on this ___day of _____, 2026.

Signed: Attest:

_____ _____

Frank T. Elduen, Mayor Nicole Birch, City Clerk

OCEAN SHORES
CITY COUNCIL

GUIDELINES

~~2025~~2026

COUNCIL GUIDELINES

The Council is a policy making body that creates the departments of the City, the offices of the City and fixes compensations. The City Council meets on the 2nd and 4th Tuesdays of each month at 6:00 pm in the Convention Center, unless another time and place for meeting is specially designated. Should any regular council meeting fall on any legal holiday, then the meeting shall be held at the same time and place on the next regular business day unless announced in advance otherwise.

The agenda packet will be released no later than 2:00 p.m. on Wednesday prior to the council meeting.

PREAMBLE

All meetings of the City Council shall be governed by these Council Guidelines. When the Council Guidelines do not state otherwise, the parliamentary rules and procedures contained in the current edition of Robert's Rules of Order shall apply. The council shall elect a mayor pro tempore at the first regularly scheduled meeting of the following year after a council election year(s). Therefore, the mayor pro tempore election would fall on even years only.

PART 1: COUNCIL GUIDELINES FOR CITY COUNCIL MEETING FORMAT

The following order will be the format for Regular City Council Meetings~~:~~. The order may be shifted to accommodate presentations or speakers with travel and time needs.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF MEETING AGENDA

CEREMONIES AND PROCLAMATIONS

ANNOUNCEMENTS

APPOINTMENTS

OTHER REPORTS

PUBLIC COMMUNICATION TO COUNCIL

STAFF REPORTS

COUNCIL LIAISON REPORTS & COUNCIL COMMITTEE REPORTS
Council Members' opportunity to inform others ~~on~~ of the work being done within the various boards and committees to which they are assigned ~~to~~.

LIST OF CURRENT AD HOC COMMITTEES

MAYOR'S REPORT

CONSENT AGENDA

STANDING COMMITTEES

FINANCE

Finance Department/Committee Reports

Ordinance
"An Ordinance of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- First/Second Reading
- Council Discussion
- Public Comment
- Council Action

Resolution
"A Resolution of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

Request
"A Request of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

PUBLIC SAFETY

Public Safety Department/Committee Reports

Ordinance

"An Ordinance of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- First/Second Reading
- Council Discussion
- Public Comment
- Council Action

Resolution
"A Resolution of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

Request
"A Request of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

PUBLIC WORKS

Public Works Department/Committee Reports

Ordinance
"An Ordinance of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- First/Second Reading
- Council Discussion
- Public Comment
- Council Action

Resolution
"A Resolution of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

Request
"A Request of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- Council Discussion

- Public Comment
- Council Action

SPECIAL AGENDA ITEMS

~~**OLD COUNCIL BUSINESS**~~

~~Ordinance~~

~~An Ordinance of the City Council of the City of Ocean Shores, Washington, …~~

~~a. Presented by _____~~
~~b. Second Reading~~
~~c. Public Comment~~
~~d. Council Questions and Discussion~~
~~e. Council Action~~

~~Resolution~~

~~A Resolution of the City Council of the City of Ocean Shores, Washington, …~~

~~f. Presented by _____~~
~~g. Public Comment~~
~~h. Council Questions and Discussion~~
~~i. Council Action~~

~~Request~~

~~A Request of the City Council of the City of Ocean Shores, Washington, …~~

~~j. Presented by _____~~
~~k. Public Comment~~
~~l. Council Questions and Discussion~~
~~m. Council Action~~

~~**NEW COUNCIL BUSINESS**~~

~~Ordinance~~

~~An Ordinance of the City Council of the City of Ocean Shores, Washington, …~~

~~n. Presented by _____~~
~~o. First Reading~~
~~p. Public Comment~~
~~q. Council Questions and Discussion~~
~~r. Council Action~~

~~Resolution~~

~~A Resolution of the City Council of the City of Ocean Shores, Washington, …~~

~~s. Presented by _____~~
~~t. Public Comment~~
~~u. Council Questions and Discussion~~
~~v. Council Action~~

~~Request~~

~~A Request of the City Council of the City of Ocean Shores, Washington, …~~

~~w. Presented by _____~~
~~x. Public Comment~~
~~y. Council Questions and Discussion~~
~~z. Council Action~~

DISCUSSION

EXECUTIVE SESSION

FUTURE MEETING TOPICS
Items with assigned Councilmembers

AGENDA REVIEW COMMITTEE ASSIGNMENTS

The City Council uses an Agenda Review Committee to develop and finalize the meeting agenda in cooperation with city administration. Agenda Review meets twice monthly, in the week of the city council. The meeting reviews topics for discussion and decision at the next meeting.

Three council members attend each meeting. The Mayor Pro Tem participates as a standing member of the Agenda Review Committee. Two other council members are assigned on a rotating basis for the calendar year, along with an alternate.

If council members cannot attend, they are responsible for notifying the Mayor Pro Tem, or finding a substitute. Every council member is encouraged to submit topics. This can be done when they participate in the meeting or by giving their topic to one of the three (3) participants. Topics are added to the agenda by a majority of the council members present.

FOR THE GOOD OF THE ORDER – 3 Minutes
The Current Edition *of Roberts Rules of Order* defines the term Good of the Order as that portion of the meeting during which Council Members may make statements, or offer observations, about the character of the work of the organization without having any particular item of business before the Council. Under normal circumstances, members are allowed to speak on business matters associated with an agenda item such as making a report or speaking in favor or opposition of a motion. However, no particular business needs to be at hand for members to make statements relating to the organization. Items that may come up under this heading include compliments or criticisms about some program or activity the organization has undertaken. Each Council Member will be given a maximum of three (3) minutes to speak on items for the good of the order.

ADJOURN

A Councilmember makes a motion to adjourn, then the Mayor or designee gavels the adjournment.

PART 2: COUNCIL GUIDELINES FOR PUBLIC COMMUNICATION

The following information ~~is to~~ assists individuals ~~in the process of~~ communicating with the City Council and City Administration.

1. The City Council is the policy-making board. The ~~m~~Mayor administers the policies and manages the day to day operations of the City.
2. The purpose of the City Council Meeting is to conduct City business presented on the City Council agenda. ~~Whenever possible, i~~ Individuals are urged to discuss their concerns with the Mayor or City Council Members well in advance of the Council meeting so concerns may be addressed in a timely manner. If an individual requests an item to be placed on the agenda, a written request must be given to the city clerk no later than ~~10~~ fourteen (14) days prior to the next Council meeting. This allows it to be considered during Agenda Review. Any supporting documents, statements, or pertinent information will be attached to the request.
3. The City Council Meeting Agenda is posted at City Hall, the Permit Office, the Police Department, the Library, the Post Office and on the FilePro section of the City's website: www.osgov.com. The agenda will be posted ~~as soon as possible and~~ in accordance with the requirements of the Open Public Meetings Act, RCW 42.30.

Public Communication:
~~Following~~ There are three (3) methods to communicate with the City Council and/or Mayor:

Telephone, Mail, and E-mail:
Council Members and the Mayor are available in person, by telephone, mail or by bringing the written concerns to be put in their mailboxes at City Hall. The Mayor and Council Members can also be reached via email. Contact information is available on the City's website (www.osgov.com), or you may call City Hall at 360-289-3099 for information. Whenever possible, individuals are urged to contact the Mayor and/or City Council Members well in advance of the Council Meeting so concerns may be addressed in a timely manner.

~~**Request to be included on the City Council Meeting Agenda:**~~
~~To be placed on the City Council Meeting Agenda, an individual's written request with statements regarding the subject and other pertinent information is required. The written statement should be delivered to the City Clerk no later than ten (10) days preceding the Council Meeting. It is not necessary to sign in at the Council Meeting when a written request has been included on the Agenda.~~

Council Meeting Sign-In Sheet:
Individuals wishing to speak regarding items **not** on the agenda need to provide their name, city of residence and topic on the sign-in sheet provided at the meeting, prior to

the Council Meeting. The City Clerk or designee will collect signs in sheets five (5) minutes prior to the beginning of the meeting and present them to the City Administrator. ~~The mayor will recognize each individual in the order they are listed during "Public Communication" on the meeting agenda.~~ During Public Communication, the Mayor or designee will recognize each individual in the order they sign up.

Council Meeting Remote Comment:
Individuals wishing to speak remotely shall send an email to sign up for comment to the City Clerk no later than 5:00 PM on the day of the meeting, providing name, residence and topic.

Council Meeting Written Comment:
Individuals wishing to submit written public comments shall send an email to the City Clerk's office via email at publiccomment@osgov.com or by submitting the new public comment form no later than NOON on the day of the Council meeting. Written public comments will be distributed to the City Council on the day of the meeting and placed on the City Website following the meeting's conclusion.

Guidelines for Items on the City Council Meeting Agenda
Those agenda items on which the Council will take public comment are so noted. Individuals are urged to contact the ~~m~~Mayor and/or City Council Members well in advance of the meeting to relate any concerns or information they may have regarding any item on the agenda, particularly those items that may not denote public comment.

Process:

a. Individuals will be called for public comment in the order items are listed on the agenda and only if the items(s) denote public comment.
    i. If an individual wishes to speak on a specific agenda item~~; however, that item~~ that has been removed by the city council, the ~~m~~Mayor will ask during public communication to council if an individual would still like to ~~make public~~ comment on the removed item.
b. Once recognized by the ~~m~~Mayor, the individual will step to the microphone, state their name and place of residence for the meeting record.
c. Each individual will be allowed to speak for a maximum of three (3) minutes regarding any individual agenda item. Individuals may not yield their time to others. All comments must be addressed to the City Council, not City Staff or the audience. Comments should be brief, to the point, and presented in a respectful manner.
d. If written information is to be presented for City Council consideration. The individual will provide ten (10) copies for distribution.
e. If questions require additional investigation, the Council may request that the ~~m~~Mayor provide a written answer or answer the question at the next Regular Council Meeting. The council may request the individuals to provide the question in writing.

Guidelines for Items Not on the City Council Meeting Agenda:

Individuals are urged to contact the ~~m~~Mayor and/or Council Members well in advance of the meeting to relate concerns of information regarding items not on the agenda, to allow the ~~m~~Mayor and/or Council Members an opportunity to respond in a timely manner.

Process: For the Public

a. Sign in prior to the meeting on the sign-in sheet provided at the meeting. When your name is called, please rise, step to the microphone and state your name and place of residence for the meeting record.
b. Each individual will be allowed to speak for a maximum of three (3) minutes. Individuals may not yield their time to others. All comments must be addressed to the City Council, not City Staff or the audience. Comments should be brief, to the point, and presented in a respectful manner.
c. If written information is to be presented for City Council consideration. Please provide ten (10) copies for distribution to the seven Council Members, Mayor, City Attorney, and City Clerk.
d. If questions require additional investigation, the Council may request that the ~~m~~Mayor provide a written answer or answer the question at the next Regular Council Meeting. The council may request the individuals to provide the question in writing.

PART 3: COUNCIL MEETING CODE OF CONDUCT

Public Comment Expectations

Public comment is an opportunity for citizens to address the Council on matters relevant to the city or council. To ensure fairness and efficiency:

- Speakers must be recognized by the Mayor and/or designee before approaching the podium.
- Comments must be directed to the Council as a body, not to individual councilmembers, staff or audience members.
- Disorderly conduct will not be tolerated.
- Speakers must comply with established time limits.
- The Mayor and/or designee has the authority to interrupt or terminate comments that are disruptive or violate these standards.

Noise and Decorum in Council Chambers

Maintaining a professional atmosphere is essential for conducting public business.

- Audience members shall remain quiet during the meeting and avoid conversations that interfere with proceedings.
- Applause, shouting, booing, demonstrations, or other disruptive behavior are prohibited.
- Signs interfering with others' observations of the meeting are not permitted.

- Electronic devices must be silenced.
- Individuals who refuse to comply with decorum requirements may be asked to leave the chambers.

The Mayor and/or designee is authorized to take necessary action to restore order, including recessing the meeting or directing the removal of disruptive individuals.

Enforcement

Anyone who violates this Code of Conduct or application may be:

- Warned by the Mayor and/or designee.
- Removed from the meeting.
- Subject to law enforcement action when conduct violates applicable law.

Commitment to Civic Engagement

The City Council values community input and encourages respectful dialogue. By adhering to these standards, citizens help ensure that meetings remain productive, transparent, and welcoming to all participants.

PART 4 COUNCIL STUDY SESSIONS

Study sessions are special meetings of the City Council that occur as needed to discuss topics of interest and/or to receive presentations. No final action is taken during these meetings. While the meetings are public, public comment is not required. Public comment may be taken if it is listed on the agenda. Study sessions are held and scheduled as needed.

PART ~~3~~ 5: COUNCIL GUIDELINES FOR AD HOC COMMITTEES

An ad hoc committee is formed by two or three Council Members for a specific task or objective and is dissolved after completion of the objective. There may be a committee formed that ~~c~~Community members ~~will~~ may also be appointed to serve on an Ad Hoc Committee. Ad hoc committees may be established by the City Council at a regularly scheduled City Council meeting and have such authority as granted by the City Council. The Council will appoint the members of the committee, the chair of the committee, and outline the guidelines for the committee. Guidelines include, but are not limited to, committee purpose, committee tasks, addition of community members as appropriate in an advisory capacity, length of time of committee, and reporting structures.

PART ~~4~~ 6: COUNCIL GUIDELINES FOR STANDING COMMITTEES

~~Regular~~ The Three (3) standing committees ~~shall be three in number and~~ shall consist of three (3) City Council members appointed by the Mayor ~~for the purpose of~~ to consider~~ing all~~ matters pertaining to a specific subject. Appointments for committee

membership ~~should be~~ are made by the ~~year~~ calendar year.~~, from the membership of the City Council.~~ The Mayor will appoint the chair of the committee and outline the guidelines for the committee. Guidelines include, but are not limited to, committee purpose, committee tasks, addition of community members as appropriate in an advisory capacity, and reporting structures. Standing committees will include Public Works, Finance, and Public Safety.

PART 7: MAYOR PRO TEMPORE (Mayor Pro Tem)

The council shall elect a mayor pro tem at the first regularly scheduled meeting of the following year after a council election year(s). Therefore, the mayor pro tem election would fall on even years only.

Biennially at the first meeting of a new council, or periodically, the members thereof, by majority vote, may designate one of their number as mayor pro tem or deputy mayor for such period as the council may specify, to serve in the absence or temporary disability of the mayor; or, in lieu thereof, the council may, as the need may arise, appoint any qualified person to serve as mayor pro tem in the absence or temporary disability of the Mayor. In the event of the extended excused absence or disability of a councilmember, the remaining members by majority vote may appoint a councilmember pro tempore to serve during the absence or disability. RCW35A.12.065

PART ~~5~~ 8: Councilmember Liaison Job Description

Definition of Liaison

"Liaison": a person who establishes and maintains communication for mutual understanding and cooperation (Merriam-Webster Dictionary).

Duties and Expectations of a Council Liaison

a. A Councilmember acting as a liaison to a Council advisory committee or other body (a "Committee") is not a member of the Committee. Rather, the Councilmember is a positive resource to support the Committee in the completion of its work subject to the rules stated below.
b. A Councilmember liaison is acting as a representative of the full Council and, as such, has no authority to provide any direction or guidance to the Committee other than direction or guidance that clearly represents direction or guidance of the full Council.
c. Generally put, the Councilmember liaison shall not attempt to influence the work or recommendations of the Committee. More specifically,
    i. the Councilmember shall not take part in the Committee's deliberations or discussions unless (a) the Committee requests the Councilmember's participation in a particular discussion (in this situation, the Councilmember must expressly state that she or he is speaking for her or himself, not for the entire Council) or (b) the Councilmember determines

that he or she must speak up in order to remind the Committee of Council direction, City policies, or laws including the Open Public Meetings Act and the Public Records Act; and

ii. the Councilmember shall not take part in any votes or decision making of the Committee.

d. The Councilmember liaison shall work to ensure that the Committee is only taking actions or doing work that is within the scope of the Committee's work as determined or approved by the Council.
e. The Councilmember liaison shall bring to the Council any requests from the Committee, such as the following:
   i. questions raised by a Committee about the Committee's scope of work; and
   ii. requests from the Committee to change the Committee's scope of work; and
   iii. requests for expenditures of City resources to further the Committee's work (money, staff time, or other resources); and
   iv. requests from the Committee to place an item on a Council meeting agenda.
f. The Councilmember liaison shall work to ensure that the Council is regularly updated on the work of the Committee.

Committee Governance and Oversight

If a committee member or member of the public feels that there is a problem with the manner in which the Committee is being managed or governed, the Committee member or member of the public should provide written communication to the Committee Chair first. If the problem is not resolved by the Chair to the Committee member or member of the public's satisfaction, then the Committee member or member of the public can write to the Councilmember liaison about their concern(s).

At that juncture, the Councilmember liaison's duty is to bring the concerns to the Mayor and Mayor Pro-Tem. The Mayor, Mayor Pro-Tem in writing, and liaison shall then decide on what steps to take, if any.

Governance Manual Provisions

Council Liaison:

The ~~m~~Mayor will appoint a Councilmember to serve for a calendar year as the Council's Liaison (i.e. representative), to an organization. A Liaison is responsible for facilitating communication, collaboration and coordination with the designated organization, and with regular reporting and accountability to the Council. There are typically Councilmember Liaisons to four types of organizations:

a. A county-wide or regional policy or governing body or intergovernmental organization (such as the Grays Harbor Council of Governments)

b. A community organization (such as an arts, business, or social service organization)
c. A governing or inter-agency board functioning in the city (such as the Parks Board)
d. An advisory board, commission, or committee of the city, whether or not the charter calls for an ex officio Council member (such as The Lodging Tax Advisory Committee)

~~Exhibit B, section (c) Liaison Procedures~~

Individual members of the Council may be assigned as liaisons whose duties involve keeping current with a group or activity by either attending meetings or conferring with members, and keeping Council informed. Liaisons may advocate Council actions on behalf of their assigned group or activity. Care must be taken to avoid an Appearance of Fairness Doctrine violation, or conflict of interest possibilities (i.e.: in the unusual case of a quasi-judicial proceeding).

Liaisons' functions and duties may be further defined and/or directed by the Mayor or Mayor Pro Tem with concurrence of Council.

PART ~~6~~ 9: Council Member Replacement Process

The Council replacement process begins as soon as the Member formally communicates their intention of leaving the Council or no longer can meet the requirement of a Councilmember.

The Councilmember resigning will not be a member of the Council and not part of the replacement process on the day which a new Councilmember is selected.

Disclosure: Any records related to filling vacancies in elective office, including the names of applicants and their application materials, are subject to disclosure under the Public Records Act. While RCW 42.56.250(1)(b) exempts public employment applications from disclosure, this exemption specifically excludes applications for vacancies in elective office. Applications shall be posted to the City's document center following the application deadline.

1st Regularly Scheduled Council Night

a. First announcement of the vacancy.
b. Statement of the process: qualified individuals will write a letter or send a resume to the City Clerk indicating that they wish to apply for the vacant position. Qualified individuals may also mail their letter or resume by indicated due date to City Clerk, PO Box 909, Ocean Shores, WA.
c. If a candidate chooses to withdraw their application before the selection process, they will not be able to be part of the selection process.

d. Qualifications: At least 1-year full-time residency in the City at time of appointment; a currently registered voter in this district at time declares candidacy; able to serve out the term until the next election certification.

2nd Regularly Scheduled Council Night

a. 2nd Announcement of the vacancy.

Prior to Selection Meeting

a. Invite applicants to the next Council meeting to speak individually for 3 minutes and to answer Council questions.
b. The City Clerk will provide copies of letter/resumes to Council members and the press.

3rd Regularly Scheduled Council Night

a. The applicants will be asked to wait outside the Council Chamber.
b. The applicants will be called one at a time selected randomly using randomizer.
c. Applicants may sit in the Council meeting and listen to subsequent applicants.
d. When all applicants have spoken, the ~~m~~Mayor will recess into executive session.
e. Mayor and Council will discuss qualifications in the executive session under RCW 42.30.110 (1)(h).
f. Mayor will reconvene the regular meeting
g. All Councilmembers names will be randomized prior to the city council meeting. The first Councilmember on the list may nominate a person for the open position if the Councilmember passes the ~~m~~Mayor will select another Councilmember to nominate a person.
h. The Council will vote on the nominated person. ~~i~~ If there are ~~four~~ a majority of yes votes then the applicant becomes a new Councilperson. If there are not ~~four~~ a majority of yes votes, then the ~~m~~Mayor will select another Councilmember to place a nomination. Council members may only vote once per nominee, and during the first round, the ~~m~~Mayor may not break the tie.
i. If all Councilmembers have either nominated or voted for someone, the Council will move to round two. The process will start again, and Councilmembers may nominate a new person or re-nominate a person nominated in round one, however during this round the ~~m~~Mayor, if they choose, may vote if three Councilmembers are voting positive for an Applicant.
j. If appointed, the new Councilmember may be sworn in and take their seat at the dais.
k. The regular meeting continues.

PART ~~6~~ 10: PROCEDURES FOR APPOINTMENT TO ETHICS COMMITTEE

Community members wishing to be on the Ethics Committee must complete an application. Members of the Ethics Committee will consist of two community members and one Council member. City staff, whether permanent or temporary employees, may not serve on the committee as community members.

All community members wishing to be on the Ethics Committee will complete an application.

a. ~~The Ethics and Guidelines Ad-Hoc committee will~~ The Mayor Pro Tem will appoint an Ad-Hoc Committee comprised of three (3) councilmembers to review the applications through the following process:
   i. The city clerk will assign a number to each committee member. Only the city clerk will know which number is assigned to each committee member.
   ii. Each Ad-Hoc committee member will review all applications and rank their top twelve (12). ~~If a committee member has applied to be on the Ethics committee, they will not review and rank their own application.~~
   iii. Each committee member will return their top twelve (12) to the City Clerk.
   iv. The City Clerk will compile a top twelve (12) list to present to the Council for approval for a one-year term.
b. Once the pool is established, there will be training for all committee members to review timelines and expectations.

EXHIBIT A

OCEAN SHORES CITY COUNCIL

GUIDELINES

2026

EXHIBIT A

COUNCIL GUIDELINES

The Council is a policy making body that creates the departments of the City, the offices of the City and fixes compensation. The City Council meets on the 2nd and 4th Tuesdays of each month at 6:00 pm in the Convention Center, unless another time and place for meeting is specially designated. Should any regular council meeting fall on any legal holiday, then the meeting shall be held at the same time and place on the next regular business day unless announced in advance otherwise.

The agenda packet will be released no later than 2:00 p.m. on Wednesday prior to the council meeting.

PREAMBLE

All meetings of the City Council shall be governed by these Council Guidelines. When the Council Guidelines do not state otherwise, the parliamentary rules and procedures contained in the current edition of Robert's Rules of Order shall apply. The council shall elect a mayor pro tempore at the first regularly scheduled meeting of the following year after a council election year(s). Therefore, the mayor pro tempore election would fall on even years only.

PART 1: COUNCIL GUIDELINES FOR CITY COUNCIL MEETING FORMAT

The following order will be the format for Regular City Council Meetings. The order may be shifted to accommodate presentations or speakers with travel and time needs.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF MEETING AGENDA

CEREMONIES AND PROCLAMATIONS

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OTHER REPORTS

PUBLIC COMMUNICATION TO COUNCIL

STAFF REPORTS

COUNCIL LIAISON REPORTS & COUNCIL COMMITTEE REPORTS
Council Members' opportunity to inform others of the work being done within the various boards and committees to which they are assigned.

LIST OF CURRENT AD HOC COMMITTEES

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CONSENT AGENDA

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FINANCE

Finance Department/Committee Reports

Ordinance

"An Ordinance of the City Council of the City of Ocean Shores, Washington, ……"

- Presented by: _____
- First/Second Reading
- Council Discussion
- Public Comment
- Council Action

Resolution

"A Resolution of the City Council of the City of Ocean Shores, Washington, ……"

- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

Request

"A Request of the City Council of the City of Ocean Shores, Washington, ……"

- Presented by: _____
- Council Discussion
- Public Comment

- Council Action

PUBLIC SAFETY

Public Safety Department/Committee Reports

Ordinance

"An Ordinance of the City Council of the City of Ocean Shores, Washington, ……"

- Presented by: _____
- First/Second Reading
- Council Discussion
- Public Comment
- Council Action

Resolution

"A Resolution of the City Council of the City of Ocean Shores, Washington, ……"

- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

Request

"A Request of the City Council of the City of Ocean Shores, Washington, ……"

- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

PUBLIC WORKS

Public Works Department/Committee Reports

Ordinance

"An Ordinance of the City Council of the City of Ocean Shores, Washington, ……"

- Presented by: _____
- First/Second Reading
- Council Discussion
- Public Comment
- Council Action

Resolution

"A Resolution of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

Request

"A Request of the City Council of the City of Ocean Shores, Washington, ……"
- Presented by: _____
- Council Discussion
- Public Comment
- Council Action

SPECIAL AGENDA ITEMS

DISCUSSION

EXECUTIVE SESSION

FUTURE MEETING TOPICS

Items with assigned Councilmembers

AGENDA REVIEW COMMITTEE ASSIGNMENTS

The City Council uses an Agenda Review Committee to develop and finalize the meeting agenda in cooperation with city administration. Agenda Review meets twice monthly, during the week of the city council meeting. The meeting reviews topics for discussion and decision at the next meeting.

Three council members attend each meeting. The Mayor Pro Tem participates as a standing member of the Agenda Review Committee. Two other council members are assigned on a rotating basis for the calendar year, along with an alternate.

If council members cannot attend, they are responsible for notifying the Mayor Pro Tem, or finding a substitute. Every council member is encouraged to submit topics. This can be done when they participate in the meeting or by giving their topic to one of the three (3) participants. Topics are added to the agenda by a majority of the council members present.

FOR THE GOOD OF THE ORDER – 3 Minutes

The Current Edition *of Robert's Rules of Order* defines the term Good of the Order as that portion of the meeting during which Council Members may make statements, or offer observations, about the character of the work of the organization without having

any particular item of business before the Council. Under normal circumstances, members are allowed to speak on business matters associated with an agenda item such as making a report or speaking in favor or opposition of a motion. However, no particular business needs to be at hand for members to make statements relating to the organization. Items that may come up under this heading include compliments or criticisms about some program or activity the organization has undertaken. Each Council Member will be given a maximum of three (3) minutes to speak on items for the good of the order.

ADJOURN

A Councilmember makes a motion to adjourn, then the Mayor or designee gavels the adjournment.

PART 2: COUNCIL GUIDELINES FOR PUBLIC COMMUNICATION

The following information assists individuals communicating with the City Council and City Administration.

1. The City Council is the policy-making board. The Mayor administers the policies and manages the day to day operations of the City.
2. The purpose of the City Council Meeting is to conduct City business presented on the City Council agenda. Individuals are urged to discuss their concerns with the Mayor or City Council Members well in advance of the Council meeting so concerns may be addressed in a timely manner. If an individual requests an item to be placed on the agenda, a written request must be given to the city clerk no later than fourteen (14) days prior to the next Council meeting. This allows it to be considered during Agenda Review. Any supporting documents, statements, or pertinent information will be attached to the request.
3. The City Council Meeting Agenda is posted at City Hall, the Permit Office, the Police Department, the Library, the Post Office and on the FilePro section of the City's website: www.osgov.com. The agenda will be posted in accordance with the requirements of the Open Public Meetings Act, RCW 42.30.

Public Communication:
There are three (3) methods to communicate with the City Council and/or Mayor:

Telephone, Mail, and E-mail:
Council Members and the Mayor are available in person, by telephone, mail or by bringing the written concerns to be put in their mailboxes at City Hall. The Mayor and Council Members can also be reached via email. Contact information is available on the City's website (www.osgov.com), or you may call City Hall at 360-289-3099 for information. Whenever possible, individuals are urged to contact the Mayor and/or City

Council Members well in advance of the Council Meeting so concerns may be addressed in a timely manner.

Council Meeting Sign-In Sheet:
Individuals wishing to speak regarding items **not** on the agenda need to provide their name, city of residence and topic on the sign-in sheet provided at the meeting, prior to the Council Meeting. The City Clerk or designee will collect signs in sheets five (5) minutes prior to the beginning of the meeting and present them to the City Administrator. During Public Communication, the Mayor or designee will recognize each individual in the order they sign up.

Council Meeting Remote Comment:
Individuals wishing to speak remotely shall send an email to sign up for comment to the City Clerk no later than 5:00 PM on the day of the meeting, providing name, residence and topic.

Council Meeting Written Comment:
Individuals wishing to submit written public comments shall send an email to the City Clerk's office via email at publiccomment@osgov.com or by submitting the new public comment form no later than NOON on the day of the Council meeting. Written public comments will be distributed to the City Council on the day of the meeting and placed on the City Website following the meeting's conclusion.

Guidelines for Items on the City Council Meeting Agenda
Those agenda items on which the Council will take public comment are so noted. Individuals are urged to contact the Mayor and/or City Council Members well in advance of the meeting to relate any concerns or information they may have regarding any item on the agenda, particularly those items that may not denote public comment.

Process:

a. Individuals will be called for public comment in the order items are listed on the agenda and only if the items(s) denote public comment.
    i. If an individual wishes to speak on a specific agenda item that has been removed by the city council, the Mayor will ask during public communication to council if an individual would still like to comment on the removed item.
b. Once recognized by the Mayor, the individual will step to the microphone, state their name and place of residence for the meeting record.
c. Each individual will be allowed to speak for a maximum of three (3) minutes regarding any individual agenda item. Individuals may not yield their time to others. All comments must be addressed to the City Council, not City Staff or the audience. Comments should be brief, to the point, and presented in a respectful manner.

d. If written information is to be presented for City Council consideration, the individual will provide ten (10) copies for distribution.
e. If questions require additional investigation, the Council may request that the Mayor provide a written answer or answer the question at the next Regular Council Meeting. The council may request the individuals to provide the question in writing.

Guidelines for Items Not on the City Council Meeting Agenda:
Individuals are urged to contact the Mayor and/or Council Members well in advance of the meeting to relate concerns regarding items not on the agenda, to allow the Mayor and/or Council Members an opportunity to respond in a timely manner.

Process: For the Public

a. Sign in prior to the meeting on the sign-in sheet provided at the meeting. When your name is called, please rise, step to the microphone and state your name and place of residence for the meeting record.
b. Each individual will be allowed to speak for a maximum of three (3) minutes. Individuals may not yield their time to others. All comments must be addressed to the City Council, not City Staff or the audience. Comments should be brief, to the point, and presented in a respectful manner.
c. If written information is to be presented for City Council consideration, please provide ten (10) copies for distribution to the seven Council Members, Mayor, City Attorney, and City Clerk.
d. If questions require additional investigation, the Council may request that the Mayor provide a written answer or answer the question at the next Regular Council Meeting. The council may request the individuals to provide the question in writing.

PART 3: COUNCIL MEETING CODE OF CONDUCT

Public Comment Expectations

Public comment is an opportunity for citizens to address the Council on matters relevant to the city or council. To ensure fairness and efficiency:

- Speakers must be recognized by the Mayor and/or designee before approaching the podium.
- Comments must be directed to the Council as a body, not to individual councilmembers, staff or audience members.
- Disorderly conduct will not be tolerated.
- Speakers must comply with established time limits.
- The Mayor and/or designee has the authority to interrupt or terminate comments that are disruptive or violate these standards.

Noise and Decorum in Council Chambers

Maintaining a professional atmosphere is essential for conducting public business.

- Audience members shall remain quiet during the meeting and avoid conversations that interfere with proceedings.
- Applause, shouting, booing, demonstrations, or other disruptive behavior are prohibited.
- Signs interfering with others' observations of the meeting are not permitted.
- Electronic devices must be silenced.
- Individuals who refuse to comply with decorum requirements may be asked to leave the chambers.

The Mayor and/or designee is authorized to take necessary action to restore order, including recessing the meeting or directing the removal of disruptive individuals.

Enforcement

Anyone who violates this Code of Conduct or applicable law may be:

- Warned by the Mayor and/or designee.
- Removed from the meeting.
- Subject to law enforcement action when conduct violates applicable law.

Commitment to Civic Engagement

The City Council values community input and encourages respectful dialogue. By adhering to these standards, citizens help ensure that meetings remain productive, transparent, and welcoming to all participants.

PART 4 COUNCIL STUDY SESSIONS

Study sessions are special meetings of the City Council that occur as needed to discuss topics of interest and/or to receive presentations. No final action is taken during these meetings. While the meetings are public, public comment is not required. Public comment may be taken if it is listed on the agenda. Study sessions are held and scheduled as needed.

PART 5: COUNCIL GUIDELINES FOR AD HOC COMMITTEES

An ad hoc committee is formed by two or three Council Members for a specific task or objective and is dissolved after completion of the objective. There may be a committee formed that Community members may also be appointed to serve on an Ad Hoc Committee. Ad hoc committees may be established by the City Council at a regularly scheduled City Council meeting and have such authority as granted by the City Council. The Council will appoint the members of the committee, the chair of the committee, and

outline the guidelines for the committee. Guidelines include, but are not limited to, committee purpose, committee tasks, addition of community members as appropriate in an advisory capacity, length of time of committee, and reporting structures.

PART 6: COUNCIL GUIDELINES FOR STANDING COMMITTEES

The three (3) standing committees shall consist of three (3) City Council members appointed by the Mayor to consider matters pertaining to a specific subject. Appointments for committee membership are made by the calendar year. The Mayor will appoint the chair of the committee and outline the guidelines for the committee. Guidelines include, but are not limited to, committee purpose, committee tasks, addition of community members as appropriate in an advisory capacity, and reporting structures. Standing committees will include Public Works, Finance, and Public Safety.

PART 7: MAYOR PRO TEMPORE (Mayor Pro Tem)

The council shall elect a mayor pro tem at the first regularly scheduled meeting of the following year after a council election year(s). Therefore, the mayor pro tem election would fall on even years only.

Biennially at the first meeting of a new council, or periodically, the members thereof, by majority vote, may designate one of their number as mayor pro tem or deputy mayor for such period as the council may specify, to serve in the absence or temporary disability of the mayor; or, in lieu thereof, the council may, as the need may arise, appoint any qualified person to serve as mayor pro tem in the absence or temporary disability of the Mayor. In the event of the extended excused absence or disability of a councilmember, the remaining members by majority vote may appoint a councilmember pro tempore to serve during the absence or disability. RCW 35A.12.065

PART 8: Councilmember Liaison Job Description

Definition of Liaison

"Liaison": a person who establishes and maintains communication for mutual understanding and cooperation (Merriam-Webster Dictionary).

Duties and Expectations of a Council Liaison

a. A Councilmember acting as a liaison to a Council advisory committee or other body (a "Committee") is not a member of the Committee. Rather, the Councilmember is a positive resource to support the Committee in the completion of its work subject to the rules stated below.

b. A Councilmember liaison is acting as a representative of the full Council and, as such, has no authority to provide any direction or guidance to the Committee other than direction or guidance that clearly represents direction or guidance of the full Council.
c. Generally put, the Councilmember liaison shall not attempt to influence the work or recommendations of the Committee. More specifically,
    i. the Councilmember shall not take part in the Committee's deliberations or discussions unless (a) the Committee requests the Councilmember's participation in a particular discussion (in this situation, the Councilmember must expressly state that she or he is speaking for her or himself, not for the entire Council) or (b) the Councilmember determines that he or she must speak up in order to remind the Committee of Council direction, City policies, or laws including the Open Public Meetings Act and the Public Records Act; and
    ii. the Councilmember shall not take part in any votes or decision making of the Committee.
d. The Councilmember liaison shall work to ensure that the Committee is only taking actions or doing work that is within the scope of the Committee's work as determined or approved by the Council.
e. The Councilmember liaison shall bring to the Council any requests from the Committee, such as the following:
    i. questions raised by a Committee about the Committee's scope of work; and
    ii. requests from the Committee to change the Committee's scope of work; and
    iii. requests for expenditures of City resources to further the Committee's work (money, staff time, or other resources); and
    iv. requests from the Committee to place an item on a Council meeting agenda.
f. The Councilmember liaison shall work to ensure that the Council is regularly updated on the work of the Committee.

Committee Governance and Oversight

If a committee member or member of the public feels that there is a problem with the manner in which the Committee is being managed or governed, the Committee member or member of the public should provide written communication to the Committee Chair first. If the problem is not resolved by the Chair to the Committee member or member of the public's satisfaction, then the Committee member or member of the public can write to the Councilmember liaison about their concern(s).

At that juncture, the Councilmember liaison's duty is to bring the concerns to the Mayor and Mayor Pro-Tem. The Mayor, Mayor Pro-Tem, and liaison shall then decide on what steps to take, if any.

Governance Manual Provisions

Council Liaison:

The Mayor will appoint a Councilmember to serve for a calendar year as the Council's Liaison (i.e. representative), to an organization. A Liaison is responsible for facilitating communication, collaboration and coordination with the designated organization, and with regular reporting and accountability to the Council. There are typically Councilmember Liaisons to four types of organizations:

a. A county-wide or regional policy or governing body or intergovernmental organization (such as the Grays Harbor Council of Governments)
b. A community organization (such as an arts, business, or social service organization)
c. A governing or inter-agency board functioning in the city (such as the Parks Board)
d. An advisory board, commission, or committee of the city, whether or not the charter calls for an ex officio Council member (such as The Lodging Tax Advisory Committee)

Individual members of the Council may be assigned as liaisons whose duties involve keeping current with a group or activity by either attending meetings or conferring with members, and keeping Council informed. Liaisons may advocate Council actions on behalf of their assigned group or activity. Care must be taken to avoid an Appearance of Fairness Doctrine violation, or conflict of interest possibilities (i.e.: in the unusual case of a quasi-judicial proceeding).

Liaisons' functions and duties may be further defined and/or directed by the Mayor or Mayor Pro Tem with concurrence of Council.

PART 9: Council Member Replacement Process

The Council replacement process begins as soon as the Member formally communicates their intention of leaving the Council or no longer can meet the requirement of a Councilmember.

The Councilmember resigning will not be a member of the Council and not part of the replacement process on the day which a new Councilmember is selected.

Disclosure: Any records related to filling vacancies in elective office, including the names of applicants and their application materials, are subject to disclosure under the Public Records Act. While RCW 42.56.250(1)(b) exempts public employment applications from disclosure, this exemption specifically excludes applications for

vacancies in elective office. Applications shall be posted to the City's document center following the application deadline.

1st Regularly Scheduled Council Night

a. First announcement of the vacancy.
b. Statement of the process: qualified individuals will write a letter or send a resume to the City Clerk indicating that they wish to apply for the vacant position. Qualified individuals may also mail their letter or resume by indicated due date to City Clerk, PO Box 909, Ocean Shores, WA.
c. If a candidate chooses to withdraw their application before the selection process, they will not be able to be part of the selection process.
d. Qualifications: At least 1-year full-time residency in the City at time of appointment; a currently registered voter in this district at time they declare candidacy; able to serve out the term until the next election certification.

2nd Regularly Scheduled Council Night

a. 2nd Announcement of the vacancy.

Prior to Selection Meeting

a. Invite applicants to the next Council meeting to speak individually for 3 minutes and to answer Council questions.
b. The City Clerk will provide copies of letter/resumes to Council members and the press.

3rd Regularly Scheduled Council Night

a. The applicants will be asked to wait outside the Council Chamber.
b. The applicants will be called one at a time selected randomly using randomizer.
c. Applicants may sit in the Council meeting and listen to subsequent applicants.
d. When all applicants have spoken, the Mayor will recess into executive session.
e. Mayor and Council will discuss qualifications in the executive session under RCW 42.30.110 (1)(h).
f. Mayor will reconvene the regular meeting
g. All Councilmembers' names will be randomized prior to the city council meeting. The first Councilmember on the list may nominate a person for the open position. If the Councilmember passes, then the Mayor will select another Councilmember to nominate a person.
h. The Council will vote on the nominated person. If there are a majority of yes votes then the applicant becomes a new Councilperson. If there are not a majority of yes votes, then the Mayor will select another Councilmember to

place a nomination. Council members may only vote once per nominee, and during the first round, the Mayor may not break the tie.

i. If all Councilmembers have either nominated or voted for someone, the Council will move to round two. The process will start again, and Councilmembers may nominate a new person or re-nominate a person nominated in round one, however during this round the Mayor, if they choose, may vote if three Councilmembers are voting positive for an Applicant.
j. If appointed, the new Councilmember may be sworn in and take their seat at the dais.
k. The regular meeting continues.

PART 10: PROCEDURES FOR APPOINTMENT TO ETHICS COMMITTEE

Community members wishing to be on the Ethics Committee must complete an application. Members of the Ethics Committee will consist of two community members and one Council member. City staff, whether permanent or temporary employees, may not serve on the committee as community members.

All community members wishing to be on the Ethics Committee will complete an application.

a. The Mayor Pro Tem will appoint an Ad-Hoc Committee comprised of three (3) councilmembers to review the applications through the following process:
    i. The City Clerk will assign a number to each committee member. Only the City Clerk will know which number is assigned to each committee member.
    ii. Each Ad-Hoc committee member will review all applications and rank their top twelve (12).
    iii. Each committee member will return their top twelve (12) to the City Clerk.
    iv. The City Clerk will compile a top twelve (12) list to present to the Council for approval for a one-year term.
b. Once the pool is established, there will be training for all committee members to review timelines and expectations.

City of Ocean Shores
AGENDA BILL

COUNCIL MEETING DATE: June 30, 2026

SUBJECT: A Request of the City Council of the City of Ocean Shores, Washington, authorizing the application submission and the funding of a USDA loan for the purchase of a City Hall/Police building and construction.

CATEGORY:

_____CONSENT AGENDA	_____ORDINANCE	_____STAFF REPORT
_____PUBLIC COMMUNICATION	_____RESOLUTION	_____PROCLAMATION
_____OLD BUSINESS	__X__REQUEST	_____STUDY SESSION
__X__NEW BUSINESS	_____CONSULTANT REPORT	_____OTHER

ATTACHMENTS: USDA Guide for Applicants

SUMMARY/BACKGROUND:

The City of Ocean Shores is currently evaluating long-term solutions to address the operational, space, security, and service delivery needs of City Hall and the Ocean Shores Police Department. The existing facilities have experienced increasing limitations related to space utilization, functionality, security requirements, employee accommodations, public accessibility, and the ability to support future growth and service demands.

To address these needs, City staff have researched a variety of financing alternatives and funding opportunities available to local governments. As part of that effort, the United States Department of Agriculture (USDA) Rural Development Community Facilities Program has been identified as a potential financing source for the acquisition, construction, and equipping of a new City Hall and Police Department facility. The USDA Community Facilities Program is specifically designed to assist rural communities in financing essential public facilities and may provide favorable financing terms when compared to traditional municipal borrowing options.

Authorization of this agenda item will permit City staff to submit a formal application to the USDA seeking financing in a principal amount not to exceed $11,000,000 for the purchase, construction, furnishing, and equipping of a new City Hall and Police Department facility. Approval of the application does not obligate the City to accept any loan offer, incur debt, or proceed with construction. Rather, it authorizes staff to pursue the application process, obtain financing terms, determine eligibility for potential grant assistance, and gather additional information necessary for future Council consideration.

Upon completion of the application review process, any proposed financing agreement, loan acceptance, property acquisition, or construction authorization will be brought back to the City Council by resolution for approval prior to the City entering into any binding financial obligation.

EXPENDITURE AMOUNT: N/A

11-14-07 updated

AMOUNT BUDGETED: N/A BUDGET MODIFICATION REQUIRED: N/A

BARS CODE:

STAFF RECOMMENDATION:

MAYOR'S RECOMMENDATION:

PRESENTED BY: Mayor, Frank T. Elduen, City Administrator, Scott Andersen, and Finance Director, Sara D. Logan

(BELOW TO BE COMPLETED BY CITY CLERK'S OFFICE)

COUNCIL ACTION:
APPROVED_____ CONTINUED_____
DENIED_____
COUNCIL REQUEST FOR INFORMATION: _____

11-14-07 updated



Community Facilities
Direct Loan Program

Guidance Book for Applicants

Together, America Prospers

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Disclaimer: The information contained in this guidance book is not to be used as a substitute to the CF regulations.

Program Overview

What does this loan program do?

The Community Facilities (CF) Direct Loan Program provides affordable funding to develop essential community facilities. An essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community. It must carry out a function customarily provided by a local unit of government. The facility must be located in a rural area and primarily serve rural residents. The facility must be operated on a nonprofit basis and does not include private affairs, commercial, or business undertakings (except for limited authority for industrial parks).

Who may apply for this program?

Eligible borrowers include:

- Public bodies
- Community-based nonprofit corporations
- Federally recognized Tribes

What is an eligible rural area?

Rural areas including cities, villages, townships, and towns including Federally recognized Tribal lands with no more than 20,000 residents according to the latest U.S. Decennial Census.

The boundaries for unincorporated areas in determining populations will be based on the Census Designated Places (CDP).

How may loan funds be used?

Funds can be used to purchase, construct, and/or improve essential community facilities, purchase equipment and pay related project expenses.

Examples of essential community facilities include:

- Healthcare facilities such as hospitals, medical clinics, dental clinics, nursing homes, assisted living facilities, or facilities that provide for the prevention, treatment, and recovery of substance misuse disorders.
- Public facilities such as townhalls, courthouses, airport hangers, bridges, port authorities, or street improvements.
- Community support services such as child care centers, adult daycare, homeless shelters, community centers, or transitional housing.
- Public safety services such as fire departments, police stations, prisons, police vehicles, fire trucks, public works vehicles or equipment.
- Educational services such as schools, colleges and universities, community colleges, charter schools, vocational and technical schools, dormitories, museums, or libraries.
- Local food systems such as community gardens, food pantries, community kitchens, foodbanks, food hubs, or greenhouses.
- E-Connectivity end-user equipment to include distance learning equipment, telemedicine equipment, and health information technology equipment as well as internal wiring and publicly available Wi-Fi capability within a facility.

For a complete list of eligible loan purposes, see 7 CFR, Part 1942.17(d).

Initial Meeting with Rural Development

STEP 1

Initial Customer Meeting

Summary of Activities: The first phase of the process begins with you gaining introductory information about the CF Direct Loan Program.

During this initial meeting, you should learn about the key eligibility considerations like project and applicant eligibility requirements, loan rates and terms, and the funding cycle. Additionally, you should learn about the requirements to seek and apply for credit from other commercial sources.

Since this program is not in direct competition with local and regional commercial lenders, you are required to work with commercial lenders to determine if you can obtain funds for your project through their commercial loan programs at reasonable rates and terms. If no commercial lender is willing to provide 100 percent of the project cost, then you must determine if the commercial lender is willing to participate in the project to a lesser degree. The CF direct loan funds can be leveraged with loan funds from commercial lenders as either a guaranteed loan or as a non-guaranteed loan.

Also, a key aspect of this eligibility determination is driven by the USDA Office of General Counsel (OGC). A legal review of your organizational documents is necessary to ensure that your organization is eligible to receive Federal financial assistance through the CF Direct Loan Program. Please be prepared to provide a copy of your organizational documents and bylaws at this initial meeting.

USDA Rural Development (RD) is interested in learning about your historical financial success. Please be prepared to discuss your financial audits for the last five years during this initial meeting. RD wants to ensure that your organization can meet the 5/5 criteria (See Attachment E Decision Tree 1 to Determine the Level of Financial Feasibility Evaluation For a Community Facilities Direct Loan or Guarantee). These audits must be presented to RD at the follow-up meeting or the Pre-Application meeting.

It is very important that your expectations are met and that all loan application requirements are discussed during this initial meeting. RD strives to provide superior customer service and to communicate all eligibility requirements and discuss all key program-related information prior to the potential applicant incurring any application-related expenses.

Initial Customer Meeting Discussion Checklist



At a minimum, the following topics should be discussed at this meeting:
(see Attachment A for a detailed checklist)

1. **Eligibility**
   a. Project
   b. Applicant (to meet the 5/5 criteria)
      i. Organizational Documents and
      ii. Most recent five-years of financial audits
   c. Location

2. **Loan**
   a. Current Interest Rate
   b. Loan Term
      i. Real Estate
      ii. Equipment
   c. Debt Service Reserve (DSR) Requirement
   d. Capital Asset Reserve Requirement

3. **Federal Funding Cycle**
   a. Fiscal Year
   b. Prior Year CF Allocation

4. **Test for Other Credit Requirement**

5. **Reimbursable Upfront Expenditures (Construction Type Projects)**

6. **Interim Financing**
   a. For loans greater than $50,000

7. **Application Time Table**
   a. Local Office Review Process
   b. State Office (SO) Review Process
   c. National Office Concurrence (for loans that exceed the SO loan approval authority)

8. **Contracts and Procurement**
   a. Open and Free Competition Requirement

9. **Financial Feasibility Report Requirements**

10. **Environmental Report Requirements**

Eligibility Determination

Eligibility

As mentioned earlier, the three primary eligibility requirements for the CF Direct Loan Program include *entity type*, *location* of the facility, and *purpose* of the facility.

Eligible Entities

(See 7 CFR 1942.17(b)(1))

a. Nonprofit corporations:

   Nonprofit corporations must have significant ties with the local rural community or region. These ties are necessary to ensure to the greatest extent possible that a facility under private control will carry out a public purpose and continue to primarily serve rural areas.

b. Public bodies

c. Tribal entities

Your entity must provide a function/service typically provided by a local unit of government; no individual, commercial, or business undertakings (except for limited authority for industrial parks).

The entity must have or will obtain legal authority to:

- Own the project;
- Borrow funds;
- Pledge collateral;
- Construct;
- Operate;
- Maintain; and
- Manage the project.

(See 7 CFR 1942.17(b) (4))

Evidence of Significant Community Support

(See the most recent Administrative Notice (AN) on this topic)

There is a statutory requirement that all public bodies, Tribes, and nonprofit applicants provide evidence that the project has gained significant community support. As part of the application process, section 381I of the Consolidated Farm and Rural Development Act (ConAct) requires evidence of significant community support in the form of a certification of support for each project or facility from any affected local government body.

If Tribal lands are within the service area of the facility, you will need a letter from the Tribal government.

Eligibility Determination



There are three ways to demonstrate significant ties to the community:

1. **Close association with or controlled by a local unit of government.**
   a. Specific taxes pledged to benefit the nonprofit entity.

2. **Special use tax broadly-based ownership and controlled by members of the community.**
   a. Governing board of the nonprofit corporation should be:
      i. Comprised of knowledgeable volunteers, representative of the community or service area.
      ii. Expertise includes but is not limited to:
         - Financial
         - Administrative
         - Operational management

3. **Substantial public funding.**
   a. Taxes
   b. Revenue bonds
   c. Other local government sources
   d. Community-wide fundraising campaign

Eligible Locations

(See 7 CFR 1942.17(b)(2))

Eligible locations include:

- Cities, towns, and Census Designated Places (CDPs) with populations of 20,000 or less, according to the latest Decennial Census of the United States.
- At least the majority of the population served must be in an eligible rural area.
- Projects must primarily serve and benefit rural residents and communities.
- Must be within the jurisdiction of the applicant.

There is no limitation placed on population in unincorporated rural areas, with the exception of CDPs. If a project is close to an ineligible area, you must ensure that the project will primarily serve rural residents.

(See the most recent AN on this subject).

CDPs are geographic entities for the purpose of census data. A CDP is an area with a concentration of population, housing, and commercial structures that is identified by name but is not within an incorporated place. CDPs have no legal boundaries (like a city or village). They are based on demographics, characteristics, and density. If a CDP is located in an unincorporated area, the population of the CDP must be 20,000 or less to be eligible for the CF program.

Eligibility Determination

Eligible Purposes

(See 7 CFR 1942.17(d)(1)(i)(B))

Direct loan funds may be used to construct, enlarge, or otherwise improve community facilities for healthcare, public safety, public services, community support services, educational services, and utility services (such as gas distribution and hydro-electric).

All facilities must be for public use with some exceptions for YMCAs, YWCAs, Boy Scouts, Girl Scouts, and Camp Fire Girls. Other items that can be included in a CF loan include reasonable and necessary fees for:

- Legal
- Architectural and/or engineering
- Fiscal advisors
- Environmental
- Archaeological
- Mitigation measures
- Planning
- Establishing or acquiring rights

See 7 CFR 1942.17(d)(1)(iv), 7 CFR 1942.17(d)(1)(v), and the most recent AN on this topic.

Ineligible Loan Purposes

(See 7 CFR 1942.17(d) (2))

Facilities used primarily for recreational purposes are ineligible. Direct loan funds can be used when a project has a recreational aspect. For example, if the project is to be used for educational or healthcare purposes; i.e., a day care center, playground equipment, hospital swimming pool for physical therapy, or a school gym or ballfield as part of a curriculum, then the project could be considered eligible.

Other Ineligible Loan Purposes Include:

1. Commercial enterprises—if the project is typically operated by a private enterprise or for producing profits.
   a. This does not include nonprofits that provide childcare, geriatric care, and healthcare to rural communities.
2. No more than 25 percent of the total floor space may be used for an ineligible purpose
   (See the most recent AN on “Use of CF Funds for Leased Space”).
3. Leases to ineligible organization/activities must be related to and enhance the primary purpose of the loan.
   a. In many parts of the country, it is customary for local governments to provide limited office space to other local, State, or Federal agencies. In these cases, they are not limited to the less than 25 percent requirement; however, they MUST provide supporting documentation that the community typically provides space for the otherwise ineligible agency.
4. On-site utility systems or buildings in connection with industrial parks
5. Television services and facilities
6. Electric generation and transmission facilities or telephone systems
7. Projects that are not modest in size, type, and design
8. Loan and/or grant finder’s fees
9. Broadband transmission

Pre-Application Process

STEP 2

All CF loan regulations, forms, and bulletins can be obtained from the RD website at http://www.rd.usda.gov/publications/regulations-guidelines (click on “Instructions” or “Forms,” as appropriate).

Pre-Application Meeting with the Customer

The pre-application meeting is intended to gather information discussed during the initial meeting, which will assist with completing the pre-application. Also, follow-up discussions to ensure that you understand the loan program. This meeting also includes follow-up discussions to ensure:

1. Discussions of the purpose, location, and project eligibility requirements and the CF program funding cycle. These aspects have the greatest impact on how and when a project can be funded.

2. Understanding the Federal fiscal year start and end dates, and CF budget being dependent upon the Congressional allocations to the program.

3. Reviewing your historical financial documents to ensure a successful track record that meets CF’s 5/5 criteria. An in-depth review of the financials historical performance will be evaluated and then assessed by the National Office.
   a. Has the organization been in existence for five years and has it operated on a financially successful basis for at least five years prior to their application?
      i. See 7 CFR 1942-A, Section 1942.17(g) (2) (iii) (A) (6) and (3) (iii) (A) (2).
      ii. An exception can be granted by the National Office but requires heightened evidence of community financial support and aggressive leadership.

4. Application time-line discussions. Time-line components are listed below:
   a. Organizational documents will be reviewed to determine if the applicant is eligible to receive Federal financial assistance through the CF program.
      i. The Regional Office of General Counsel (OGC) will review organizational documents to determine if the applicant is eligible to receive CF funding.
   b. Environmental Review process.
      i. An applicant should allow 3-6 months for the completion of the Environmental Review process. Depending on the level of environmental review required, the review could take more than 3-6 months.
      ii. The Environmental Review process will be performed by an independent third party and this process must be completed and approved before the project is considered as eligible for Federal financial assistance. Please contact your local Community Programs (CP) Area Specialist for further guidance on this matter.
   c. Historic Preservation process.
      i. Applicants will meet all requirements of the Advisory Council on Historic Preservation Section 106 process. Please see Attachment F: Decision tree for Determining When Projects Need Section 106 Review for further guidance on this matter.

d. Financial Feasibility Report requirements.
   i. Based on the project cost and characteristics, these factors will determine what type of feasibility evaluation is required for your project:
   ii. A financial feasibility report is required for all community facility projects with a loan amount above $500,000. For small loans, a financial feasibility analysis without examination opinion will likely be appropriate. See Decision Tree 1 on page 35 to Determine the Level of Financial Feasibility Evaluation For a Community Facilities Direct Loan or Guarantee, which will aid you in determining the appropriate financial feasibility evaluation requirement for your project).
   iii. You should allow 6-12 weeks for a qualified independent third party to complete the financial feasibility report.
   iv. Financial feasibility requirements are explained in further detail on pages 15-16 of this guidance book.
   v. The financial feasibility report should be submitted in "draft" format to allow for changes to be made to the report.
   vi. Prior to engaging with a consulting firm, we recommend that project costs, etc., be discussed with the State Office Community Program Director.

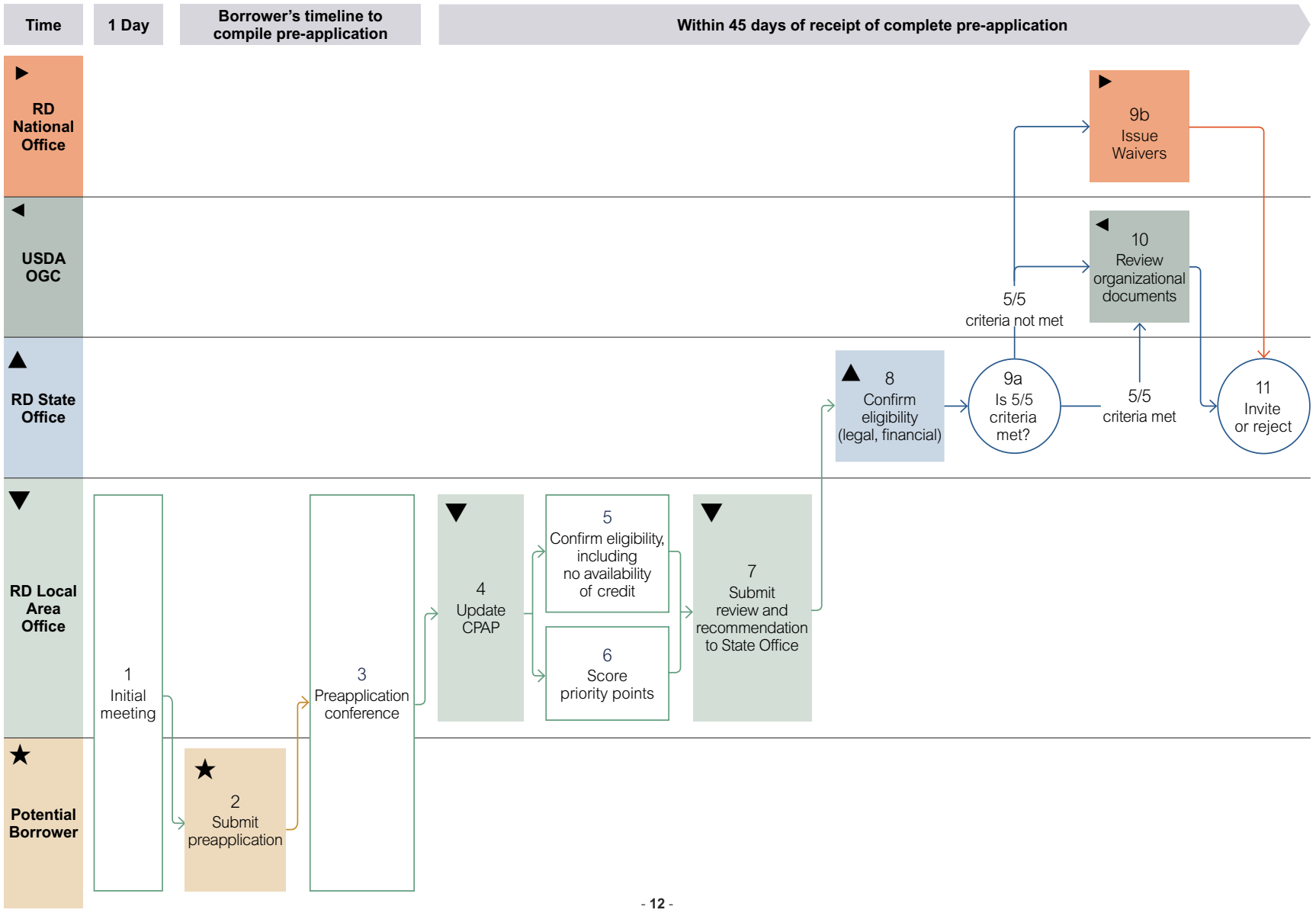
5. Your project must be in compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). This is critical when the proposed project involves displacement of people or their personal property. (More information on the URA Act and real property acquisition for Federal and Federally Assisted Programs can be found in the Federal Register at 49 CFR Part 24).

6. RD must approve service contracts with legal, architectural/engineering, bond counsel, and accounting service providers. Guidance on RD requirements of service providers are explained below and throughout this guidance book.
   a. Professional services (See 7 CFR 1942.17(L) (1))
      i. Contracts or other forms of agreement between the applicant and its professional and technical representatives are required and are subject to agency concurrence.
      ii. RD Instruction 1942-A, Guide 14 may be used in the preparation of the legal services agreement.
      iii. RD Instruction 1942-A, Guide 27, Attachment 1 to AIA Document B141, 1997 Edition, "Standard Form of Agreement Between Owner and Architect," may be used when appropriate.
      iv. The applicant must provide an agreement with its pre-application and application for legal services for review by RD and this agreement must be found acceptable by RD.
      v. Public bodies are required to obtain the services of recognized bond counsel if bonds are to be used as "evidence of indebtedness." The bond counsel will prepare the form of resolution to be used, in accordance with 7 CFR 1942.19.

Pre-Application Process

7. Organizational documents review
    a. Your organizational documents must be submitted to the RD Regional Office of General Counsel (OGC) to ensure that your organization is eligible for Federal financial assistance. These include:
    b. Nonprofit Corporations
        i. Articles of Incorporation
        ii. All amendments
        iii. Bylaws (Most recent edition only)
        iv. Certificate of Good Standing
        v. Charter (if applicable)
        vi. If your organization is faith-based, your organizational documents must be submitted for a faith-based review by the RD Regional OGC.
    c. Public Bodies
        i. Charter
8. Additional topics to be discussed during this meeting include:
    a. The loan repayment period cannot exceed the useful life of the facilities financed or any statutory limitation on the applicant's borrowing authority.
    b. The project must generate sufficient revenues to repay the debt and fund a debt service reserve account.
    c. The loan will only be considered "approved" once the applicant and State Director sign Form RD 1940-1, "Request for Obligations," and the applicant completes Form RD 1942-46 "Letter of Intent to meet Conditions."
    d. Any changes in project cost, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by Rural Development.
9. Appraisal Requirements
    a. When real estate is taken as security, in order to determine whether the project meets the requirements of 7 CFR 1942.17(g) (2)(iii)(B) or 7 CFR 3575.48, CF will require an appraisal of the proposed real estate that demonstrates the value of the security is equal to or exceeds the loan amount.
10. Debt Service Reserve (DSR) Requirements
    a. A debt service reserve account is required and must be accumulated at the rate of 10 percent of the annual debt payments until a sum equal to no less than one annual installment is accumulated. Some transactions may require full funding of this account (one year of debt service) at the time of loan closing.
11. Capital Assets Reserve Requirements
    a. A capital asset replacement reserve account in an amount adequate to replace long-lived assets. This amount will be based on the condition of the existing facility and the economic life of the proposed improvements.
12. All Lease and Management Agreements (draft lease and management agreements should be submitted early in the application process)
    a. Prior to the finalization of a lease and/or management agreement, approval of such agreement by the Regional Office of General Counsel is required.
        i. The applicant must submit a copy of the "Draft Agreement" at time of their application submission.
        ii. There can be no restricted use clauses in the lease or management agreements.
    b. If the property involves a leasehold interest, then the Regional OGC Attorney must review and approve this leasehold interest.

Community Facilities Direct Loan: Recommended Pre-Application Process



Application Process and Underwriting

STEP 3

The Application Process

The required information for the CF application is listed below. As you will notice, a lot of the information shown below was discussed during your initial meeting. Plus, several of the required documents were submitted during the pre-application process.

Please be sure that all of following items are included in your application package:

1. Standard Form (SF) 424, "Application for Federal Assistance," accompanied by SF 424A and 424B for non-construction OR SF 424C and 424D for construction.

2. DUNS Number (Dun & Bradstreet Data Universal Numbering System) and Tax ID Number. Guidance is available from Rural Development. (See 7 CFR 1942.2(c)).

3. Organizational Documents
   a. Public bodies need to submit a copy of their Charter, all relevant Acts of Assembly, and all relevant court orders (if created judicially);
   b. Corporations need to submit a copy of their signed Articles of Incorporation, Certificate of Incorporation, Amendments, Restatements, Corrections, Mergers, Certificate of Good Standing, and a signed copy of the Corporate By-Laws. If signed copy of the By-Laws is not available, an officer of the corporation (usually the Secretary) must attach a certification that it is a true and correct copy of the current By-Laws. It is HIGHLY recommended to submit these documents prior to submission of the pre-application package. (See 7 CFR 1942.2(a)(1)(v)).

4. Intergovernmental Review comments from local Planning District Commission.

5. System Award Management (SAM) registration at www.sam.gov. The organization must be registered with SAM to be eligible for RD funding.

6. Financial Feasibility Report – This report is based on the status of the ownership and cost of the project. Sound financial feasibility reports are essential tools for determining if the applicant has the ability to properly meet its financial obligations. (Refer to the Unnumbered Letter (UL) "Requirements of Financial Feasibility Evaluations").

7. Preliminary Architectural Report – Use RD Instruction 1942-A, Guide 6, which gives the minimum requirements. (See 7 CFR 1942.18(c)). Also, please contact your RD State Office for staff may require additional documents.
   a. Brief statement describing: (a) how the facility will be operated; (b) the service area [attach maps]; and (c) sources of income.

8. Copies of outstanding debt instruments (copies of notes, Deeds of Trust, bonds, financing statements/security agreements, and leases, etc.).

9. Financial Statements for the previous five years. (See 7 CFR 1942.5(b)(1)(ii)(F)).

Application Process and Underwriting

10. Form RD 442-3, Balance Sheet – Current.
    (See 7 CFR 1942.5(b)(1)(ii)(E))
11. Form RD 442-7, Operating Budget - Proposed financial projections for the first full year of operation. Include proposed development and first full year of operation. Identify income resources and expense items. With the concurrence of RD, Form RD 1942-52, "Cash Flow Projection," may be used for applicants with annual incomes not exceeding $100,000.
12. A statement regarding efforts to finance the project/facility through other sources.
13. Form AD-1047, Certification Regarding Debarment; Form AD-1049, Certification Regarding Drug Free Workplace; RD Instruction 1940-Q, Exhibit A-1, Certification Regarding Lobbying; and Form 1910-11, Applicant Certification Regarding Collection Policies, AD 3031, Form 400-1 and Form 400-4.
14. Statement from State Historical Preservation Officer (SHPO) concerning historical sites and archaeological properties, if applicable.
15. Agreement for Architectural Services. (See 7 CFR 1942.18(b)).
16. Legal Services Agreement. (See 7 CFR 1942.17(l)(1)).
17. USDA Survey on Ensuring Equal Opportunity for Applicants.
18. Notice of Public Meeting and Minutes of Public Meeting.
19. Local Government Letter of Support.
20. Lease Agreements (If applicable) should be submitted as a draft agreement for review by the RD OGC. This includes all types of leases (ground, space, etc.).
21. Management Agreements (If applicable) should be submitted as draft agreements for review by the RD OGC.

Assessing Repayment Ability

The bottom line for assessing debt is the organization's ability to repay the debt with revenue generated by the operations. Debt repayment will largely be assessed through the Financial Feasibility Report and the Underwriter's analysis.

Other considerations for repayment:

1. Tax increment/Special Assessments: Rural communities may be able to implement one or more tax capture tools known as tax increment finance and special assessments. This is particularly important to capture funds that can be dedicated to repaying debt associated with the project.
2. Service Revenue: Some communities can create special taxes for desirable or beneficial service facilities, such as a school, hospital, or fire station. These service revenues can be dedicated to repaying debt associated with the project.

Application Process and Underwriting

Financial Feasibility Reports

(See 7 CFR 1942.17(h) and the Requirements of Financial Feasibility Evaluations for Community Facility Applications)

7 CFR 1942, Subpart A, section 1942.17(h) establishes the requirements for financial feasibility for all applicants. In many instances, a financial feasibility study completed by a Certified Public Accountant or Accounting (CPA) firm backed by an examination opinion attesting to the validity of the assumptions will be required. For small loans, less than $500,000, a financial feasibility analysis without an examination opinion will likely be appropriate.

The CF program accepts three levels of financial feasibility reports which are based on the loan amount requested, the applicant experience level, and the security associated with the transaction. The three reports are called: 1. Financial Feasibility Analysis; 2. Financial Feasibility Study with a Compilation Report; and 3. Financial Feasibility Study with Examination Opinion.

A Financial Feasibility Analysis describes the applicant's present situation, analyzes alternatives, and outlines the proposed project. The level of effort required to prepare the report and the depth of the analysis within the report is proportional to the size and complexity of the proposed project. The preparer is expected to fully disclose and analyze all significant factors that may have a favorable or adverse effect on the financial success of the proposed facility.

The Financial Feasibility Analysis will be prepared in accordance with the latest Unnumbered Letter (UL) establishing the requirements for a Financial Feasibility Evaluation.

A Financial Feasibility Study with a Compilation Report consists of applying accounting and financial reporting expertise to assist the applicant in the presentation of prospective financial information and reporting. No assurances are provided; however, the preparer will consider whether the presentation appears appropriate in form and free from obvious material misstatements.

A Financial Feasibility Study with Examination Opinion is the examination of the prospective financial information provided by the applicant ("management") culminating in an examination opinion on the reliability of the applicant's financial statements and management's underlying assumptions. The examination opinion provides a high level of assurance.

A financial feasibility study with a compilation report or examination opinion will be prepared by a CPA with the necessary expertise to perform the study. Examination opinions must be backed by professional liability insurance. The RD processing office will verify that the CPA firm has the required insurance coverage in place.

Application Process and Underwriting

Financial Feasibility Evaluations Requirements

To assist you with determining which financial feasibility is required for your project, please use the Attachment E Decision Tree 1 to Determine the Level of Financial Feasibility Evaluation For a Community Facilities Direct Loan or Guarantee. The level of evaluation will be dependent on several factors including the security for the loan, the size of the loan request, the longevity of the applicant's operation and its financial history. For direct loan requests where the security for the loan will be real estate, chattel and/or assignment of income, contact the processing office first to determine if the applicant meets the criteria established in either 7 CFR 1942.17(g)(2)(iii)(A)(6) for public bodies, or 7 CFR 1942.17(g)(3)(iii)(A)(2) for nonprofit organizations. These criteria are sometimes referred to as the "5/5 criteria". Applicants that do not meet the 5/5 criteria must be referred to the National Office for concurrence to proceed with an application and obtain guidance on the level of financial feasibility evaluation required during the preapplication stage or prior to proceeding with the application.



The financial feasibility study with compilation report or examination opinion will typically include the following:

1. Signed and dated compilation or opinion letter.
2. Five-years of historic and forecasted financial statements.
3. Schedule of ratios pertinent to the industry.
4. Summary of significant financial forecast assumptions and accounting policies.
5. Summary of significant demand forecast assumptions (market assessment; not provided with a compilation but can be provided by the applicant).
6. Sensitivity analysis.
7. Other information deemed appropriate by the preparer.
8. Information regarding the Governing Body and Management Team (not required to be included in the compilation or examination opinion but can be provided by the applicant).

Application Process and Underwriting

Security Requirements by Eligible Entity Type

(See CFR 1942.17(g))

Public Bodies

(See 7 CFR 1942.17(g)(2))

1. Bonds
   a. General Obligation (GO). (GO bonds generally require a specific majority vote to pass. This could vary by State. State statute may limit the amount of GO bonds outstanding at any one time). Please be sure to work with your local RD CP Specialist and the RD Regional Office of General Counsel on issues involving GO bonds.
   b. Revenue bonds. (Typically, revenue bonds do not require approval by two-thirds vote since they are not payable from taxes nor from the general fund. However, State statues vary). Please be sure to work with your local RD CP Specialist and the RD Regional Office of General Counsel on issues involving revenue bonds.

2. When bonds are not used:
   a. Promissory Notes;
   b. Real Estate Mortgages or Deeds of Trust;
   c. Financing Statements;
   d. Security Agreements.

Nonprofits

(See 7 CFR 1942.17(g)(3))

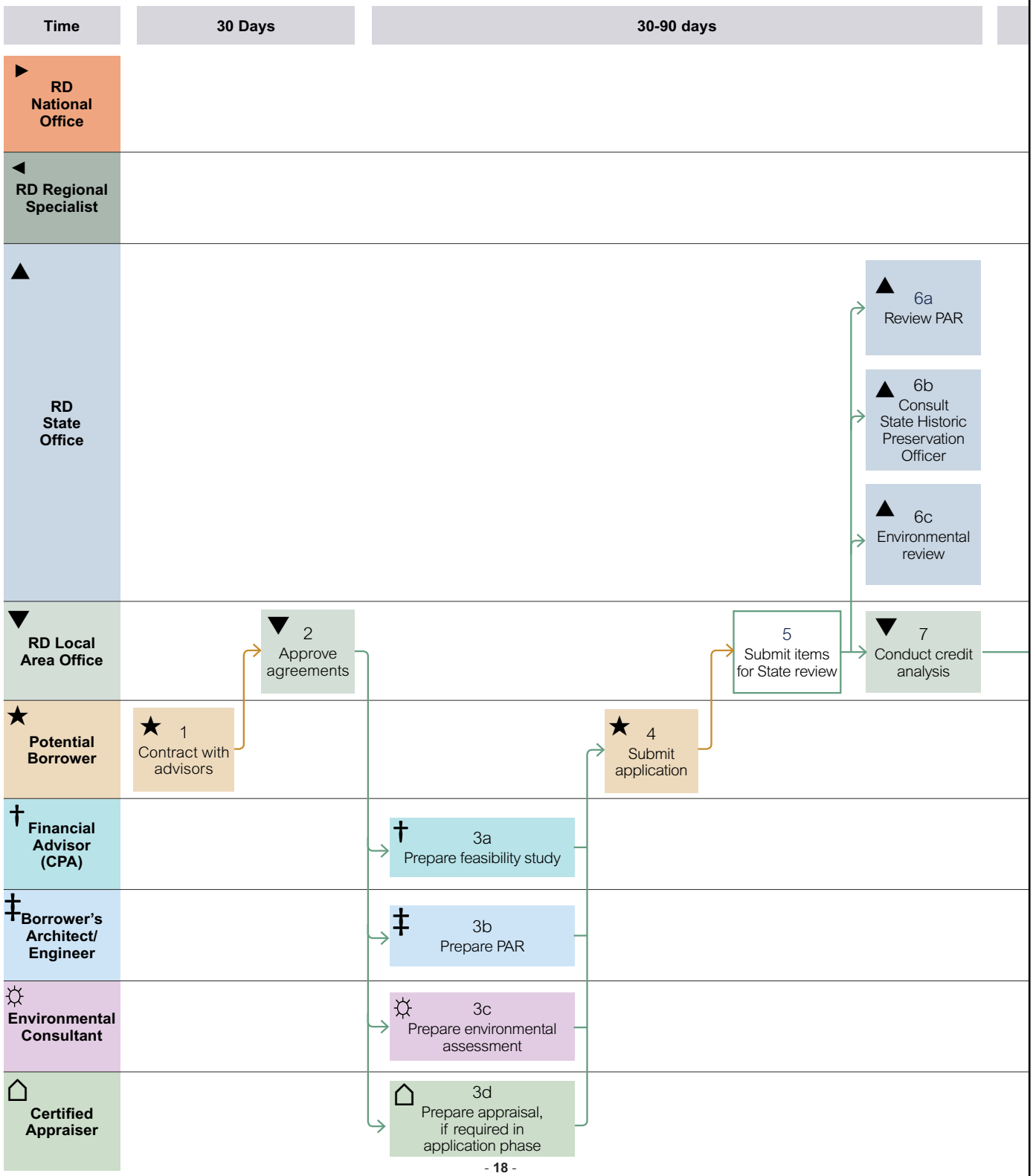
1. Promissory Notes (Form RD 440-22);
2. Real Estate Mortgages or Deeds of Trust;
3. Financing Statements (Form UCC-1);
4. Security Agreements (Form RD 1942-9);
   a. Deposit Agreements;
   b. Unconditional Guarantees.

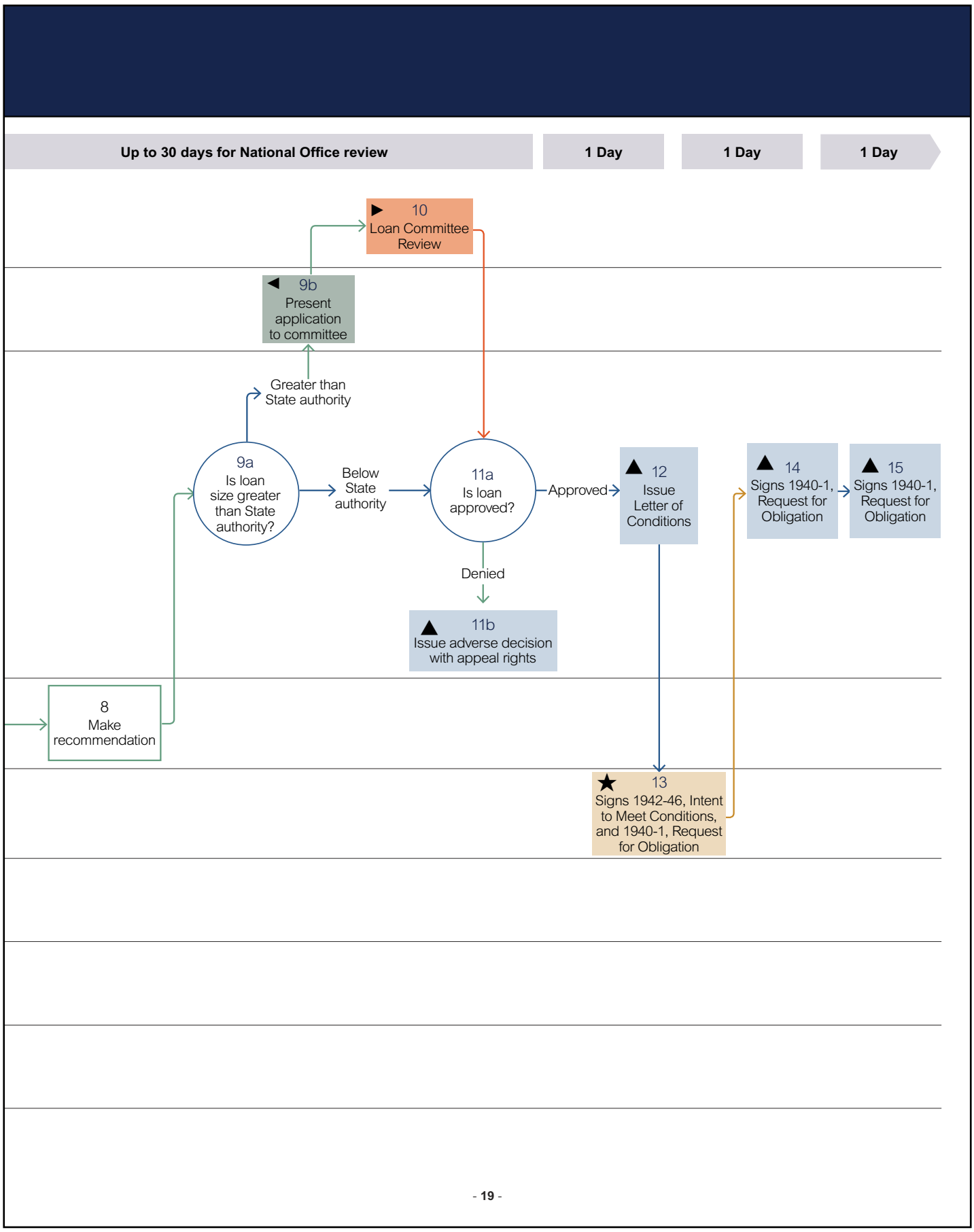
Tribes

(See 7 CFR 1942.17(g)(3)

1. Assignment of general Tribal income in the form of a Tribal Resolution;
2. Lien on specific revenue source generated by the Tribe; i.e., sales tax, fuel tax, gaming revenue (casino);
3. Tribal General Obligation Bond.

Community Facilities Direct Loan: Recommended Application Process




Up to 30 days for National Office review
1 Day
1 Day
1 Day
10
Loan Committee Review
9b
Present application to committee
Greater than State authority
9a
Is loan size greater than State authority?
Below State authority
11a
Is loan approved?
Approved
12
Issue Letter of Conditions
14
Signs 1940-1, Request for Obligation
15
Signs 1940-1, Request for Obligation
Denied
11b
Issue adverse decision with appeal rights
8
Make recommendation
13
Signs 1942-46, Intent to Meet Conditions, and 1940-1, Request for Obligation

Closings and Construction

STEP 4

Closings and Construction

The last phase of the direct loan application process involves preparation and approval of construction plans, specifications, and the procurement of construction contractor(s) through free and open bidding. RD must concur with the bidding documentation, concur with the bid award, and approval of the construction method and contracts proposed by the construction contractor.

For all construction projects above $50,000, the applicant must use interim financing. The interim financing agreement must be submitted to RD for review and concurrence.

Finally, a pre-construction conference between the borrower, RD, and the construction contractor is strongly recommended to discuss key RD requirements during construction, such as daily inspections, payouts, and schedules.

Procurement

(See 7 CFR 1942.18(j)(2))

All procurement transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition.

Construction

Prior to the approval of your plans and specifications, the applicant must submit the following items to RD for review and approval:

1. Construction contract documents must be prepared in accordance with RD Instruction 1942-A, Guide 27;
2. Final plans, specifications, and all addenda;
3. Request for proposal (RFP);
4. Other contracts covering the purchase of equipment.

The following information and records must also be established and maintained:

1. Copy of successful offer;
2. Summary of all offers and a narrative summary of all negotiations;
3. Revised project budget based on successful offer;
4. Engineer/Architect recommendation of award;
5. Resolution (owner's) of tentative award;
6. Notice to unsuccessful offeror(s).

Please contact the RD Local CP Area Specialist to ensure that the appropriate American Institute of Architects (AIA) documents are being used as construction documents for this project.

Closings and Construction

The RD Area Office will issue the RD 1942-A, Guide 1 (Guide Letter for Use in Informing Private Lender of Rural Development's Commitment) or Guide 1a (Guide Letter for Use in Informing Other Lenders of Rural Development's Commitment), whichever is appropriate, when your project has met all of the requirements needed to start construction.

Other Pre-Closing and Pre-Construction Requirements

1. **Environmental Mitigation**
   (7 CFR part 1970)

   For all construction projects, an environmental review is required in accordance with 7 CFR part 1970.

   As a result of the environmental review performed, all environmental mitigation requirements must be considered as the applicant selects the final site and final plans and specifications for the facility.

2. **Interim Financing**
   (See 7 CFR 1942.17(n)(3))

   In all loans exceeding $50,000, where funds can be borrowed at reasonable interest rates on an interim basis from commercial sources for the construction period, such interim financing will be obtained so as to preclude the necessity for multiple advances of RD funds.

   The applicant must provide RD with a copy of the tentative agreement reached in connection with the interim financing. The Rural Development loan should be closed as soon as possible after the disbursal of all interim funds.

3. **Appraisal Requirements**
   (See 7 CFR 1942.17(g)(2)(iii)(B)(2) and 1942.17(g)(3)(iii)(B)(2))

   If real estate is taken as the primary security for the project then an "as-developed" real estate appraisal, performed by a qualified licensed appraiser, that shows the value of the property serving as security for the loan is equal to, or greater than, the proposed RD loan(s).

   Additionally, your attorney must provide RD with a description of the real property, including a plat, which will be included in the mortgage (deed of trust), and a title insurance binder (as applicable by your State).

4. **Leases**
   (See 7 CFR 1942.17(j)(5))

   a. No restrictions on use of the site or the facility;
   b. No reverter clause;
   c. Term must be equal to term of loan;
   d. All leases must be reviewed and concurred by the RD OGC;
   e. Leasehold interest can be your security if it is demonstrated that RD is collaterally secured in the event of default;
   f. If borrower fails, we can lease facility to another entity;

Closings and Construction

5. **Insurance and Bonding Requirements**
   (See 7 CFR 1942.17(j)(3)
   a. Liability and Property Damage Insurance;
   b. Workers' Compensation;
   c. Position Fidelity Bond Coverage;
   d. Property Insurance;
   e. Real Property Insurance; and
   f. National Flood Insurance;
      i. If flood insurance is available, you must purchase a flood insurance policy at the time of loan closing.
      ii. Applicants whose buildings, machinery, or equipment are to be located in an area which has been notified as having special flood or mudslide prone areas will not receive financial assistance where flood insurance is not available.

6. **Documentation of All Funds Needed**
   (See 7 CFR 1942.17(n)(6))
   Prior to advertisement for construction bids, you must provide evidence showing the availability of all other funds committed to this project.

7. **Disbursement of Rural Development Funds**
   All contributions by the applicant and other non-RD funds will be the first funds expended on the project followed by the RD loan funds committed to this project. If RD grant funds are associated with this financing package, then these funds will be the last funds advanced. RD funds will be advance on an as needed basis in the amount necessary to cover RD's proportionate share of obligations. If all grants are not needed for the project, then these grant funds will be de-obligated.

8. **Debt Service Requirements**
   A debt service reserve is required and must be accumulated at the rate of 10 percent of the annual debt payments until a sum equal to no less than one annual installment is accumulated. Some transactions may require full funding of this account (one year of debt service) at the time of loan closing.

9. **Pre-authorized Debit Payments (PAD)**
   You will be required to participate in the Pre-authorized Debit (PAD) payment process. This will allow for your payment to be electronically debited from your account on the day that the payment is due.

Closings and Construction

10. **Audit or Financial Statement Requirements**
(See 2 CFR 200.501)

Non-Federal entities will provide an Audit or Financial Statement in accordance with 2 CFR 200.500-517 and as follows:

a. A non-Federal entity expending $750,000 or more Federal funds per fiscal year will submit an audit conducted in accordance with 2 CFR Chapter 1 and Chapter II, Parts 200, 215, 220, 225, 230 and 400, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.”

b. A non-Federal entity expending less than $750,000 will provide annual financial statements covering the loan period, consisting of the organization’s statement of income and expense and balance sheet signed by an appropriate official of the organization. Financial statements will be submitted within 90 days after the applicant’s fiscal year.

11. **Code of Conduct**
(See 7 CFR 1942.18(j)(1)

All applicants must adopt and maintain a written code or standards of conduct which shall govern the performance of their officers, employees, or agents engaged in the award and administration of contracts supported by RD funds. No employee, officer, or agent of the owner shall participate in the selection, award, or administration of a contract supported by RD funds if a conflict of interest, real or apparent, would be involved.

12. **Other Agency Forms**

Additionally, the applicant may be required to execute certain other Agency forms to obtain financial assistance from RD. By resolution, these forms must be adopted and properly executed, and minutes showing the adoption must be provided.

13. **Changes to RD Forms**

No changes to any RD forms, no matter how insignificant the change, are allowed without prior approval of the RD Regional OGC Attorney.

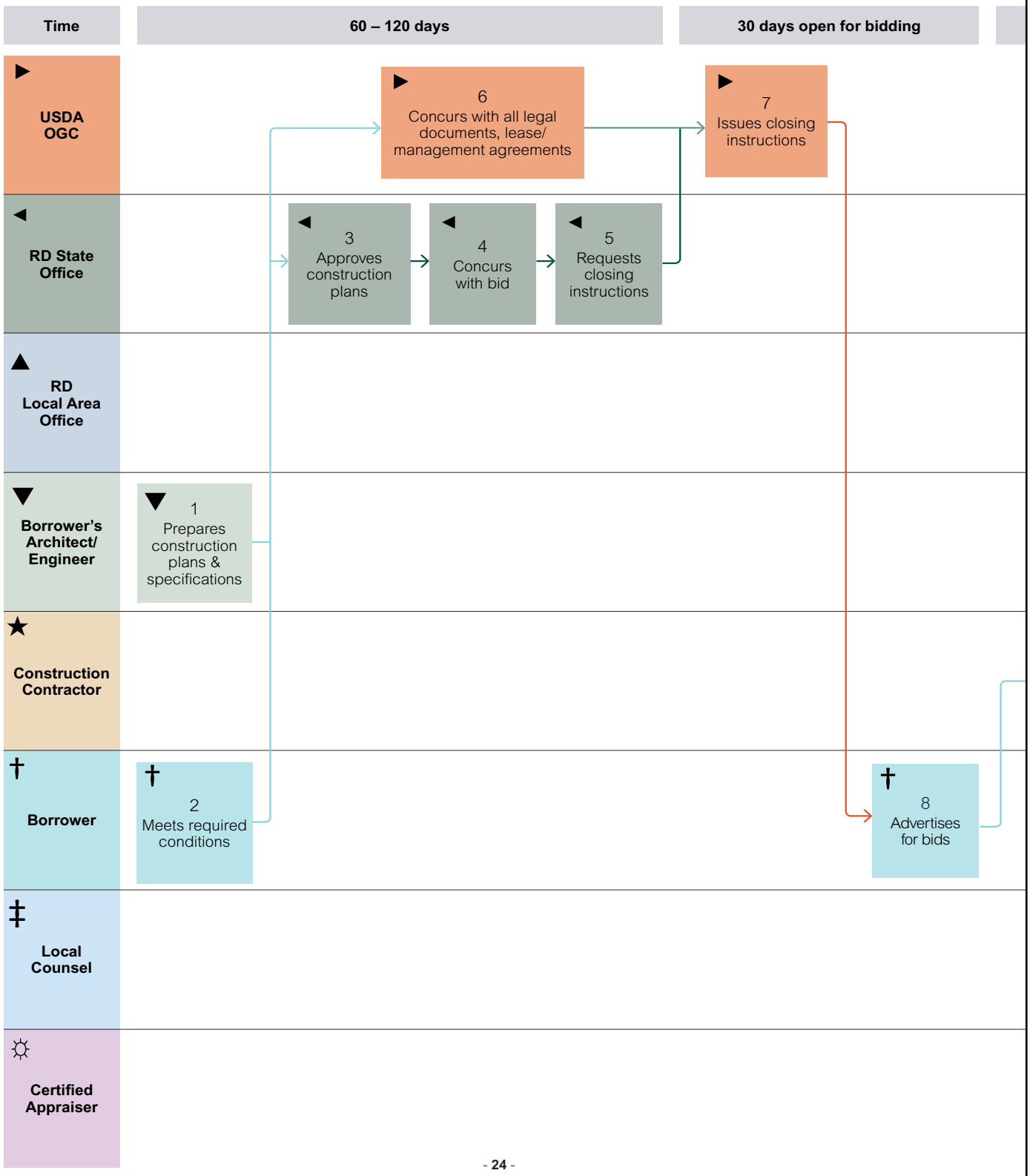
14. **Applicable State Requirements**

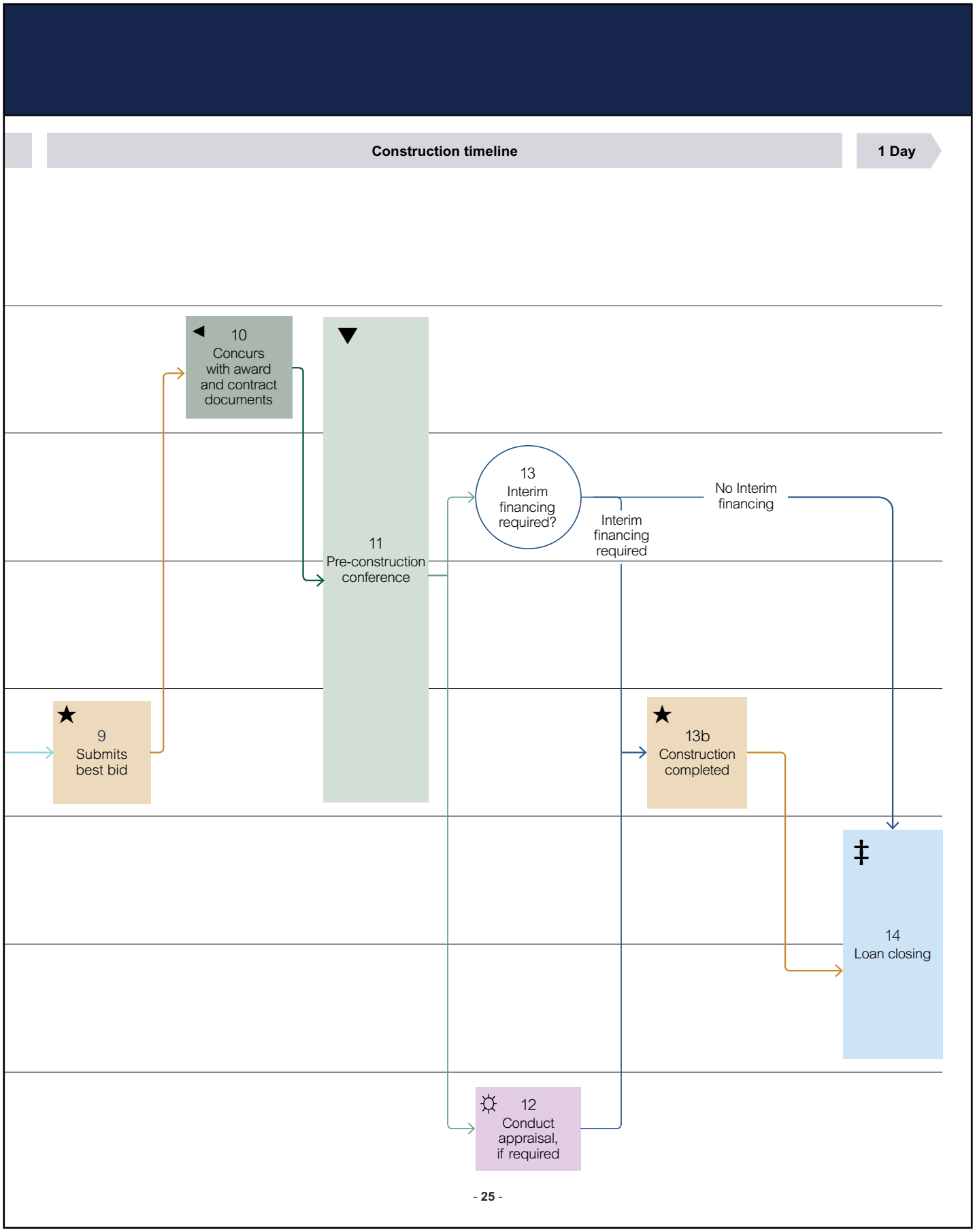
Please consult with your local RD CP Area Specialist or the Community Program Director to ensure that your application submission includes all of the necessary documents to meet the applicable State requirements for the project requesting Federal financial assistance.

15. **Error and Omissions Statement**

As a recipient of Federal financial assistance, all borrowers must comply with all applicable Federal, State, and local statutes, ordinances, regulations, and codes. The major portion of existing Rural Development rules and regulations which must be met are included in RD Instruction 1942-A. No modifications or waiver of any portion of these regulations is authorized. Such regulations shall govern regardless of any misinterpretation, omission, misunderstanding, or statements made by any RD employee.

Community Facilities Direct Loan: Recommended Closing and Construction Process




Construction timeline
1 Day
10
Concurs with award and contract documents
11
Pre-construction conference
13
Interim financing required?
Interim financing required
No Interim financing
9
Submits best bid
13b
Construction completed
14
Loan closing
12
Conduct appraisal, if required
- 25 -

Appendix: RD Guidance and Forms

Attachment A
Community Facilities Program: Initial Potential Borrower Meeting Checklist.

Attachment B
Community Facilities Program: Direct Loan Pre-Application Checklist.

Attachment C
Community Facilities Program: Direct Loan Application Checklist.

Attachment D
Community Facilities Program: Direct Loan Closing and Construction Checklist.

Attachment E
Decision Tree 1 to Determine the Level of Financial Feasibility Evaluation For a Community Facilities Direct Loan or Guarantee

Attachment F
Decision Tree For Determining When Projects Need Section 106 Review.

ATTACHMENT A

Community Facilities Program: Initial Potential Borrower Meeting Checklist

Learn about the community, need for the project, and existing project plans.

Discuss project eligibility:

1. Site location (< 20,000 population in census designated places, or in unincorporated rural areas).
2. Community facility definition (no primarily commercial or recreational projects).
3. Borrower must have legal authority to construct, own, operate, maintain, manage, borrow funds, and pledge collateral.
4. Public use requirement:
    a. Impact must be broad-based (not benefit only small part of community).
    b. 51 percent population served must be in eligible rural area.
5. Project must be based on assured income for operation, maintenance, and debt repayment.
6. <25 percent floor space may be leased for ineligible activity (e.g., commercial enterprise).
    a. Management and lease agreements must be approved.
7. Eligible costs:
    a. Refinancing < 50 percent of loan; must be debt incurred for facility.
    b. Costs incurred prior to CF loan approval (conditions apply).

Discuss rates and terms:

1. Rate determined by area median income,
2. Term of useful life of the asset, 40 years or State statue limitations (whichever is less).
3. No prepayment penalty.

Discuss key requirements:

1. Five years successful operating history.
2. Competitive bid process for construction.
3. Approval of alternative construction methods.
4. Security requirements.
5. Test for other credit.
6. Interim financing.
7. Environmental Assessment or Report.
8. Evidence of community support.
9. Certificate of Need (if required).
10. Graduation/repayment requirement.

ATTACHMENT A (CONTINUED)

Community Facilities Program: Initial Potential Borrower Meeting Checklist

Discuss annual funding availability and the priority scoring system.

Discuss loan application timeline:

1. Loan is not approved until Request for Obligation and Letter of Intent to Meet Conditions are signed.

Discuss next steps:

1. Submit organization documents for the RD OGC review.
2. Obtain letters from banks stating rates and terms they would offer.
3. Hire advisors: architectural, legal, financial, environmental and have RD approve agreements.
    a. Borrower must compile pre-application documents.
    b. Architect/engineer must produce Preliminary Architectural Report (PAR).
        i. Should consult with State Historic Preservation Officer.
    c. Financial advisor must produce feasibility report and CPA-backed examination opinion.
    d. Environmental consultant must produce environmental assessment.

ATTACHMENT B

Community Facilities Program: Direct Loan Pre-application Checklist

Pre-applications not necessary for fire/rescue projects, or projects < $300,000

Nonprofit

1. Organizational documents must be reviewed by RD OGC:
   a. Original articles of incorporation and all amendments.
   b. Most current by-laws.
   c. Certificate of good standing.
   d. List of board of directors, including title, address, term expiration date.
2. SF-424, Application for Federal Assistance requires:
   a. Dun & Bradstreet Data Universal Numbering System (DUNS).
   b. Tax Identification Number (TIN).
   c. System Award Management (SAM).
3. Five years of financial records to include:
   a. Tax returns (IRS 990).
   b. Audited financial statements. (preferred).
   c. Can alternatively use Form RD 442-7, Operating Budget (if revenues > $100,000) or Form RD 1942-53, Cash Flow report (if revenues < $100,000).
   d. Must have five successful years of operations or requires exception from the RD National Office.
      i. State Office can issue exceptions for loans < $250,000.
4. Copies of all existing debt instruments.
5. Evidence of no other credit being available:
   a. Letters from banks must be from lenders that typically make similar loans, stating what rates and terms would be.
   b. Applicant statement on why rates and terms offered aren't acceptable.
6. RD Instruction 1900-D, Section 1900.153(a), Identifying and Reporting Assistance to Rural Development Employees, Relatives and Associates Certification.
7. OMB Control Number 1890-0014, Survey on Ensuring Equal Opportunity for Applicants; (Must be provided by RD, applicant not required to complete).

Public Body

1. Organizational documents typically not required (except for special purpose districts).
2. SF-424, Application for Federal Assistance:
   a. Requires DUNS, TIN, SAM.
3. One-year historical financial statements:
   a. Five years if security is a revenue bond. One year projected financial statements:
   b. Five years if security is a revenue bond. Copies of all existing debt instruments. Evidence of other credit being available.
4. RD Instruction 1900-D, Section 1900.153(a), Identifying and Reporting Assistance to Rural Development Employees, Relatives and Associates Certification.

ATTACHMENT C

Community Facilities Program: Direct Loan Application Checklist

1. Applicant selects **professional service providers** (architect/engineer, legal, financial, environmental) and RD approves agreements:
   a. See RD Instruction 1942-A, Guide 14, on legal services agreement.
   b. See Form RD 1942-19, Architectural/Engineering Agreement.
   c. CPA-backed examination opinion of financial feasibility report required; please refer to the latest RD UL on this topic to ensure your project meets all financial feasibility requirements.
   d. RD, applicant, and service providers hold **application conference** to discuss:
      i. Site visit.
      ii. Construction.
      iii. Free and open bidding required.
      iv. RD approval of bid award, construction contracts, and of alternative construction methods required.
      v. Interim financing requirement.
   e. Coordination of funds:
      i. RD last-in funds.
      ii. Management agreements and leases (if applicable).
      iii. 25 percent of the floor space may be used by ineligible organizations if services enhance primary services offered.
      iv. Environmental review process (if not completed during the pre-application process);
      v. Certificate of Need, (if required).
   f. Public meeting must be held after pre-application is filed and before closing:
      i. Must have public notice of meeting at least 10 days prior.
      ii. Must provide RD with copy of the notice and of meeting minutes.
      iii. Draft Lease Agreement (If applicable) (all lease agreements ground, space, etc.).
      iv. Draft Management Agreement (if applicable).

2. Submit **complete application:**

   Required for Nonprofits and Public Bodies

   a. Updated historical financial statements; updated SF-424 (if necessary).
   b. Preliminary Architectural/Engineering Report (PAR/PER):
      i. Site plan, working plans, and specifications required.
   c. Evidence of contact with State Historic Preservation Officer;
   d. Financial Feasibility Report:
      i. Please refer to the latest RD UL on Financial Feasibility Report requirements.
      ii. Financial Advisor Agreement.
      iii. Legal Services Agreement (see RD Instruction 1942-A, Guide 14).
   e. Form RD 1942-19, Architectural/Engineering Agreement, or AIA Documents.
   f. Revenue contracts (if applicable):
      i. Not needed from public bodies if operating income is based on tax assessments.
   g. Form RD 442-3, Balance Sheet:
      i. Can use own format if provides same information.

Community Facilities Program: Direct Loan Application Checklist

h. Form RD 442-7, Operating Budget (if revenues > $100k) or Form RD 1942-52, Cash Flow Projections (if revenues <$100k):

i. Can use own format for five-year projections if provides same information.

i. Project budget and cost estimates.

ii. Other Agency funding status (if applicable).

iii. Form RD 400-1, Equal Opportunity Agreement. Form RD 400-4, Assurance Agreement.

iv. Certification of Non-Lobbying Activities (RD Instruction 1940-Q, Exhibit A).

v. Form HUD 935.2, Affirmative Fair Housing Marketing Plan (AFHMP) (if applicable, for housing projects).

vi. Certificate of Need (CON) (if applicable, for healthcare projects).

vii. Form AD 3030 Representation Regarding of Felony Conviction.

3. **Additional Items**

Nonprofit Corporations

a. Form RD 1942-8, Resolution of Members (if applicable):

i. Not necessary if only members are board of directors.

Public Bodies (if bonds are being used)

a. Bond resolution.

b. Official notice of sale with affidavit of publication (when required by State statute). Documentation of favorable bond vote.

c. Bond counsel agreement.

4. RD issues **Letter of Conditions (LOC)**

a. State Office can generally approve loans < $3-5 million; RD National Office reviews and approves all loans > $5 million.

b. LOC must be delivered in person to discuss LOC conditions.

i. Any changes to project cost, source of funds, scope of services, or other significant changes must be approved by written amendment to LOC.

5. The RD loan is not **approved** until applicant signs:

a. Form RD 1940-1, Request for Obligation.

b. Form RD 1942-46, Letter of Intent to Meet Conditions.

i. Should only be signed by those authorized by the entity's organizational documents.

c. Form RD 1910-11, Applicant Certification Federal Collection Policies for Consumer or Commercial Debts.

d. Form AD-1047, Certification Regarding Debarment Primary Covered Transactions.

e. Form AD-1048, Certification Regarding Debarment Lower Tier Covered Transactions:

i. For use with borrower's contractors on contracts over $25,000, e.g., architects, attorneys.
Form SF 3881, Electronic Funds Transfer Payment Enrollment Form.

f. Form RD 3550-28, Agreement for Preauthorized Payments.

g. Form AD 3031 Assurance Regarding Felony Conviction or Tax Delinquent Status of Corporate Applicants.

6. **Compliance review** must be completed within one year of loan closing or signing of the RD Form 400-4, Assurance Agreement.

ATTACHMENT D

Community Facilities Program: Direct Loan Closing and Construction Checklist

1. RD must approve all **construction contract documents** and plans and specifications.

2. Owner **prepares for loan closing**

   Must obtain closing instructions from RD prior to start of construction, or loan closing, whichever is earlier.

   Nonprofits:

   a. Authorized Official of the Organization signs Form RD 1942-9, Loan Resolution Security Agreement, after loan approval.

   b. Attorney prepares the draft closing documents.

   Public Bodies: (if Bonds are being used)

   a. Complete Form RD 1942-47, Loan Resolution.

   b. Obtain preliminary bond transcript from bond counsel.

      i. Please ensure that the bond information is accurate: Number of days is 365.

      ii. Interest rate, payment amount, and period are correct. Loan amount is included.

      iii. Registered owner (payee) is “United States of America acting through Rural Housing Service, USDA.”

      iv. Place of payment is address for RD office. Arbitrage.

3. RD obtains **closing instructions** from RD OGC (Office of General Counsel)

   RD provides closing documents, but borrower’s legal counsel does the closing.

   Nonprofits:

   a. For loans < $300,000 to nonprofits, RD State Office rather than OGC issues closing instructions in most States.

   b. Submit draft documents for issuance of closing instructions: Loan agreement.

      i. Real estate mortgage / deed of trust.

      ii. Form UCC-1, Financing Statement.

      iii. Form UCC-1Ad, Financing Statement Addendum. Legal description of real estate.

      iv. Title insurance binder.

   Public Bodies:

   a. For fire/rescue loans, RD State Office rather than OGC issues closing instructions in most states.

   b. Submit draft documents for issuance of closing instructions:

      i. Preliminary bond counsel opinion.

      ii. Draft form of bond.

      iii. Bond resolution with all amending resolutions and final form of bond counsel opinion.

Community Facilities Program: Direct Loan Closing and Construction Checklist

4. **Interim Financing**

   For all construction projects above $50,000, the applicant must use interim financing. The interim financing agreement must be submitted to RD for review and concurrence.

5. **Loan Closing**

   Nonprofit closing documents:

   a. Legal opinion of local counsel.
   b. Real estate mortgage / deed of trust.
   c. Form UCC-1, Financing Statement.
   d. Form UCC-1Ad, Financing Statement Addendum.
   e. Loan agreement.
   f. Form RD 440-22, Promissory Note.
   g. Form RD 400-1, Equal Opportunity Agreement. Form RD 400-4, Assurance Agreement.
   h. Nonprofit Board Secretary complies certification on RD Form 1942-9, Loan Resolution Security Agreement.
   i. Resolution amending Form RD 1942-9, Loan Resolution Security Agreement, if applicable.
   j. Notice of lien with Department of Motor Vehicles, if title is issued for vehicle.

   Post-closing submit executed closing documents to OGC (or State Office for loans < $300,000 in some States) for review:

   a. Legal opinion of local counsel.
   b. Loan agreement.
   c. Real estate mortgage / deed of trust.
   d. Filed UCC-1 or receipt for filed UCC-1.
   e. Title insurance policy.
   f. Deed of Trust properly recorded.

   OGC issues post-closing review opinion; RD updates in loan file.

   Public body closing documents:

   Submit following to RD State office for authorization to close:

   a. Final form of bond.
   b. Final form of bond counsel opinion.
   c. Maturity schedule.

   Post-closing submit to OGC (or State Office for fire/rescue loans in some States) for review:

   a. Copy of bond.
   b. Bond counsel opinion.
   c. “No Litigation Certificate.”
   d. Any other items required by OGC.

   OGC issues post-closing review opinion; RD updates in loan file.

6. Owner prepares for **bid process**
   a. State regulatory approvals.
   b. Easements and right-of-way.
   c. Plan for soliciting small, minority, and women-owned businesses.

7. Owner authorizes **advertisement for bids**
   a. RD must concur with bid advertisement.
   b. Advertisement must clearly State location and time.
   c. Must be advertised prior to bid opening long enough to allow bidders to prepare, avoid impression of insider knowledge, and meet any State law requirements.
   d. Any agent, person, or entity representing the owner in development, construction, financial/ design decisions, or having any financial interest in the firm selected is ineligible to bid, or be party to any part of the construction contract:
      i. This includes owner's representative, project coordinator, project manager, construction manager, construction advisor, or any individual entity that performs similar services using different terminology.
      ii. RD will observe these requirements in approving bids.
      iii. Agents are Unacceptable Bidders. See CFR 1942.18(j)(7)

8. Owner **opens bid process**, assisted by architect/engineer, including RD representation
   a. Establish clock for official time and do not accept late bids.
   b. Bids read aloud.
   c. No announcement of low bidder.
   d. All bids to be reviewed by RD with owner and architect/engineer.
      i. Confirm math.
      ii. Confirm lowest bidder is responsive (in compliance with all Instruction to Bidders provisions, complete documentation, all required signatures, etc.).
      iii. Confirm lowest bidder is responsible (has financial, equipment, and knowledge capacity, and has completed similar work successfully).

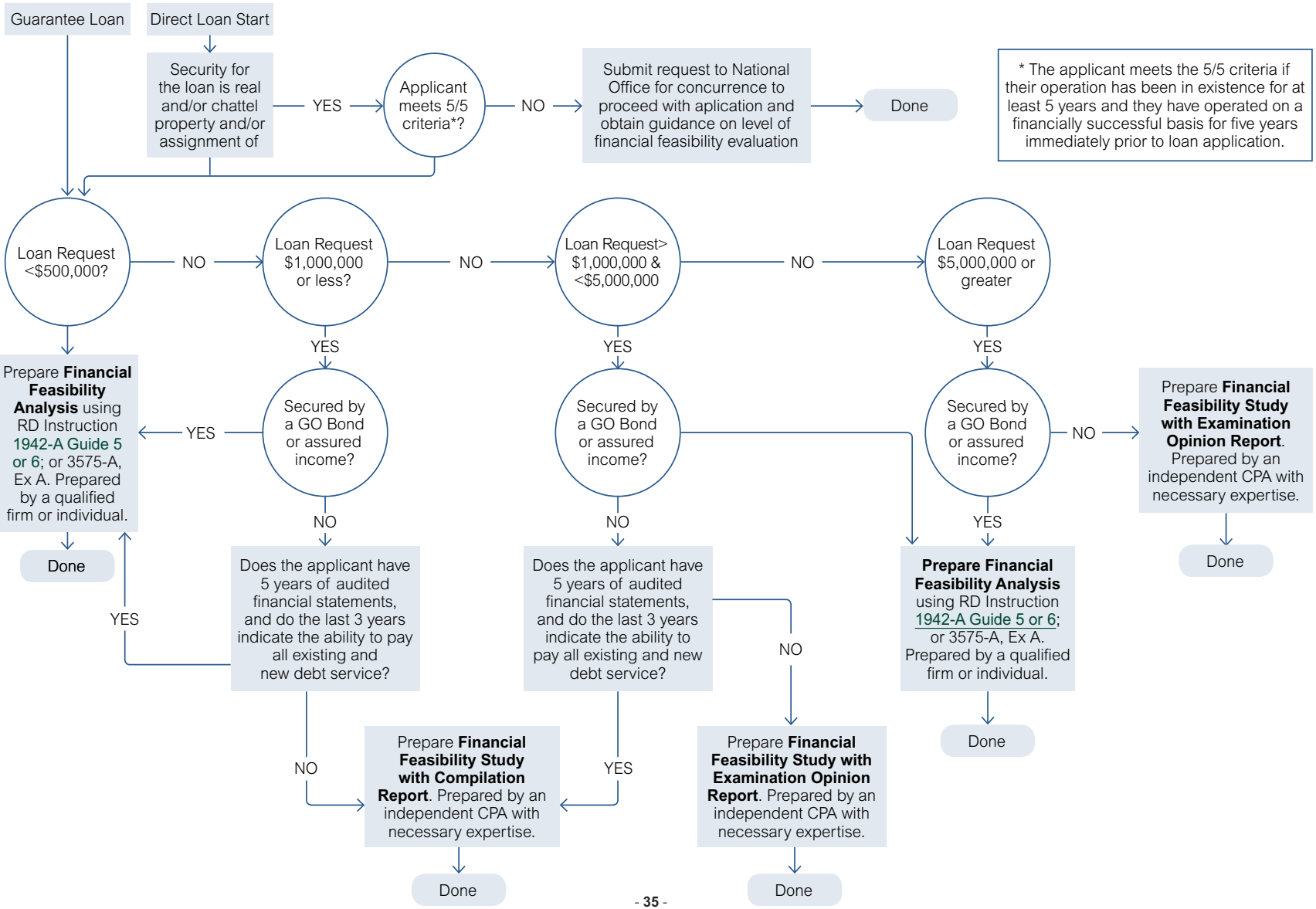
9. Owner issues **Notice of Award**
   a. RD must concur prior to issuing award.

10. **Pre-construction conference** chaired by architect/engineer to discuss:
    a. Roles and responsibilities;
    b. Inspections;
    c. Payments;
    d. Notice to proceed: Issued by owner, after contracts are signed and concurred by RD.

11. **Construction begins**

ATTACHMENT E

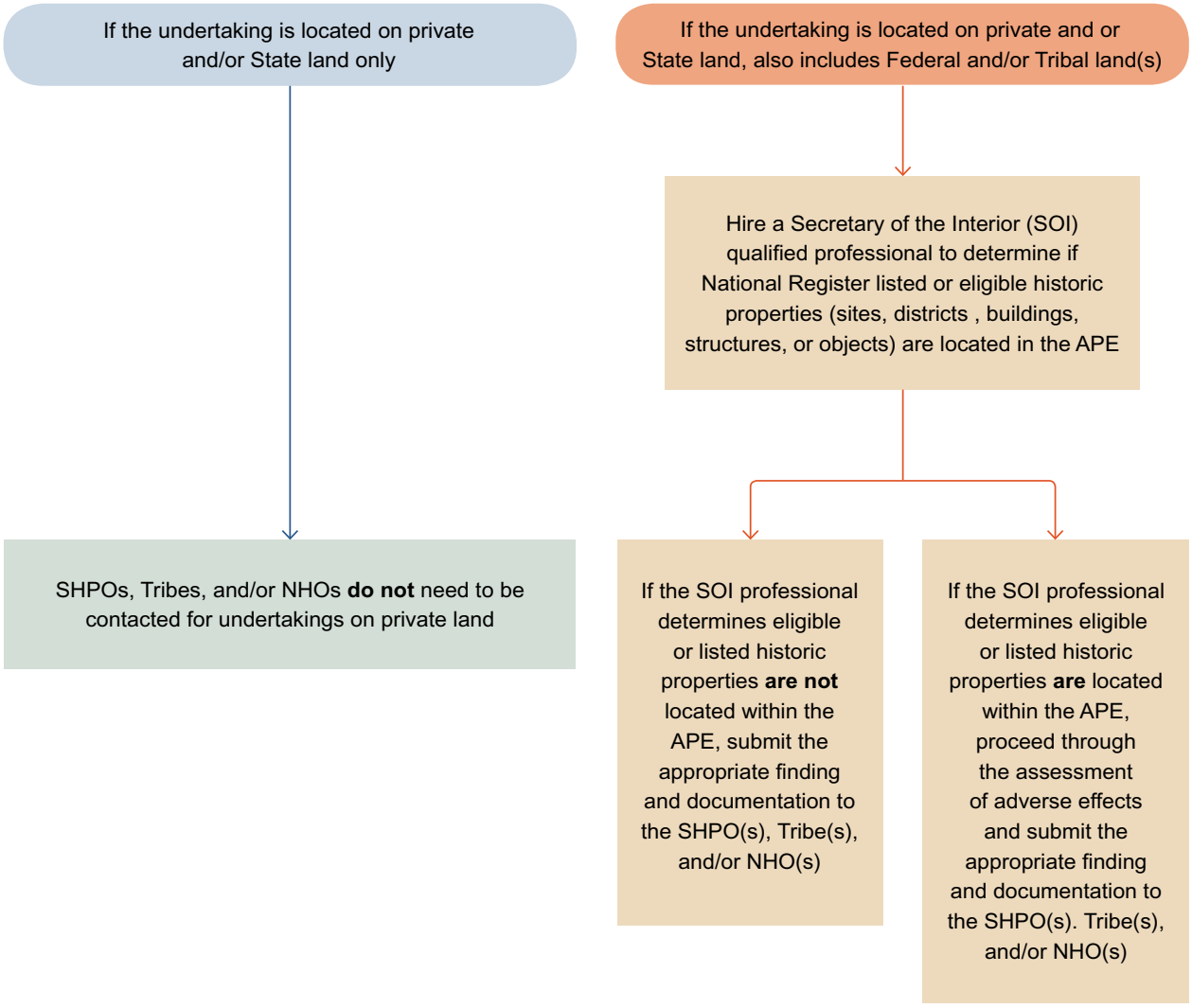
Decision Tree 1 to Determine the Level of Financial Feasibility Evaluation For a Community Facilities Direct Loan or Guarantee



ATTACHMENT F

Decision Tree 2 For Determining When Projects Need Section 106 Review

After the RD Federal preservation officer (FPO) has determined that the 7 CFR 1970.53 project has no potential to cause effects pursuant to 36 CFR 800.3(a)(l).



In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

City of Ocean Shores
AGENDA BILL

COUNCIL MEETING DATE: June 30, 2026

SUBJECT: A Request of the City Council of the City of Ocean Shores, Washington, approving the South Fire Station EMS Communications System purchase and installation project to Communications Northwest.

CATEGORY:

_____CONSENT AGENDA	_____ORDINANCE	_____STAFF REPORT
_____PUBLIC COMMUNICATION	_____RESOLUTION	_____PROCLAMATION
_____OLD BUSINESS	__x__REQUEST	_____STUDY SESSION
__x__NEW BUSINESS	_____CONSULTANT REPORT	_____OTHER

ATTACHMENTS: Communications Northwest Quote

SUMMARY/BACKGROUND:

NX-5700 DUAL HEAD BASE STATION CONFIGURATION, NON-PENETRATING ROOF MOUNT STRUCTURE, MAST, ANTENNA INSTALLATION, AND BEARCAT BCT15X SCANNER RADIO SYSTEMS INSTALLATION is the auxiliary equipment needed to communicate from the South Station to Grays Harbor 911 that is compatible with our backup power and internet.

EXPENDITURE AMOUNT: $14,772.05

AMOUNT BUDGETED: $ BUDGET MODIFICATION REQUIRED: No

BARS CODE:
104-260-000-522-20-42-00/EMS Communications

STAFF RECOMMENDATION: Approve

MAYOR'S RECOMMENDATION:

PRESENTED BY: Fire Chief Brian Ritter

(BELOW TO BE COMPLETED BY CITY CLERK'S OFFICE)

COUNCIL ACTION:
APPROVED_____ CONTINUED_____
DENIED_____
COUNCIL REQUEST FOR INFORMATION: _____

11-14-07 updated

Communications Northwest
9510 SE Main St
Milwaukie OR 97222
United States

www.commnw.com

Quote

Quote #QU15217

Date:6/8/2026

This Quote Expires On: 7/8/2026

Bill To	Ship To
CITY OF OCEAN SHORES FIRE DEPARTMENT P.O. BOX 909 Ocean Shores WA 98569-0909 United States	CITY OF OCEAN SHORES FIRE DEPARTMENT 585 POINT BROWN AVENUE NW OCEAN SHORES WA 98569 United States

Sales Rep	Terms	PO Number
John Clark	Net 30	

Item	Description	Quantity	Price	Total
Notes	**NX-5700 DUAL HEAD BASE STATION RADIO AND BEARCAT BCT15X SCANNER RADIO SYSTEMS INSTALLATION ESTIMATE**			
SERVICES - RF SCOPE OF WORK	Description of Services: NX-5700 DUAL HEAD BASE STATION CONFIGURATION, NON-PENETRATING ROOF MOUNT STRUCTURE, MAST, ANTENNA INSTALLATION, AND CUSTOMER PROVIDED BEARCAT BCT15X SCANNER AND ANTENNA/ COAXIAL CABLE KIT AT SOUTH STATION. SCANNER TO BE LOCATED IN EQUIPMENT BAY DATA ROOM** Scheduling Contact Name: ALEX REESE Contact Email: AREESE@OSGOV.COM Contact Phone: 425-750-5680 Prevailing Wage Intent (if applicable): **Disclaimer** Quoted service is an approximation of charges, they are based on the anticipated details of the work agreed upon. It is possible for unexpected complications to cause some deviation from the quote. If additional parts or labor are required, you will be contacted immediately for review and approval. **Minimum 2 hour charge for all outside service calls.** **Minimum 1 hour charge for inside service calls.**			
Notes	**CUSTOMER PROVIDING DUAL HEAD SINGLE DECK NX-5700, SCANNER AND SCANNER ANTENNA**			
Notes	**CUSTOMER TO PROVIDE COAXIAL CABLE ROUTING/ENTRANCE INTO LIEUTENANT ROOM FROM OUTSIDE TO ALLOW COAXIAL CABLE CONNECTION TO NX-5700 STAGED IN ROOM**			

Communications Northwest
9510 SE Main St
Milwaukie OR 97222
United States

www.commnw.com

Quote

Quote #QU15217

Date:6/8/2026

This Quote Expires On: 7/8/2026

Item	Description	Quantity	Price	Total
Notes	**PREFERRED EXTERNAL CONDUIT RUN OF 2" PVC CONDUIT TO BE BURIED ALONG SIDE OF MODULAR FROM LEFT OF STEPS TO CORNER OF LIEUTENANT ROOM THEN CONVERTING INTO A PORT ENTRANCE INTO THE LIEUTENANT ROOM**			
SEC-1223	12VDC Output Table Top Power Supply, 23 Amp 120/240 VAC Switchable for NX-5700	1	$206.73	$206.73
KCT-71A50	KCT-71A Extended Control Head Cable (up to 50 ft. max.) Note: Please specify exact length at 1ft. increments when ordering. Caution: Extended control head cables exhibit a loss in speaker audio power to the control heads.	1	$249.50	$249.50
Discount - NASPO	NASPO - 00318		-30%	($74.85)
Notes	**EXTENDED CONTROL HEAD CABLE FOR SECOND CONTROL HEAD**			
LMR-400-DB	LMR-400-RR-DB direct burial low loss coaxial cable	250	$2.45	$612.50
EMR150DP	136-174MHz VHF Single Bay Folded Dipole Antenna (Mast NOT included)	1	$664.00	$664.00
EZ-400-UM-X	UHF-male (plug) crimp connector, non-solder pin, no braid trim	2	$26.93	$53.86
Custom Project Materials	BNC Connector for LMR400 **BEARCAT SCANNER CONNECTOR**	1	$16.51	$16.51
EZ-400-NMH-X	Connector, N-Male Crimp Hex/Knurled Nut for LMR400, Non-Solder Pin	5	$22.34	$111.70
IS-50NX-C2	Flange Arrestor, N/F	2	$114.57	$229.14
WSGB-2X10-IS	Universal Ground Bar	2	$50.42	$100.84
Notes	**CUSTOMER TO PROVIDE GROUNDING LOCATION**			
RT-PM-B	Non-Penetrating Peak Roof Frame for 2 3/8 in to 4 1/2 in OD pipe, pipe not included	1	$1,220.00	$1,220.00
ROHFRMMAT	Anti-Skid Mat for FRM Mounts	2	$88.00	$176.00
Custom Project Materials	Custom materials necessary to complete project. including but not limited tomast, ground wire, pvc conduit pipe, clamps, cinder blocks, sealant, etc.	1	$625.00	$625.00
Custom Project Equipment	Boom Lift Rental, One Day, Delivered To Site and Picked Up	1	$1,304.00	$1,304.00

Communications Northwest
9510 SE Main St
Milwaukie OR 97222
United States

www.commnw.com

Quote

Quote #QU15217

Date:6/8/2026

This Quote Expires On: 7/8/2026

Item	Description	Quantity	Price	Total
506 - PREVAILING WAGE INTENT #	Prevailing Wage Intent filing is required. Intent: Sales Description ANTENNA AND BASE RADIO INSTALLATION Description of Services: RADIO SYSTEM BASE STATION ANTENNA Scheduling Contact Name: ALEX REESE Contact Email: AREESE@OSGOV.COM Contact Phone: 425-750-5680 Is this a Federally Funded Project (Y/N): N Any Subcontractors being utilized (Y/N): Y	1	$0.00	$0.00
504 - DOCUMENTATION	Prevailing Wage Intent Submittal and Documentation	1	$235.00	$235.00
316 - PREVAILING WAGE - WASHINGTON	PREVAILING WAGE-ON SITE INSTALLATION AND PREVAILING WAGE TRAVEL ESTIMATE (TWO TECHNICIANS, ELEVEN HOURS EACH ON SITE AND 12 HOURS TRAVEL)	34	$215.00	$7,310.00
Per Diem	Cost of Per Diem-Two Technicians Overnight	2	$250.00	$500.00
Notes	**LABOR PER EFJ NASPO CONTRACT 00318**			
Shipping Note	*Shipping and Handling to be determined and included in the invoice*			

Subtotal	$13,539.93
Tax Total (%)	$1,232.12
Total	$14,772.05

https://www.commnw.com/wp-content/uploads/2021/11/Terms-and-Conditions.pdf

A 3% credit card fee will be applied to all credit card transactions.