

May 31, 1996

Introduced By: BRIAN DERDOWSKI

Proposed No.:

96-498

ORDINANCE NO. **12368**

1
2 AN ORDINANCE adopting an interlocal
3 agreement between King County and the
4 King Conservation District relating to a
5 revolving fund loan program sponsored by
6 the Washington State Department of
7 Ecology to assist farmers in implementing
8 farm management practices to protect
9 water quality.

10 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

11 SECTION 1. There is hereby approved and adopted an
12 agreement between King County (the county) and the King
13 Conservation District (the district). With this agreement,
14 King County will assist the District with loan repayment to
15 the Washington State Department of Ecology (DOE). The state
16 revolving fund loan (loan #L9500013) is made to the district
17 for the purpose of funding a program that loans money to
18 farmers to implement farm management practices to protect
19 surface water quality by controlling manure and livestock.
20 In the case of farmer default on any loan from the district,
21 the district will look to the County to provide funds within
22 30 days of the county receiving notice of commencement of
23 foreclosure proceedings by the district against any farmer
24 who has defaulted. All loans to farmers will be secured with
25 a Deed of Trust and promissory note. All loans will be
26 prepared by Mt. Rainier National Bank of Enumclaw, Washington
27 using their normal credit checks for loans. Additionally,

1 the farm management practices to be implemented will be
2 included in farm management plans prepared by the district.

3 SECTION 2. The district shall be responsible for the
4 following:

5 1. Accept applications from farmers for loans.

6 2. Review loan applications for conformance to farm
7 plan requirements.

8 3. Forward applications to Mt. Rainier Bank for loan
9 review and processing of loan when applicable after their
10 review of all paperwork.

11 4. Send loan payment documents to DOE requesting
12 payment of the loan amount.

13 5. Administer project work and loan collection and make
14 payments to DOE according to schedule.

15 6. Request financial assistance from the County if a
16 farmer should default on his loan causing foreclosure
17 proceedings to begin for that particular farm.

18 7. Repay the County within 30 days of receiving funds
19 from a farmer whose property had been the subject of
20 foreclosure proceedings commenced by the District.

21 SECTION 3. King County shall guarantee repayment of the
22 district's loan from the DOE, within 30 days of receipt of
23 notice by the district of the district's commencement of a
24 foreclosure action upon a farmer. The county will distribute
25 funds to the district to cover repayment of that portion of
26 the district's loan from the DOE equal to the farmer's
27 default on the loan made to the farmer by the district using
28 DOE loan funds.

29 SECTION 4. The effective date of the agreement is the
30 date this agreement is signed by the district and the county.

1 This agreement terminates upon termination of the district's
2 agreement with DOE or the repayment of the loan by the
3 district to DOE.

4 SECTION 5. The records and documents of the parties
5 hereto with respect to all matters covered by this Agreement
6 shall be subject to inspection, review, or audit by the other
7 party and state officials so authorized by law during the
8 performance of this Agreement and six (6) years after
9 termination hereof.

10 The parties hereto shall provide right of access to
11 their facilities, including those of any subcontractors, to
12 each other and to state officials so authorized by law at all
13 reasonable times in order to monitor and evaluate the
14 services provided under this Agreement. The parties hereto
15 shall give advance notice to each other in the case of
16 performance or fiscal audits they may conduct.

17 The parties hereto shall cooperate with each other in
18 evaluations of their performance under this Agreement and
19 shall make available to each other all information reasonably
20 required by any such evaluation process. The results and
21 records of said evaluation shall be maintained and disclosed
22 in accordance with RCW 42.17.

23 SECTION 6. Each party hereto agrees to indemnify and
24 hold harmless the other party, its officers, agents and
25 employees for all claims (including demands, suits,
26 penalties, liabilities, damages, costs, expenses or loss of
27 any kind or nature whatsoever arising from or out of this
28 Agreement) to the extent such a claim arises or is caused by
29 the indemnifying party's own negligence or that of its

1 officers, agents or employees in performance of this
2 Agreement.

3 SECTION 7. Amendments to the terms of this Agreement
4 must be agreed to in writing by each party and be approved by
5 the Council and the District's Board of Supervisors.

6 SECTION 8. The parties hereto agree that this Agreement
7 is a complete expression of the terms hereto and any oral or
8 written representations or understanding not incorporated
9 herein are excluded.

10 INTRODUCED AND READ for the first time this 10th
11 day of June, 1996

12 PASSED by a vote of 11 to 0 this 1st day of
13 July, 1996.

14 KING COUNTY COUNCIL
15 KING COUNTY, WASHINGTON

Lenie Miller

16 VICE Chair
17

18 ATTEST:

19 Donald A. Peterson
20 Clerk of the Council

21 APPROVED this 12th day of July, 1996.

22 Ray Locke
23 King County Executive

24
25 Attachment: Farms for Clean Water Interlocal Agreement
26 between King County and King Conservation District

Interlocal Agreement
between
King Conservation District
and
King County

Pursuant to RCW 39.34 and RCW 89.08.341, this agreement (the Agreement) is entered into by and between King Conservation District, a governmental subdivision of the State of Washington (the District) and King County (the County).

WHEREAS, the district was established pursuant to RCW 89.08 in order to protect natural resources in the County; and

WHEREAS, in its 45 years of existence, the District has developed both expertise in the management of farms to protect these natural resources and a reputation among farmers as an organization that understands and appreciates their needs; and

WHEREAS, the District also has expertise that could be applied to urban areas in the County; and

WHEREAS, the District's relationships with the Natural Resources Soil Conservation Service of the U.S. Department of Agriculture and other federal and state agencies strengthen its abilities to protect natural resources in the County; and

WHEREAS, the County has an interest in protecting the quality of its water to enhance human health and the health of its aquatic and riparian habitats, and will be obligated under its National Pollution Discharge Elimination System permit to do so; and

WHEREAS, the County's Sensitive Areas Ordinance and Zoning Code include provisions that assign certain responsibilities to the District to help farmers bring their farming practices into compliance with water quality standards; and

WHEREAS, the County has a variety of programs that relate to farm practices and the preservation of natural resources that are best implemented in cooperation and coordination with the District; and

WHEREAS, the County and the District wish to work cooperatively to improve the quality of water in the County and to assist landowners to comply with laws and regulations that protect the quality of the County's water; and

WHEREAS, the District has entered into an agreement with the Washington State Department of Ecology (DOE) to accept a \$300,000 loan that will be used to finance loans by the District to farmers to implement farm management practices to protect surface water quality by controlling manure and livestock; and

WHEREAS, the District needs the County's loan guarantee to ensure that there is not a cash flow problem with the loan program,

NOW, THEREFORE, in consideration of the mutual promises, benefits and covenants contained herein, the parties hereto agree as follows:

I. PURPOSE

The purpose of this agreement is to assist the District with financial management of a state revolving fund loan (loan #L9500013) to the District by the Washington State Department of Ecology (DOE) for the purpose of funding a program that loans money to farmers to implement farm management practices to protect surface water quality by controlling manure and livestock. The loan amount from the DOE is \$300,000 as outlined in detail in the attached agreement between the DOE and the District.

The requested financial management of the County under this agreement is to assist the District with loan repayment to DOE in the case of farmer default on any loan from the District. The District will look to the County to provide funds within 30 days of the county receiving notice of commencement of foreclosure proceedings by District against any farmer who has defaulted. All loans to farmers will be secured with a Deed of Trust and promissory note. All loans will be prepared by Mt. Rainier National Bank of Enumclaw, Washington using their normal credit checks for loans. Additionally, the farm management practices to be implemented will be included in farm plan prepared by the District.

II. RESPONSIBILITIES OF THE PARTIES

A. THE DISTRICT

1. Accept applications from farmers for loans.
2. Review loan applications for conformance to farm plan requirements.
3. Forward applications to Mt. Rainier Bank for loan review and processing of loan when applicable after their review of all paperwork.
4. Send loan payment documents to DOE requesting payment of the loan amount.
5. Administer project work and loan collection and make payments to DOE according to schedule.
6. Request financial assistance from the County if a farmer should default on his loan causing foreclosure proceedings to begin for that particular farm.
7. Repay the County within 30 days of receiving funds from a farmer whose property had been the subject of foreclosure proceedings commenced by the District.

B. KING COUNTY

1. Guarantee repayment of the District's loan from the DOE, in the manner specified in paragraph 2 below.
2. Within 30 days of receipt of notice by the District of the District's commencement of a foreclosure action upon a farmer, the county will distribute to the District funds to cover repayment of that portion of the District's loan from the DOE equal to the farmer's default on the loan made to the farmer by the District using DOE loan funds.

III. EFFECTIVE DATE AND DURATION

The effective date of the agreement is the date this agreement is signed by the District and King County. This agreement terminates upon termination of the District's agreement with DOE or the repayment of the loan by the district to DOE.

IV. AUDITS AND EVALUATION

A. The records and documents of the parties hereto with respect to all matters covered by this Agreement shall be subject to inspection, review, or audit by the other party and state officials so authorized by law during the performance of this Agreement and six (6) years after termination hereof.

B. The parties hereto shall provide right of access to their facilities, including those of any subcontractors, to each other and to state officials so authorized by law at all reasonable times in order to monitor and evaluate the services provided under this Agreement. The parties hereto shall give advance notice to each other in the case of performance or fiscal audits they may conduct.

C. The parties hereto shall cooperate with each other in evaluations of their performance under this Agreement and shall make available to each other all information reasonably required by any such evaluation process. The results and records of said evaluation shall be maintained and disclosed in accordance with RCW 42.17.

V. NONDISCRIMINATION

Each party hereto agrees to indemnify and hold harmless the other party, its officers, agents and employees for all claims (including demands, suits, penalties, liabilities, damages, costs, expenses or loss of any kind or nature whatsoever arising from or out of this Agreement) to the extent such a claim arises or is caused by the indemnifying party's own negligence or that of its officers, agents or employees in performance of this Agreement.

VI. AMENDMENTS

Amendments to the terms of this Agreement must be agreed to in writing by each party and be approved by the King County Council and the District's Board of Supervisors.

VII. ENTIRE CONTRACT

The parties hereto agree that this Agreement is a complete expression of the terms hereto and any oral or written representations or understanding not incorporated herein are excluded.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the _____ day of _____, 19_____.

King Conservation District

King County

Chair,
Board of Supervisors

King County Executive

Approved as to Form:

Approved as to Form:

Assistant Attorney General

Deputy Prosecuting Attorney