

TOWN OF BASIN – Agenda

Thursday, September 25, 2025

Regular Council Meeting – Town Hall @ 7:00 PM

Call to Order Regular Session

Pledge of Allegiance

1. Public Comments: The Town Council welcomes input from the public. For everyone to be heard, please limit your comments. No action will be taken on public comments at this meeting.
2. Committees/Commissions/Departments
 - Rec District
 - Activities Committee
 - Town Beautification
 - South Big Horn County Joint Powers Board
 - Big Horn Regional Joint Powers Board
3. Building/Demolition Permits:
 - Ricky Hoffman – 608 S 5th St: Building a new fence and on the back half of the property using woven wire and wooden posts and replace window that is existing.
 - Dallman Properties, LLC – 510 W F St: Shed on skids.
4. Executive Session: If requested.
5. Approve Consent Agenda/Additions/Deletions
6. Conduct of Business:
 - Basin City Arts Center
 - Ordinance Clarification – Mobile vs Manufactured Homes (update of conflicting sections)
 - Local Government Annual Report Summary FYE 06/30/2025 (F-66 City & Town)
 - Boat dock
 - Workshop 10/02/2025 – Ayres (4 to 6 p.m.)
 - Sewer Project
 - USDA Letter of Conditions, Letter of Intent, Request for Obligation.
 - AVI
7. Public Comments: The Town Council welcomes input from the public. For everyone to be heard, please limit your comments. No action will be taken on public comments at this meeting.
8. Executive Session: If requested.



TOWN OF BASIN

BUILDING PERMIT APPLICATION

209 SOUTH
PO BOX 599
BASIN, WYOMING 82410

4th STREET

TEL 307-568-3331
FAX 307-568-9352
www.thetownofbasin.com

DATE: 9/15/25

PERMIT NO: _____

JOB ADDRESS <u>608 S 5th St Basin WY 82410</u>						
ZONING DISTRICT:						
OWNER: <u>Ricky Hoffman</u>						
MAILING ADDRESS <u>PO Box 263 Basin WY 82410</u>						
POINT OF CONTACT <u>Ricky Hoffman</u>				Phone # <u>307-851-2780</u>		
BUILDING SET BACKS	FRONT	SIDE	SIDE	REAR	BUILDING DIMENSIONS	LENGTH WIDTH
BASEMENT	YES	FOUNDATION:	CONCRETE	ROOF: Comp		
	NO		BLOCK	Builtup		
CLASS OF WORK	<input type="checkbox"/> NEW	<input type="checkbox"/> ADDITION	<input type="checkbox"/> DEMOLITION	<input type="checkbox"/> REPAIR	<input type="checkbox"/> MOVE	<input checked="" type="checkbox"/> FENCE
USE OF BUILDING						
Describe work: (plans) <u>Building a new fence on the back half of the Property using Woven wire and wooden posts + Replace window that is existing</u>						
Valuation of work \$ <u>750.00</u>						
REMARKS AND SPECIAL CONDITIONS <u>Corner Markers identified - Copy of Ordinances Left w/ customer.</u>						

AGREEMENT

This permit becomes null and void if work or construction authorized is not commenced within 120 days, or if construction or work is suspended or abandoned for a period of 365 days at any time after work is commenced.

The undersigned hereby agrees that the proposed work shall be done in accordance with the plans and specifications and statement herewith submitted and in conformity with the provisions of the town ordinances pertaining to the erection of buildings in the Town of Basin, Wyoming. Demolition work to be completed in 30 days unless otherwise noted under remarks.

PLANS CHECK BY:	PERMIT FEE: \$
<u>Ricky Hoffman</u>	<u>9/15/25</u>
APPLICANT	DATE
<u>Jay Hain</u>	<u>9/23/25</u>
BUILDING OFFICIAL	DATE

11-2-4-11 BULK REGULATIONS BY ZONING DISTRICTS.

Zone	Street Setback	Alley Setback	Other Lot Line Setbacks	Maximum Building Height
Residential	15'	5'	5'	35'
Mixed Residential	15'	5'	5'	35'
Rural Residential	10'	5'	5'	35'
Mixed Use	10'	5'	5'	35'
Downtown	0'	5'	0'	35'
Commercial	0'	5'	0'	35'
Railroad Commercial	0'	5'	0'	56'
Institutional	None	None	None	56'
Industrial	20'	5'	0'	56'

11-2-1 ZONING DISTRICTS.

The Town of Basin is hereby divided into the following zoning districts as shown below. These zoning districts are created in order to promote the orderly development of land within the Town of Basin.

District	District Intent	Reference
Residential (R)	Provides an area for residential development and compatible uses at a density designed to promote efficiency in the delivery of essential services.	11-2-4-2
Mixed Residential (MR)	Provides an area for residential, multiple-family residential and manufactured housing development and compatible uses designed to promote efficiency in the delivery of essential services.	11-2-4-3
Rural Residential (RR)	Provides areas of low-density development and low-density uses to preserve a predominantly rural residential and agricultural character.	11-2-4-4
Mixed Use (MU)	Provides an area that provides a transitional use between commercial and established residential uses.	11-2-4-5
Downtown (D)	Provides an area of commercial, public and residential that would retain much of its present physical character, which are predominantly older and historic buildings arranged in a traditional pattern.	11-2-4-6
Commercial (C)	Provides placement of retail, service and wholesale providers and similar businesses in the areas where central services are available.	11-2-4-7
Railroad Commercial (RC)	Provides an area for the placement of commercial establishments along the railroad corridor.	11-2-4-8
Institutional (IL)	Provides areas for the placement of educational, health and governmental operations in a manner designed to accommodate their unique physical development needs.	11-2-4-9
Industrial (I)	Provides areas for wholesale activities warehouses and industrial operations such as manufacturing, assembly and fabrication activities whose external physical effects will be felt by some degree of surrounding properties.	11-2-4-10



TOWN OF BASIN

BUILDING PERMIT APPLICATION

209 SOUTH 4th STREET
PO BOX 599
BASIN, WYOMING 82410

TEL 307-568-3331
FAX 307-568-9352
www.thetownofbasin.com

DATE: 9-18-25

PERMIT NO: _____

JOB ADDRESS					
<u>510 W F St</u>					
ZONING DISTRICT:					
OWNER:					
<u>Dallman Properties LLC</u>					
MAILING ADDRESS					
<u>3560 Shone River DR.</u>					
<u>Cody WY 82414</u>					
POINT OF CONTACT <u>Kyle Dallman</u>				Phone # <u>3078990864</u>	
BUILDING SET BACKS	FRONT	SIDE	SIDE	REAR	BUILDING LENGTH WIDTH DIMENSIONS
BASEMENT	YES	FOUNDATION:	CONCRETE	ROOF: Comp	
	NO		BLOCK	Builtup	
CLASS OF WORK <input type="checkbox"/> NEW <input type="checkbox"/> ADDITION <input type="checkbox"/> DEMOLITION <input type="checkbox"/> REPAIR <input type="checkbox"/> MOVE <input type="checkbox"/> FENCE					
USE OF BUILDING					
<u>Shed on sheds</u>					
Describe work: (plans)					
Valuation of work \$ <u>10000</u>					
REMARKS AND SPECIAL CONDITIONS <u>Over 200ft² - needs to follow setbacks.</u>					

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PLANS CHECK BY:	PERMIT FEE: \$
<u>[Signature]</u>	<u>9-18-25</u>
APPLICANT	DATE
<u>[Signature]</u>	<u>9/23/25</u>
BUILDING OFFICIAL	DATE

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Institutional (IL)	Provides areas for the placement of educational, health and governmental operations in a manner designed to accommodate their unique physical development needs.	11-2-4-9
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Title 8. Building Regulations

Chapter 8-3. BUILDING INSPECTOR—PERMITS

§ 8-3-9. MOBILE/MANUFACTURED HOME.

Mobile/manufactured homes that are older than June 15, 1976, will not be permitted anywhere within the Town of Basin. Existing mobile/manufactured homes shall be considered as grandfathered and will be allowed unless or until they are considered a health and safety problem. Once a mobile/manufactured home is removed from the property, the property can no longer be occupied by a mobile/manufactured home unless it is of the appropriate age and if otherwise permitted within the area. Any and all mobile/manufactured homes located within the Town of Basin must have an affixed manufacturer's certification as outlined in the Code of Federal Regulations Title 24, Section 3280.11 indicating that they comply with the United States Department of Housing and Urban Development's manufactured home construction and safety standards.

(Ord. 581, 2-1-2010)

§ 11-1-5. DEFINITIONS.

As used in this title, the following words and terms shall have the meanings ascribed to them in this section:

Adjacent: All properties direction contiguous to a parcel under consideration as well as to any properties separated from said parcel by a public way.

Adjoining: All properties contiguous to or abutting another property; properties on opposite sides of a street or alley are not considered as adjoining.

Adult Use: Retail and/or entertainment establishments primarily engaged in offering adult entertainment and/or the sale of sexually explicit materials, including adult book and video stores, strip clubs, establishments featuring nude dancers, and similar uses.

Amendment: An amendment is a change in the zoning ordinance or map. An amendment may be initiated by a landowner, the governing body or the planning commission.

Average Lot Size: The sum of the land area of land within the lots in a subdivision divided by the number of lots in the subdivision, not counting any land or lots dedicated for streets, parks or other public uses.

Bed and Breakfast Inn: An owner-occupied, single-family dwelling where short-term lodging is provided through the rental of no more than four individual rooms to the general public.

Boulevard: The portion of the street right-of-way between the curb line and the property line.

Building Height: The vertical distance of a building measured from the average elevation of the finished grade surrounding the buildings to the highest point of the building. Air conditioners, chimneys, church spires and steeples, mechanical equipment and similar appurtenances are exempt from building height restrictions.

Building Permit: A certificate issued by the town council or an authorized agent, authorizing both the use of land in the town pursuant to the requirements of this Code and construction activity consistent with the applicable building code.

Commercial: Land uses involving the purchase, sale or other transaction involving the handling or disposition of any article, substance, commodity, or service for livelihood or profit, or the ownership or management of office buildings, offices, recreational or amusement enterprises, or maintenance and use of offices by professionals.

Conditional Use: A land use or development that may be allowed only after an in-depth review procedure and with appropriate restrictions or conditions as provided by this Zoning Code upon a finding that standards and criteria stated in this Code will be satisfied. A conditional use must be compatible with the existing neighborhood.

Construction: Includes any addition expanding the lot coverage or height of any building as well as to the erection of new buildings and shall further apply to the development of parking lots or establishment of other land uses that lack buildings.

Council: Unless otherwise indicated, the Town Council of the Town of Basin.

Deq: The Wyoming Department of Environmental Quality or it's successors.

Destruction: The ruination of a building or structure by accident, fire, flood, wind or similar event

where the cost of repair or reconstruction equals or exceeds 50% of the market value of the structure before the damage occurred.

Development Plan: A plan which serves as a basis of discussion between the Planning Commission and a developer. It should be sufficient clarity and detail to fully determine compliance with the provisions of this title but should, also, be subject to change in response to recommendations of the Planning Commission.

Easement: A grant or conveyance by an owner of real property of a right to use the owner's real property for a specific purpose.

Essential Services: The erection, construction, alteration or maintenance by local governmental units or franchisees of underground, surface, or overhead utilities, including gas, electric, fuel or water transmission and distribution system collection, communication supply or disposal system, and including towers, poles, wires, mains, drains, sewers, pipes, conduits, cables, fire alarm and police call boxes, traffic signals, hydrants and similar equipment in connection therewith, but not including buildings, which are necessary for the furnishing of adequate service by such utilities or municipal departments for the general health, safety or welfare.

Facility: Any material, structure or object of any kind or character, whether enumerated herein or not, which is or may be lawfully constructed, left, placed or maintained in, upon, along, across, under or over any public place.

Farm Animal: Any animal other than a dog or cat normally kept outside of a dwelling unit. Farm animals include, but are not limited to, chickens, cows, geese, goats, horses, lamas, and pigs. Keeping farm animals is an agricultural use.

Frontage: The length of a property abutting on one side of a street measured along the street line.

Half Street: A public right-of-way having only half of the width required by the subdivision design requirements.

Home Occupation: Any use conducted entirely within a dwelling and carried on by the inhabitants thereof, which use is clearly incidental and secondary to the use of the dwelling purposed and does not change the character thereof. There shall be no window display or other public display of any material or merchandise in connection with any home occupation. No sign shall be displayed on the premises advertising the occupation carried on in the home except one sign which shall not be more than two square feet in area, and which shall be attached to the house.

Hotel/Motel: Any building or portion thereof where lodging is offered to transient guests for compensation and in which there are more than four sleeping rooms. Kitchenettes are okay.

Industrial: Land uses involving the manufacture, fabrication, processing, reduction or destruction of any article, substance or commodity, or any other treatment thereof in such a manner to change the form, character, or appearance thereof, and including storage elevators, truck storage yards, warehouses, wholesale storage and other similar types of enterprises.

Institutional Uses: Group homes, day care centers, hospitals, nursing homes, convalescent homes, retirement homes and similar uses.

Interim Uses: A temporary use of property until a particular date, until a particular event, or until zoning regulations no longer permit it. Interim use permits are not recorded and do not run with the land upon transfer. All interim uses shall conform to standards listed in the interim use section

of the Code.

Land Use Permit: A permit issued by the town council or its authorized agent authorizing the use of land pursuant to the requirements of this Code.

Lot: A numbered or otherwise described tract of land designated on a recorded deed of conveyance, plat and/or subdivision plat, and separated from other tracts, parcels or portions for the purpose of development or for the transfer of ownership, exclusive of public rights-of-way or private road easements that are recorded with the county clerk.

Manufactured Home: A structure, transportable in one or more dependent sections, constructed in conformance with the National Manufactured Housing Construction and Safety Standards Act (42 U.S.C. 5401 et seq., as amended), which is built on a permanent chassis and designed to be used as a single-family residential dwelling unit. See also definition of Mobile Home.

Manufactured Home Park: An area occupied by three or more manufactured homes or mobile home spaces. A manufactured home park is distinguished from a subdivision, in which lots are sold for the placement of manufactured homes, by it being in one ownership.

Mobile Home: A structure, transportable in one or more sections, designed for use as a single-family residential dwelling unit, built on a permanent chassis, that was constructed prior to July 13, 1994 or is lacking certification of compliance with the National Manufactured Housing Construction and Safety Standards Act. Such a structure shall be considered to be a mobile home, whether or not the wheels originally mounted have been removed, and whether or not the structure has been placed upon a permanent foundation. A "trailer house" is the same as a mobile home. See also definition of Manufactured Home.

Modular Construction: A structure, transportable in one or more dependent sections, designed for use as a single-family residential dwelling unit, not built on a permanent chassis, capable of being transported from the place of fabrication to the site on which it is to be erected, where it is placed on a permanent foundation when assembled.

Nonconforming Use: Any pre-existing structure or land use which is inconsistent with the provisions of this Code.

Pasture: Areas where grass or other growing plants are used for grazing and where the concentration of animals is such that a vegetation cover is maintained during the growing season except in the immediate vicinity of temporary supplemental feeding or watering devices.

Plat: A map or drawing which graphically delineates the boundary of the land parcels for the purpose of identification and record of title. The plat is a recorded legal document and must conform to the law.

Practical Difficulties: "Practical difficulties," as used in connection with the granting of a variance, means that the property owner proposes to use the property in a reasonable manner not allowed by the zoning ordinance; the plight of the landowner is due to circumstances unique to the property not created by the landowner; and the variance, if granted, will not alter the essential character of the locality. Economic considerations alone do not constitute practical difficulties.

Public Parks: A park, reservation, playground, or recreation or community center in which the community owned, leased, or used wholly in part of a town, county, state, school district, or federal government for recreational purposes.

Public Uses and Facilities: Public and quasi-public buildings, structures, and land uses operated by a governmental agency or non-profit community organization including non-residential schools, churches, meeting halls, parks, athletic fields, and governmental offices.

Setbacks: The shortest straight line distance between the outer extremity of a structure and property line.

Special Exemption: A certain use as listed in this Code which may be harmonious under special conditions and its specific locations within a zone, but may not be allowed under the general conditions of the zone as stated in this code. A special exemption must be authorized by town council after appropriate findings.

Tree: An object of natural growth.

Townhouse: An attached, privately owned single-family dwelling unit which is a part of and adjacent to other similarly owned single-family dwelling units that are connected to but separated from one another by a common party wall having no doors, windows, or other provisions for human passage or visibility.

Variance: Relief from certain provisions of this Code, when due to the particular physical surroundings, shape or topographical condition of the property, compliance would result in a practical difficulty upon the property owner. A variance should not be used to permit a use in a district where it is not allowed under the terms of this Code.

(Ord. 685, 11-12-2020)

Title 11. Zoning Regulations

Chapter 11-4. ADDITIONAL PROVISIONS

§ 11-4-4. MOBILE AND MANUFACTURED HOMES.

- A. Mobile or manufactured homes that are older than July 13, 1994, will not be allowed anywhere into the Town of Basin. Existing mobile/manufactured homes that are older shall be considered as grandfathered as of the effective date of this title and will be allowed unless or until they are considered a health and safety nuisance/problem. At such time that a mobile/manufactured home is removed from the property, the property can no longer be occupied by a mobile/manufactured home unless it is of the appropriate age and if otherwise allowed within the area. Any and all mobile or manufactured homes located within the Town of Basin must have an affixed manufacturer's certification as outlined in the Code of Federal Regulations Title 24, Section 3280.11.
- B. All mobile/manufactured home parks shall conform to subdivision standards per Title 10 (Subdivision Code) and applicable state standards. No compliance permit shall be issued prior to DEQ approval of the plans and specifications.

(Ord. 685, 11-12-2020)

Local Government Annual Report Summary FYE 06/30/2025

For Towns under 4,000 population

Due Date for Filing: September 30, 2025

Town Name:

Town of Basin

County: Big Horn

Return to:

Department of Audit, Public Funds

Email: doa-pfd-web@wyo.gov

Address: Hathaway Building, 2nd Floor

2300 Capitol Avenue

Cheyenne, WY 82002

For additional information on this report, see Administrative Rules on file for Department of Audit, Public Funds Division, at the office of the Wyoming Secretary of State (<https://rules.wyo.gov>)

If the Town is engaging a CPA firm to provide an audit or review for FYE 06/30/2025, list the firm name below. The completed audit report is due for submission to the Department of Audit, Public Funds Division, by December 31, 2025:

Enter name of CPA firm James Reilly, CPA, P.C.

CPA Contact James Reilly, CPA, P.C.

Date Engaged 07/10/2025

(STOP! Skip sections A & B and complete section C only)

Section A – Internal Control Evaluation and Self Audit: Required to be completed by all Level A towns (total revenues received or total expenditures made are \$100,000 or more) unless the Town is engaging a CPA firm as indicated above.

Documentation is required to be submitted with this report.

Section B – Proof of Cash: Required to be completed by all towns unless the Town is engaging a CPA firm as indicated above.

Documentation is required to be submitted with this report. This includes a proof of cash for all cash and investment bank accounts (including certificates of deposit, Wyo-Star accounts, etc.) for the entire fiscal year. A separate proof of cash is required for each bank account.

Section C – Certification of Officials: To be completed by all towns.

I certify to the best of my knowledge that the information presented in the Annual City and Town Financial Report (Census Report).

Official Signatures

(reports missing any information listed below will not be accepted as submitted)

Town Treasurer signature:

Treasurer print name:

Date:

Email:

Telephone:

Town Mayor signature:

Mayor print name:

Date:

Email:

Telephone:

Chapter 10 – Public Officer Training Form W.S. 9-1-510(a)

Public Officer Training Form Is Not Required If No One Has Received Training

Instructions: This form is to verify with the Department of Audit those Public Officers who have completed an approved training course. Below is a list of degrees or professional training which meet the minimum training requirements, if obtained, please list the corresponding code in the "Certification/Degree" line. If not, list other authorized course completed. Then, have the Public Officer sign in the appropriate signature line. The organization head needs to sign the bottom signature line attesting to the accuracy.

(A1) - Bachelor's degree in accounting or finance	(A2) - Master's degree in accounting or finance
(A3) - Certified Public Accountant (CPA)	(A4) - Certified Internal Auditor (CIA)
(A5) - Certified Management Accountant (CMA)	(A6) - Certified Government Financial Manager (CGFM)

Public Officer Name: CJ Duncan Certification/Degree: _____

Authorized Course: Public Officer Training - Wyoming Department of Audit 08/23/2023

Signature: _____

Public Officer Name: Brent Godfrey Certification/Degree: _____

Authorized Course: Public Officer Training - Wyoming Department of Audit 08/23/2023

Signature: _____

Public Officer Name: Chuck Hopkin Certification/Degree: _____

Authorized Course: Public Officer Training - WAM 02/21/2024

Signature: _____

Public Officer Name: Linda Weeks Certification/Degree: _____

Authorized Course: Public Officer Training - WAM 01/2025

Signature: _____

Public Officer Name: Mike Dellos Certification/Degree: _____

Authorized Course: _____

Signature: _____

Public Officer Name: Deaun Tigner Certification/Degree: _____

Authorized Course: Public Officer Training - Wyoming Department of Audit 08/23/2023

Signature: _____

Public Officer Name: _____ Certification/Degree: _____

Authorized Course: _____

Signature: _____

***By signing below, each organization, under penalty of perjury, certifies that the information above is accurate and complete to the best of their ability.

Signature: _____ Date: _____

September 24, 2025

Town of Basin
P.O. Box 599
Basin, WY 82410

SUBJECT: Letter of Conditions
Recipient Name: Town of Basin
Project Name: Sewer Phase II Cost Overrun
CFDA NUMBER - 10.760 – Water and Waste Disposal Systems

Agency Loan 2025:	\$1,881,000.00
Agency Loan 2018:	\$835,000
Agency Grant 2018:	\$1,412,000.00
Applicant:	\$477,553.00

Dear Mayor Duncan:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. The loans and grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA Rural Development (RD), both of which are referred to throughout this letter as the Agency. Any changes in project cost, source of funds, scope of project, or any other significant changes in the project or applicant must be reported to and concurred with by the Agency by written amendment to this letter. This includes any significant changes in the Applicant's financial condition, operation, organizational structure or executive leadership. Any changes made without Agency concurrence shall be cause for discontinuing processing of the application.

This letter does not constitute loan approval, nor does it ensure that funds are or will be available for the project. The funding is being processed on the basis of a loan not to exceed \$1,881,000.00. The loan will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds" is signed by the Agency approval official.

The applicant will ensure projects are completed in a timely, efficient, and economical manner. You must meet all conditions set forth under Section III – Requirements Prior to Advertising for Bids within 1 year of this letter.

If you do not meet the conditions of this letter, the Agency reserves the right to withdraw Agency funding.

If you agree to meet the conditions set forth in this letter and desire further consideration be given to your application, please execute and return the following forms within 2 days:

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

Form RD 1940-1, "Request for Obligation of Funds"

All parties may access information and regulations referenced in this letter at our website located at: [Water and Environmental Programs | Rural Development \(usda.gov\)](https://www.usda.gov/water-and-environmental-programs/rural-development)

The conditions are as follows:

SECTION I - PROJECT SCOPE

1. Project Description – Funds will be used to complete Phase II - Sewer Lagoon construction. This loan is a supplement to initial Phase II funding. All terms in the Letter of Conditions dated 3/14/2018 and associated amendments remain unchanged.

Facilities will be designed and constructed in accordance with sound engineering practices and must meet the requirements of Federal, State, and local agencies. The proposed facility design must be based on the Preliminary Engineering Report (PER), prepared by AVI amended 10/21/2023, as concurred with by the Agency.

2. Project Funding – The Agency is offering the following funding for your project:

Agency Loan 2018 -	\$ 835,000.00
Agency Grant 2018	\$ 1,412,000.00
Agency Loan 2025	\$ 1,881,000.00

This offer is based upon the following additional funding being obtained.

Applicant Contribution - \$ 477,553.00

TOTAL PROJECT COST - \$ 4,605,553.00

Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Prior to loan closing, any increase in non-Agency funding will be applied first as a reduction to Agency grant funds, up to the total amount of the grant, and then as a reduction to Agency loan funds. As the funding awarded in 2018 is beyond the required expenditure date, these funds will be injected into the project first, followed by applicant contribution and the funds awarded in 2025.

The applicant must certify that they have exhausted all other funding avenues and have no pending funding considerations from any other sources. Further, the applicant must certify that they do not intend to apply anywhere else for funding for this project. If, after obligation of Agency funds, other funding becomes available, the Agency reserves the right to deobligate any, and all funding for this project and to re-underwrite. This may result in the offering of a different funding package to for this project.

Prior to advertisement for construction bids, you must provide evidence of applicant contributions and other funding sources. This evidence should include a copy of the commitment letter. Agency funds will not be used to pre-finance funds committed to the project from other sources.

3. Project Budget – Funding from all sources has been budgeted for the estimated expenditures as follows:

<u>Project Costs:</u>	<u>Total Budgeted:</u>
Development	\$3,607,647.00
Contingency	\$ 433,331.00
Engineering Fees	\$ 484,575.00
Includes:	
Design	\$287,075.00
Construction Administration	\$197,500.00
Interest - Interim	\$ 50,000.00
Legal Fees - Bond Counsel	\$ 30,000.00
 TOTAL	 \$4,691,786

Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. **Obligated loan and/or grant funds not needed to complete the proposed project defined in the Project Scope will be deobligated. Any reduction will be applied to Agency grant funds first. Project Costs also include Contingency funds, which are to only be used to cover unexpected costs within the scope of the approved project and not expand the scope of the project if funds remain at completion.** If actual project costs exceed the project cost estimates, an additional contribution by the Owner may be necessary. An “Amended Letter of Conditions” will be issued for any significant changes to the total project budget.

4. Project Timeline – To ensure that the project proceeds in a timely manner, key processing milestones have been established in accordance with the PER or other Agency approved documentation. **Project should be completed and all Agency funds fully disbursed within three years of obligation.**

By accepting the terms outlined herein, you agree to adhere to the milestones specified below. If one or more of the milestones cannot be met, you must submit a written extension request to the Agency 30 days in advance, or no less than 10 calendar days before the referenced date.

Should your final payment date extend beyond three years from the obligation date, a written request must be submitted following the procedures outlined in Section VI of this letter, with a minimum of 90 days’ notice before the benchmark date. The request must provide valid justification for the delay and include a revised project completion schedule. If the Agency concurs with the modification, written confirmation will be provided. The Agency reserves the

right to de-obligate loan and/or grant funds, or take other appropriate action, if the established or amended deadlines are not met.

Milestone	Date
Award Contract(s)	9/30/2025
Commencement of Construction Contract(s)	12/1/2025
Substantial Completion	9/30/2028
Final Payment	10/31/2028

SECTION II – RATES & TERMS

5. Interest Rates and Loan Terms – The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing, unless you request otherwise. Should the interest rate be reduced, the payment will be recalculated to the lower amount. The payment due date will be established as the day that the loan closes.

Your loan will be scheduled for repayment over a period of 40 years. Payments will be equal annual amortized installments, beginning one year after closing. For planning purposes, use a 3.125% interest which provides for an annual payment of \$83,047.00. The precise payment amount will be based on the interest rate at which the loan is closed and may be different than the one above.

6 Security – The loan will be secured by a Revenue bond with first lien position in the amount of \$1,881,000.00. The bond will be fully registered both in principal and interest under the name of the “United States of America, Acting through the United States Department of Agriculture.” Bond Counsel will be utilized in preparation of these documents.

The bond and any ordinance or resolution relating thereto must not contain any provision in conflict with the Agency Loan Resolution, applicable regulations, or associated laws. There must be no defeasance or refinancing clause in conflict with the graduation requirements of 7 U.S.C. 1983.

Additional security requirements are contained in RUS Bulletin 1780-27, “Loan Resolution (Public Bodies) and/or RUS Bulletin 1780-12, “Water and Waste System Grant Agreement”. A draft of all security instruments, including draft bond resolution, must be reviewed and concurred by the Agency prior to advertising for bids. Bond/loan resolutions must be duly adopted and executed prior to loan closing. The recipient may not transfer, sell or encumber the facility without Agency approval.

7. Reserves – Reserves must be properly budgeted and set aside to maintain the financial viability and sustainability of any operation. Reserves are important to fund unanticipated emergency repairs, to assist with debt service should the need arise, and for the replacement of assets which have a useful life less than the repayment period of the loan. The following reserves are required to be established as a condition of this loan:

- a. **Debt Service Reserve** – As a part of this Agency loan proposal, you must establish a debt service reserve fund equal to at least one annual loan installment that accumulates at the rate of 10% of one annual payment per year for ten years or until the balance is equal to one annual loan payment. For planning purposes, 10% of the proposed loan installment would equal \$692.06 per month; this amount should be deposited monthly until a total of \$83,047.00 has accumulated. Prior written concurrence from the Agency must be obtained before funds may be withdrawn from this account during the life of the loan. When funds are withdrawn during the life of the loan, deposits will continue as designated above until the fully funded amount is reached.
- b. **Short-Lived Asset Reserve** – As detailed in previous Letter of Conditions dated March 14, 2018.

SECTION III – REQUIREMENTS PRIOR TO ADVERTISING FOR BIDS

8.) Organization – The Bond Counsel transcripts of proceedings must show that your organization is a duly incorporated public body and has continued legal existence. Your organization must have the authority to own, construct, operate, and maintain the proposed facility, as well as for borrowing money, pledging security and raising revenues.

9. Suspension and Debarment Screening – You will be asked to provide information on the principals of your organization. Agency staff must conduct screening for suspension and debarment of the entity, as well as its principals through the Do Not Pay Portal.

Principal –

- i. An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or
- ii. A consultant or other person, whether or not employed by the participant or paid with federal funds, who –
 1. Is in a position to handle federal funds;
 2. Is in a position to influence or control the use of those funds; or,
 3. Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction. (2 CFR §180.995)

If the Agency staff is unable to confirm if any of the matches belong to the principal, the staff will request the Social Security Number (SSN), or at a minimum the last four digits of the SSN, to determine if the principal is suspended or debarred.

10. Uniform Guidance Procurement Standards Requirements - In accordance with 2 CFR Part 200, you must adopt and follow a procurement policy that follows the Uniform Guidance and implement internal control processes and procedures to ensure compliance with the adopted policy. (2 CFR §200.318)

11. Environmental Requirements –

The project, as proposed, has been evaluated to be consistent with the National Environmental Policy Act. Other Federal, State, tribal, and local laws, regulations and/or permits may apply or be required. If the project or any project element deviates from or is modified from the originally approved project, additional environmental review may be required.

12. Engineering Services – You have been required to complete an Agreement for Engineering Services, which should consist of the Engineers Joint Contract Documents Committee (EJCDC) documents as indicated in RUS Bulletin 1780-26, “Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance,” or other approved form of agreement. The Agency will provide concurrence prior to advertising for bids and must approve any modifications to this agreement.

13. Contract Documents, Final Plans, and Specifications- All development will be completed by contract in accordance with applicable provisions of RUS Instruction 1780, Subpart C – Planning, Designing, Bidding, Contracting, Constructing and Inspections, (copy available upon request), and in compliance with all statutory requirements. You are responsible to share this with your engineer before pre-design.

- a. The plans and specifications and all proposals required by law must be approved by Wyoming Department of Environmental Quality.
- b. In preparing final design and providing service to the planned project area, you and your engineer will comply with all zoning and planning requirements of the appropriate governing bodies where service is to be provided.
- c. The Agency will need to concur in the plans and specifications prior to advertising for bids. The Agency may require an updated cost estimate if a significant amount of time has elapsed between the original project cost estimate and advertising for bids.
- d. The use of any procurement method other than competitive sealed bids must be requested in writing and approved by the Agency.
- e. The contract documents must consist of the EJCDC construction contract documents as indicated in RUS Bulletin 1780-26 or other Agency-approved forms of agreement.

14. Build America, Buy America (BABA) Requirements- Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:

- a. all iron and steel permanently installed in the project are produced in the United States-- this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- b. all manufactured products permanently installed in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- c. all construction materials permanently installed are manufactured in the United States— this means that all manufacturing processes for the construction material occurred in the United States.

The BABA requirement applies to the entirety of an infrastructure project even if only a portion of the project is funded by Federal funds.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Waivers

When necessary, recipients may apply for, and the agency may grant, a waiver from these requirements. The agency should notify the recipient for information on the process for requesting a waiver from these requirements.

When the Federal agency has made a determination that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the agency determines that:

- a. applying the domestic content procurement preference would be inconsistent with the public interest;
- b. the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
- c. the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

A request to waive the application of the domestic content procurement preference must be in writing. The agency will provide instructions on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Made in America Office.

Definitions

“Construction materials” includes an article, material, or supply—other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives—that is or consists primarily of:

- non-ferrous metals;
- plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables);
- glass (including optic glass);
- lumber; or
- drywall.

“Domestic content procurement preference” means all iron and steel used in the project are produced in the United States; the manufactured products used in the project are produced in the United States; or the construction materials used in the project are produced in the United States.

“Infrastructure” includes, at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. Infrastructure includes facilities that generate, transport, and distribute energy.

“Project” means the construction, alteration, maintenance, or repair of infrastructure in the United States.

Owners are ultimately responsible for compliance with the evidence standards as outlined in the Build America Buy America (BABA) Appendix to this Letter. Owners are required to maintain records as specified in their loan or grant agreement, but in all cases, they should maintain records for a minimum of three years after the final expenditure report. Minimum records include certifications from manufacturers, the architect/engineer, and the prime contractor. Supporting documentation includes purchasing records and notes and photos taken by the Resident Project Representative (RPR). Further guidance regarding certifications will be provided by the Agency.

15. Legal Services—A legal services agreement is required with your attorney and bond counsel, if applicable, for any legal work needed in connection with this project. The agreement should stipulate an hourly rate for the work, with a “not to exceed” amount for the services, including reimbursable expenses. RUS Bulletin 1780-7, “Legal Services Agreement,” or similar format may be used. The Agency will provide concurrence prior to advertising for bids. Any changes to the fees or services spelled out in the original agreement must be reflected in an amendment to the agreement and have prior Agency concurrence.

16. Property Rights - Prior to advertising for bids, you and your legal counsel must furnish satisfactory evidence that you have adequate continuous and valid control over the lands and rights-of-way needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act. Such control over the lands and rights will be evidenced by the following:

- a. **Right-of-Way Map** – Your engineer will provide a map clearly showing the location of all lands and rights-of-way needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.
- b. **Form RD 442-20, “Right-of-Way Easement”** – This form, or similar format, may be used to obtain any necessary easements for the proposed project.
- c. **Form RD 442-21, “Right-of-Way Certificate”** – You will provide a certification on this form that all right-of-way requirements have been obtained for the proposed project.
- d. **Form RD 442-22, “Opinion of Counsel Relative to Rights-of-Way”** – Your attorney will provide a certification and legal opinion on this form addressing rights-of-way, easements, and title.

The approving official may waive title defects or restrictions, such as utility easements, that do not adversely affect the suitability, successful operation, security value, or transferability of the facility. Any such waivers must be provided by the approving official in writing prior to closing or the start of construction, whichever occurs first.

You are responsible for the acquisition of all property rights necessary for the project and for determining that prices paid are reasonable and fair. The Agency may require an appraisal by an independent appraiser or Agency employee in order to validate the price to be paid.

17. System Policies, Procedures, Contracts, and Agreements – The facility must be operated on a sound business plan which involves adopting policies, procedures, and/or ordinances outlining the conditions of service and use of the proposed system. Mandatory connection policies should be used where enforceable. The policies, procedures, and/or ordinances must contain an effective collection policy for accounts not paid in full within a specified number of days after the date of billing. They should include appropriate late fees, specified timeframes for disconnection of service, and reconnection fees. A draft of these policies, procedures, and/or ordinances must be submitted for Agency review and concurrence, along with the documents below, before closing instructions may be issued unless otherwise stated.

- a. **Conflict of Interest Policy** – Prior to obligation of funds, you must certify in writing that your organization has in place up-to-date written standards of conduct covering conflict of interest. The standards of conduct must include disciplinary actions in the event of a violation by officers, employees, or agents of the borrower. The standards identified herein apply to any parent, affiliate or subsidiary organization of the borrower that is not a state or local government, or Indian Tribe. Policies and accompanying documents shall be furnished to Rural Development upon request.

You must also submit a disclosure of planned or potential transactions related to the use of Federal funds that may constitute or present the appearance of personal or organizational conflict of interest. Disclosure must be in the form of a written letter signed and dated by the applicant's official. A negative disclosure in the same format is required if no conflicts are anticipated.

Sample conflict of interest policies may be found at the National Council of Nonprofits website, <https://www.councilofnonprofits.org/tools-resources/conflict-of-interest>, or in Internal Revenue Service Form 1023, Appendix A, "Sample Conflict of Interest Policy," at <http://www.irs.gov/pub/irs-pdf/i1023.pdf>. Though these examples reference non-profit corporations, the requirement applies to all types of Agency borrowers.

Assistance in developing a conflict of interest policy is available through Agency-contracted technical assistance providers if desired.

Fully executed copies of any policies, procedures, ordinances, contracts, or agreements above must be submitted prior to loan closing, with the exception of the conflict of interest policy, which must be in place prior to obligation of funds.

18. Closing Instructions – The Agency will prepare closing instructions as soon as the requirements of the previous paragraphs are complete, as well as a draft of the security instrument(s). Both your bond and legal counsel must comply with these instructions when closing the Agency loan/grant.

19. System Users – This letter of conditions is based upon your indication at application that there will be at least 576 residential users, 51 non-residential users, and 0 bulk / wholesale users on the existing system when construction is completed.

Before the Agency can agree to the project being advertised for construction bids, you must certify that the number of users indicated at application are currently using the system or signed up to use the system once it is operational.

If the actual number of existing and/or proposed users that have signed up for service is less than the number indicated at the time of application, you must provide the Agency with a written plan on how you will obtain the necessary revenue to adequately cash flow the expected operation, maintenance, debt service, and reserve requirements of the proposed project (e.g., increase user rates, sign up an adequate number of other users, reduce project scope, etc.). Similar action is required if there is cause to modify the anticipated flows or volumes presented following approval.

If you are relying on mandatory connection requirements, you must provide evidence of the authorizing ordinance or statute along with your user certification.

20. Construction Account – A separate construction account is not required for project funds. However, the recipient must be able to separately identify, report and account for all Federal

funds, including the receipt, obligation and expenditure of funds, in accordance with 2 CFR 200.305. These funds must be deposited in a bank with Federal Deposit Insurance Corporation (FDIC) insurance coverage. **If the balances at the financial institution where federal funds will be deposited exceeds the FDIC insurance coverage, the excess amount must be collaterally secured up to 100 percent of the highest amount of funds expected to be deposited in the account at any one time, per the Department of Treasury regulations and requirements.**

21. Interim Financing – The Agency’s policy is to utilize interim financing for all loans exceeding \$500,000. Prepayment penalties on interim financing are not allowed. Borrowers are required to seek interim financing initially from private or cooperative lenders if funds can be borrowed at reasonable interest rates on an interim basis from those sources for the construction period. The fact that a commercial lender’s rates are higher than current Agency interest rates does not necessarily mean that the commercial rate is not reasonable. In most cases, the borrower is issuing payment to the interim lender, and therefore, the borrower is responsible for the debarment and suspension screening of the interim lender.

22. Proposed Operating Budget – You must establish and/or maintain a rate schedule that provides adequate income to meet the minimum requirements for operation and maintenance (O & M), debt service, and reserves. Prior to advertising for bids, you must submit a proposed annual operating budget to the Agency, as well as your proposed rate schedule. The operating budget should be based on a typical year cash flow after completion of the construction phase and should be signed by the appropriate official of your organization. Form RD 442-7, “Operating Budget,” or similar format may be utilized for this purpose. It is expected that O & M expenses will change over each successive year and user rates will need to be adjusted on a regular basis.

Technical assistance is available at no cost to help you evaluate and complete a rate analysis on your system. This assistance is available free to your organization. If you are interested, please contact our office for information.

23. Permits –The owner or responsible party will be required to obtain all applicable permits for the project, prior to advertising for bids. The consulting engineer must submit written evidence that all applicable permits required prior to construction have been obtained with submission to the Agency of the final plans, specifications, and bid documents.

24. Risk and Resilience Assessment/Emergency Response Plan (RRA/ERP) –The Agency requires all financed water and wastewater systems to have a RRA/ERP in place. New water or wastewater systems must provide a certification that an ERP is complete prior to the start of operation, and a certification that a RRA is completed within one year of the start of operation (substantial completion) and ERP certification is due six months from the date of the RRA certification. Technical assistance is available in preparing these documents at no cost to you.

Before funds are drawn, you should have in place a cybersecurity plan, a supply chain plan, and a plan to comply with cybersecurity requirements of the National Institute of Science and

Technology and the Cybersecurity and Infrastructure Security Administration. These items should be addressed in the RRA/ERP.

The RRA/ERP documents themselves are not submitted to the Agency. The RRA/ERP must address potential impacts from natural disasters and other emergency events. It should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. The documents should be reviewed and updated every three years at a minimum.

25. Bid Authorization - Once all the conditions outlined in Section III of this letter have been met, the Agency will authorize you to advertise the project for construction bids. Such advertisement must be in accordance with applicable State statutes.

SECTION IV - REQUIREMENTS PRIOR TO START OF CONSTRUCTION

26. Disbursement of Agency Funds - Agency funds will be disbursed electronically into the construction account as they are needed. SF 3881, "ACH Vendor/Miscellaneous Payment Enrollment Form," must be completed and submitted to the Agency prior to commencement of construction.

The order of disbursement is as follows: 1) Applicant contribution, 2) other funding sources, 3) interim financing or Agency loan funds, and 4) Agency grant funds. Interim financing or Agency loan funds will be expended after all other funding sources unless a written agreement is reached with all other funding sources on how funds are to be disbursed prior the first disbursement. Interim financing funds or Agency loan funds must be used prior to the use of Agency grant funds. Agency Grant funds must not be disbursed prior to loan funds except as authorized in 7 CFR 1780.45(d).

27. Bid Tabulation – Immediately after bid opening, you must provide the Agency with the bid tabulation and your engineer's evaluation of bids and recommendations for contract awards. If the Agency agrees that the construction bids received are acceptable, adequate funds are available to cover the total project costs, and all the requirements of Section III of this letter have been satisfied, the Agency will authorize you to issue the Notice of Award.

- a. **Cost Overruns** – If bids are higher than expected, or if unexpected construction problems are encountered, you must utilize all options to reduce cost overruns. Negotiations, redesign, use of bidding alternatives, rebidding or other means will be considered prior to commitment of subsequent funding by the Agency. Any requests for subsequent funding to cover cost overruns will be contingent on the availability of funds. Cost overruns exceeding 20 percent of the development cost at time of loan or grant approval or where the scope of the original purpose has changed will compete for funds with all other applications on hand as of that date.
- b. **Excess Funds** - If bids are lower than anticipated at time of obligation, excess funds must be deobligated prior to start of construction except in the cases addressed in this paragraph. In cases where the original PER for the project included items that were not bid, or were bid as an alternate, the State Office official may modify the project to fully

utilize obligated funds for those items. Amendments to the PER, ER, and Letter of Conditions may be needed for any work not included in the original project scope. In all cases, prior to start of construction, excess funds will be deobligated, with grant funds being deobligated first. Excess funds do not include contingency funds as described in this letter.

28. Suspension and Debarment Screening – In accordance with 2 CFR Part 180, Subpart C, as a condition of the transaction and the responsibilities to persons at the next lower tier with whom you enter into transactions, you must conduct screening for suspension and debarment of lower tier recipients (e.g., engineer, attorneys, vendors, contractors, interim lender, etc.).

29. Contract Review – Your attorney will certify that the executed contract documents, including performance and payment bonds, if required, are adequate and that the persons executing these documents have been properly authorized to do so in accordance with 7 CFR 1780.61(b).

Once your attorney has certified that they are acceptable, the contract documents will be submitted to the Agency for concurrence. Construction cannot commence until the Agency has concurred in the construction contracts.

30. Final Rights of Way – Your attorney or title company must furnish a separate final title opinion or Title Insurance Policy on all real property related to the facility, now owned and to be acquired for this project, as of the day of loan closing or start of construction, whichever occurs first. Form RD 1927-10, “Final Title Opinion” may be used.

If any of the right-of-way forms listed previously in this letter contain exceptions that do not adversely affect the suitability, successful operation, security value, or transferability of the facility, the approving official must provide a written waiver prior to the issuance of the Notice to Proceed.

31. Insurance and Bonding Requirements - Prior to the start of construction or loan closing, whichever occurs first, you must acquire and submit to the Agency proof of the types of insurance and bond coverage for the borrower shown below. The use of deductibles may be allowed, providing you have the financial resources to cover potential claims requiring payment of the deductible. The Agency strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of the Agency to assure that adequate insurance and fidelity bond coverage is maintained.

- a. **General Liability Insurance** – Include vehicular coverage.
- b. **Workers’ Compensation** – In accordance with appropriate State laws.
- c. **Guaranty or Fidelity Insurance**—Coverage for all persons who have access to funds, including persons working under a contract or management agreement. Coverage may be provided either for all individual positions or persons, or through “blanket” coverage providing protection for all appropriate employees. Each position is to be insured in an amount equal to the maximum amount of funds expected to be under the control of that

position at any one time. The minimum coverage allowed will be an amount equal to the total annual debt service payment on the Agency loans. The coverage may be increased during construction based on the anticipated monthly advances.

- d. **National Flood Insurance** - If the project involves acquisition or construction in a designated special flood area, the community in which the acquisition or construction is situated must be currently participating in the national flood insurance program. Additionally, if the project involves acquisition or construction in designated special flood or mudslide prone areas, a flood insurance policy must be in place at the time of loan closing.
- e. **Real Property Insurance** – Fire and extended coverage will normally be maintained on all structures except reservoirs, pipelines and other structures if such structures are not normally insured, and subsurface lift stations except for the value of electrical and pumping equipment. The Agency will be listed as mortgagee on the policy when the Agency has a lien on the property. Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all facilities identified above.

The Agency is to be listed as “Other Insured” so as to receive notifications on all insurance, regardless of security. Insurance types described above are required to be continued throughout the life of the loan. See Section VII.

32. Initial Civil Rights Compliance Review – The Agency will conduct an initial civil rights compliance review of the borrower prior to loan closing or start of construction, whichever occurs first, in accordance with 7 CFR 1901, Subpart E. You are expected to comply with the completion of the review, including the furnishing of any documents, records, or other applicable material.

33. Self-Evaluation and Transition Plan - The self-evaluation and transition plan are to be completed prior to loan closing or the start of construction, whichever occurs first. Provide a copy of the self-evaluation plan and if necessary, transition plan.

A self-evaluation is a review of the services, programs, activities or facilities to be financed by our Agency to identify any physical barriers or policies, practices or procedural barriers that may limit or exclude participation by people with disabilities. A review of the facility to be financed by our agency and of your organization’s policies and practices that relate to the facility’s activities and services should be conducted with the assistance of persons knowledgeable of the applicable laws.

Any barriers identified in your self-evaluation should then be addressed in the transition plan. Structural changes or providing services or activities in an alternative manner or location may accomplish the elimination of barriers.

SECTION V – REQUIREMENTS PRIOR TO CLOSING

34. (If Multiple Advance is being utilized) Multiple Advance. Multiple advances of Agency funds will be used. Loan closing will occur prior to when the funds are needed. All items

detailed in the sections above, as well as the applicable items listed in this section, must be completed prior to closing.

34. Interim Financing. Interim financing is being used. Generally, loan closing will occur near the end of construction when interim funds are fully disbursed. Documents detailed above from Sections II and III regarding security, electronic payments (Form 3550-28), and system policies, procedures, contracts, and agreements must be adopted and/or executed and submitted to the Agency prior to loan closing.

35. Electronic Payments – Payments will be made through an electronic preauthorized debit system. You will be required to complete Form RD 3550-28, “Authorization Agreement for Preauthorized Payments,” for all new and existing indebtedness to the Agency prior to loan closing.

36. Other Requirements – All requirements contained in the Agency’s closing instructions, as well as any requirements of your bond counsel and/or attorney, must be met prior to loan closing.

- a. **System for Award Management.** You will be required to maintain a Unique Entity ID (UEI) and maintain an active registration in the System for Award Management (SAM) database. Renewal can be completed online at: <http://sam.gov>. This registration must be renewed and revalidated every 12 months for as long as there is an active loan, grant, or guaranteed loan with the Agency.

To ensure the information is current, accurate and complete, and to prevent the SAM account expiration, the review and updates must be performed within 365 days of the activation date, commonly referred to as the expiration date. The registration process may take up to 10 business days. (See 2 CFR Part 25 and the “Help” section at <http://sam.gov>).

- b. **Litigation.** You are required to notify the Agency within 30 days of receiving notification of being involved in any type of litigation prior to loan closing or start of construction, whichever occurs first. Additional documentation regarding the situation and litigation may be requested by the Agency.
- c. **Certified Operator.** Evidence must be provided that your system has or will have a certified operator, as defined by applicable State or Federal requirements, available prior to the system becoming operational, or that a suitable supervisory agreement with a certified operator is in effect.

SECTION VI – REQUIREMENTS DURING CONSTRUCTION AND POST CONSTRUCTION

37. Construction Completion Timeframe – Following the benchmarks established in Section I, Item 4, Project Timeline, all projects should be completed and Agency funds fully disbursed within three years of the date of obligation. If funds are not disbursed within three years of obligation and you have not already done so per Section I, Item 4, you must submit a written

request for extension of time to the Agency with adequate justification of the circumstances, including any beyond your control. The request must be submitted at least 90 days prior to the end of the three-year timeframe and include a revised estimated date of completion. The Agency will typically only allow one extension. Subsequent requests for waivers beyond the initial extension or requests that exceed five years from the initial date of obligation will be submitted to the RUS, Water and Environmental Programs for consideration. The Agency retains the right to de-obligate any loan and/or grant monies, or take other appropriate action, related to unliquidated funds that exceed the timeframes above and are not under an active extension.

38. Resident Inspector(s) – Full-time inspection is required unless you request an exception. Such requests must be made in writing, and the Agency must provide written concurrence. Inspection services are to be provided by the consulting engineer unless other arrangements are requested in writing and concurred with by the Agency. A resume of qualifications of any resident inspector(s) will be submitted to the owner and Agency for review and concurrence prior to the pre-construction conference. The resident inspector(s) must attend the preconstruction conference.

39. Preconstruction Conference – A preconstruction conference will be held prior to the issuance of the Notice to Proceed. The consulting engineer will review the planned development with the Agency, owner, resident inspector, attorney, contractor, other funders, and other interested parties, and will provide minutes of this meeting to the owner and Agency.

40. Inspections - The Agency requires a preconstruction conference, pre-final, final, and warranty inspections. Your engineer will schedule a warranty inspection with the contractor and the Agency before the end of the one-year warranty period to address and/or resolve any outstanding warranty issues. The Agency will conduct an inspection with you of your records management system at the same time and will continue to inspect the facility and your records system every three years for the life of the loan. See Section VII of this letter.

41. Change Orders – A Change Order must be submitted for all modifications to the approved scope of work, including existing contracts. This includes non-physical modifications such as any time extension requests. Prior written Agency concurrence is required for all Change Orders.

42. Payments – Prior Agency concurrence is required for all invoices and requests for payment before Agency funds will be released. Requests for payment related to a contract or service agreement will be signed by the owner, project engineer, and contractor or service provider prior to Agency concurrence. Invoices not related to a construction contract or service agreement will include the owner's written concurrence.

43. Use of Remaining Funds – As stated above, applicant contribution and connection or tap fees will be the first funds expended in the project. Funds remaining after all costs incident to the basic project have been paid or provided will be handled as follows:

- a. Funds remaining after the applicant contribution and connection fees may be considered in direct proportion to the amounts of funding obtained from each source. The use of

Agency funding will be limited to eligible loan and grant purposes, provided the use will not result in major changes to the original scope of work and the purpose of the loan and grant remains the same.

- b. Any reductions in Agency funding will be first applied to the grant funds.
- c. Grant funds not expended for authorized purposes will be cancelled (de-obligated) within 90 days of final completion of project. Prior to actual cancellation, you, your attorney and engineer will be notified of the Agency's intent to cancel the remaining funds and given appropriate appeal rights.
- d. Under no circumstances is it appropriate to use remaining funds as contributions to a new project outside the scope of the funded project.
- e. Loan funds that are not needed will be cancelled (de-obligated) prior to loan closing.

44. Technical, Managerial and Financial Capacity - It is required that members of the Board of Directors, City Council members, trustees, commissioners and other governing members possess the necessary technical, managerial, and financial capacity skills to consistently comply with pertinent Federal and State laws and requirements. It is recommended members receive training within one year of appointment or election to the governing board, and a refresher training for all governing members on a routine basis. The content and amount of training should be tailored to the needs of the individual and the utility system. Technical assistance providers are available to provide this training for your organization, often at no cost. Contact the Agency for additional information.

45. Reporting Requirements Related to Expenditure of Funds - An annual audit under 2 CFR 200 Subpart F is required if you expend more than the current Single Audit threshold, currently \$1,000,000, in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. You are responsible to submit the required data collection form and related information required when a Single Audit is performed and should work with the auditor to submit to the Federal Audit Clearinghouse (FAC) www.fac.gov. Expenditures of interim financing are considered Federal expenditures.

All audits are to be performed in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400. Annual organization-wide financial statements must be prepared on the accrual basis of accounting, in accordance with generally accepted accounting principles (GAAP). Further guidance on preparing an acceptable audit can be obtained from the Agency. The audit must be prepared by an independent licensed Certified Public Accountant, or a State or Federal auditor if allowed by State law and must be submitted within 30 calendar days after receipt of the auditor's report or 9 months after the end of your fiscal year end, whichever is earlier. Both the audit and accompanying management report must be submitted for review.

If an audit is required, you must enter into a written agreement with the auditor and submit a copy of that agreement to the Agency prior to the advertisement of construction bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit to be completed, the time frame in which the audit will be completed, and how irregularities will be reported.

SECTION VII – SERVICING REQUIREMENTS DURING THE TERM OF THE LOAN

46. Prepayment and Extra Payments - Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower, with no penalty.

Security instruments, including bonding documents, must contain the following language regarding extra payments, unless prohibited by State statute:

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower. Refunds, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the Agency debt, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of borrower to pay the remaining installments as scheduled in your security instruments.

47. Annual Financial Reporting/Audit Requirements – You are required to submit an annual financial report at the end of each fiscal year. The annual report will be certified by the appropriate organization official, and will consist of financial information, a current rate schedule, and listing of board members with their terms. Financial statements must be prepared on an accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP). The annual report will include separate reporting for each water and waste disposal facility, and itemized cash accounts by type (debt service, short-lived assets, etc.) under each facility. The accounting system will be reviewed by the Agency to determine that an acceptable system is in place. All records, books and supporting material are to be retained for three years after the issuance of the annual report. Technical assistance is available, at no cost, with preparing financial reports.

The type of financial information that must be submitted is specified below:

- a. **Audits** – An audit under the Single Audit Act is required if you expend \$1,000,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Expenditures of interim financing are considered Federal expenditures.

See Section VI for additional information regarding audits.

- b. **Financial Statements** – If you expend less than \$1,000,000 in Federal financial assistance per fiscal year, you may submit financial statements in lieu of an audit which include, at a minimum, a balance sheet and an income and expense statement. You may use Form RD 442-2, “Statement of Budget, Income and Equity,” and 442-3, “Balance Sheet,” or similar format to provide the financial information. The financial statements must be signed by the appropriate borrower official and submitted within 60 days of your fiscal year end.

48. Annual Budget and Projected Cash Flow - Thirty days prior to the beginning of each fiscal year, you will be required to submit an annual budget and projected cash flow to this office. The budget must be signed by the appropriate borrower official. Form RD 442-2, "Statement of Budget, Income and Equity," or similar format may be used.

Technical assistance is available at no cost to help you evaluate and complete a rate analysis on your system, as well as completing the annual budget.

49. Graduation - By accepting this loan, you are also agreeing to refinance (graduate) the unpaid loan balance in whole, or in part, upon request of the Government. If at any time the Agency determines you can obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms, you will be requested to refinance. Your ability to refinance will be assessed every other year for loans that are five years old or older.

50. Non-Agency Debt – The loan resolution requires any additional debt or liabilities from another lender related to the facility to be approved by the Agency prior to incurring the new debt or liability. The Agency staff will reassess the Agency's financial standing and security position. The additional debt or liability must be in the Government's best interest to be approved. You must submit to the Agency the required documentation for review in a sufficient amount of time, typically 30-90 days depending on the complexity of the transaction, for Agency approval.

51. Security/Operational Inspections – The Agency will inspect the facility and conduct a review of your operations and records management system and conflict of interest policy every three years for the life of the loan. You must participate in these inspections and provide the required information.

52. System for Award Management. You will be required to maintain a Unique Entity ID (UEI) and maintain an active registration in the System for Award Management (SAM) database. Further information can be found at paragraph 36 of this letter.

53. Risk and Resiliency Assessment/Emergency Response Plan (RRA/ERP) – The RRA/ERP is further outlined under Section III of this letter. You will be required to submit a certification to the servicing office every three years that the RRA/ERP is current and covers all sites related to the facility. The RRA/ERP documents themselves are not submitted to the Agency. The RRA/ERP must address potential impacts from natural disasters, cybersecurity, supply chain and other emergency events. It should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. Technical assistance is available in preparing these documents at no cost to you.

54. Insurance. – Insurance requirements are further outlined in Section IV of this letter. You will be required to maintain insurance on the facility and employees as previously described in this letter for the life of the loan.

55. Statutory and National Policy Requirements – As a recipient of Federal funding, you are required to comply with U.S. statutory and public policy requirements, including but not limited to:

- a. **Section 504 of the Rehabilitation Act of 1973** – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Agency financial assistance.
- b. **Civil Rights Act of 1964** – All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.
- c. **The Americans with Disabilities Act (ADA) of 1990** – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.
- d. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- e. **Controlled Substances Act** - Even though state law may allow some activities, as a recipient of Federal funding, you are subject to the Controlled Substances Act. Specific questions about the Controlled Substances Act should be directed to the Servicing Official who will contact the Office of General Counsel, as appropriate.

56. Compliance Reviews and Data Collection – Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. You must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor your compliance with these requirements during regular compliance reviews.

As a recipient of Rural Development funding, you are required to post and use the Non-Discrimination Statement as directed by the Agency in your office and on all materials produced for public information, public education, and public distribution both print and non-print.

Currently at a minimum use the following Non-Discrimination Statement:

“This institution is an equal opportunity provider and employer.”

The Agency will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act

(ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter.

If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that you provide, you must request and collect data by race (American Indian or Alaska Native, Asian, Black or African American, White); ethnicity (Hispanic or Latino, Not Hispanic or Latino); and by sex. The Agency will utilize this data as part of the required compliance review.

SECTION VIII – REMEDIES FOR NON-COMPLIANCE

Non-compliance with the conditions in this letter or requirements of your security documents will be addressed under the provisions of Agency regulations, statutes, and other applicable policies.

We look forward to working with you to complete this project. If you have any questions, please contact Katie Culver at (307) 683-4190 or by e-mail at katie.culver@usda.gov.

Sincerely,

LILLIAN FREED Digitally signed by LILLIAN FREED
Date: 2025.09.24 15:45:39 -06'00'

Lillian Freed
Program Director

Attachments:

1940-1 Request for Obligation of Funds
1942-46 Letter of Intent to Meet Conditions

cc: Katie Culver | Loan Specialist
Deaun Tigner | Town Administrator

FORMS and BULLETINS:

Internal Revenue Service Form 1023, Appendix A, "Sample Conflict of Interest Policy" - Item 17

Form RD 440-22, "Promissory Note" – Item 6

Form RD 442-2, "Statement of Budget, Income and Equity" – Items 47 and 48

Form RD 442-3, "Balance Sheet" – Item 47

Form RD 442-7, "Operating Budget" – Item 22

Form RD 442-20, "Right-of-Way Easement" – Item 16

Form RD 442-21, "Right-of-Way Certificate" – Item 16

Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way" – Item 16

Form RD 1927-9, "Preliminary Title Opinion" – Item 16

Form RD 1927-10, "Final Title Opinion" – Item 30

Form RD 1940-1, "Request for Obligation of Funds" – Pages 1 and 2

Form RD 1942-8, "Resolution of Members or Stockholders" – Item 6

Form RD 1942-46, "Letter of Intent to Meet Conditions" – Page 2

Form RD 3550-28, "Authorization Agreement for Preauthorized Payments" – Item 35

Form UCC-1, "Financing Statement" – Item 6

Form UCC-1Ad, "UCC Financing Statement Addendum" – Item 6

SF 3881, "ACH Vendor/Miscellaneous Payment Enrollment Form" – Item 26

RUS Bulletin 1780-7, "Legal Services Agreement" – Item 15

RUS Bulletin 1780-9, "Water Users Agreement" - Items 17 and 19

RUS Bulletin 1780-12, "Water and Waste System Grant Agreement" – Item 6

RUS Bulletin 1780-26, "Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance" – Items 12 and 13

RUS Bulletin 1780-27, "Loan Resolution (Public Bodies)" – Item 6

RUS Bulletin 1780-28, "Loan Resolution Security Agreement" – Item 6

Appendix A
Build America, Buy America Evidence Standards

Manufacturers

For each item to which BABA applies (every item permanently installed on the project, except for aggregate and aggregate binding materials), a manufacturer's certification letter or other document demonstrating compliance is required. It must, at a minimum, identify the item being certified (short written description as well as part number, if applicable) and affirm that the item complies with BABA. This document must be signed by an authorized company representative.

Architects and Engineers

Compliance with BABA will be spelled out in agreements for services, construction contracts, and procurement contracts. Generally, the A/E contract should include, as a basic service, obtaining and maintaining all BABA documentation (particularly manufacturers' certifications) during construction, which shall be transferred to the Owner upon completion of the project. The architect or engineer will need to certify to this action at the project's end.

Resident Project Representative / Resident Inspector

As part of their duties, Resident Project Representative/Resident Inspector should be instructed to verify items delivered to the site and installed are accompanied by documentation of compliance with BABA. They should photograph items as appropriate. RPR/RI daily logs and photographs will become part of the construction record and can be used as supporting information during audits, providing evidence for items that are buried or otherwise inaccessible.

Contractors

Construction contract(s) must include a requirement to procure and install only items that comply with BABA or are subject to an approved waiver. Contractors must provide manufacturers' certifications for all BABA compliant items to the responsible party before a request for reimbursement to the Agency is made. At completion, the contractor will be required to certify that all items used on the contract complied with BABA and that all manufacturers' certifications were provided.

LETTER OF INTENT TO MEET CONDITIONS

Date 09-24-2025

TO: United States Department of Agriculture

Rural Development - RUS

(Name of USDA Agency)

100 East B St
Room 1217
Casper, WY 82601

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 09-24-2025. It is our intent to meet all of them not later than 09-24-2028.

Town of Basin

(Name of Association)

BY _____

CJ Duncan, Mayor

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a persons is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015 and 0570-0062. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data. needed, and completing and reviewing the collection of information.

REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ()			
Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 59-002-956205497		LOAN NUMBER	FISCAL YEAR 2025
2. BORROWER NAME Town of Basin		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
		4. STATE NAME Wyoming	
		5. COUNTY NAME Big Horn	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 6 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 2 1 - YES 2 - NO
14. DIRECT PAYMENT 2 (See FMI)	15. TYPE OF PAYMENT 2 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 2 1 - YES 2 - NO	
17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 062 (See FMI)	20. PURPOSE CODE	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 2 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN \$1,881,000.00	25. AMOUNT OF GRANT \$0.00	
26. AMOUNT OF IMMEDIATE ADVANCE \$0.00	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 3.1250 %	29. REPAYMENT TERMS 40
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)		32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN	
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR		34. BEGINNING FARMER/RANCHER (See FMI)	

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0570-0062. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. _____ YES _____ NO

WARNING: **Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."**

Date _____, 20____
CJ Duncan, Mayor
(Signature of Applicant)

Date _____, 20____
(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: _____

Date Approved: _____ Title: _____

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.