



Mr. Mark S. Swanger, Chairman  
Haywood County Board of Commissioners  
215 N. Main Street  
Waynesville, NC 28786

August 15, 2016

RE: Letter of Conditions  
Community Facilities Loan  
Animal Services Facility

Dear Commissioner Swanger:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to the application.

This letter is not to be considered as loan approval or as a representation as to the availability of funds. The docket may be completed on the basis of a loan in the amount of \$3,350,000.

If Rural Development makes the loan, ***you may make a written request that the interest rate be the lower of the rate in effect at the time of loan approval or the time of loan closing. If you do not request the lower of the two interest rates, the interest rate charged will be the rate in effect at the time of loan approval. If you want the lower of the two rates, your written request should ordinarily be submitted at least 30 calendar days before loan closing.***

If Rural Development funds the loan requested, the funds are considered to be approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you.

Any changes in project costs, sources of funds, scope of services or any other significant changes in the project or applicant must be reported to and approved by Rural Development by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

Please complete and return the attached RD Form 1942-46, "Letter of Intent to Meet Conditions," if you desire that further consideration be given your application.

If the conditions set forth in this letter are not met within eighteen (18) months from the date hereof, Rural Development reserves the right to discontinue the processing of the application.

Rural Development  
84 Coxe Avenue, Suite 1E; Asheville, NC 28801  
Phone: 828-254-0916 Ext. 5, Fax: 844-325-6823

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

**LOAN TERMS**

The interest rate charged will be the lower of the "Intermediate Rate" or "Market Rate" in effect at the time of the loan approval as stated in Rural Development Instruction 440.1 for Community Facilities Loans.

**REPAYMENT SCHEDULE**

The loan will be scheduled for repayment over a period of 40 years. Each installment will be due annually beginning twelve (12) full months following the date of the Rural Development loan closing. The first installment will be a fully amortized installment.

**SECURITY REQUIREMENTS**

Security will consist of an Installment Purchase Contract secured by a first lien on all real property financed with Rural Development loan funds and an Installment Purchase Contract. Title Insurance will be required. An appraisal prepared by an independent qualified appraiser confirming the present market value is required. Approval of this loan is subject to confirmation of adequate security.

**LOCAL GOVERNMENT COMMISSION**

Prior to loan approval, the applicant must provide a copy of the last audit review letter from the Local Government Commission for the proposed loan to be obtained under the Installment Purchase Contract.

**PREAUTHORIZED DEBIT PAYMENTS (PAD)**

Prior to loan closing the applicant must complete U. S. Department of Treasury Form RD 3550-28, "Authorized Agreement for Preauthorized Payments." This form will authorize the government to electronically debit your Rural Development loan payment(s) from your specified bank account on a predetermined date (date the payment is due). Preauthorized Debit is accomplished through the Automated Clearing House process providing for a cost-effective, secure, reliable, and convenient payment method, thus eliminating the need to write a check for each payment, the expense of mailing the payment, and allows you the certainty of when your payment will be applied. This service is provided for only qualified borrowers.

**LOAN RESOLUTION**

The applicant must formally adopt Form RD 1942-47, "Loan Resolution (Public Bodies)," Form RD 400-1, "Equal Opportunity Agreement," and Form RD 400-4, "Assurance Agreement," at a properly called meeting of the governing body. Adoption of this document should be made a part of the official minutes of the

meeting. A certified copy of the minutes is to be attached to the resolution and delivered to Rural Development.

### **RESERVE REQUIREMENT**

The Applicant must establish a Reserve Account in accordance with RD 1942-9, "Loan Resolution Security Agreement," and make monthly deposits to that account in an amount equal to ten percent of the Rural Development annual payment. These deposits shall be made on a monthly basis until the reserve account has an amount equal to the equivalent of one annual payment. The annual payment for the loan is estimated to be \$139,159 annually; therefore the monthly reserve deposit is \$1,159.66. **The reserve account must be identified in the town's audit or financial statement as "USDA Reserve Account" so that it can be easily identified.**

### **APPLICANT CONTRIBUTION/OTHER FUNDS**

Applicant contribution consists of the purchase of the site which has already closed. A copy of the deed to the property has been provided.

The applicant agrees to pay any required legal expenses, closing cost and bank fees in connection with the interim financing. Bond counsel fees up to \$30,000 and interim interest up to \$80,000 are allowable project costs and can be reimbursed from USDA loan funds. Should bid overruns and/or changes in plans cause an increase in project costs, the applicant must be prepared to provide that additional funding from a source other than Rural Development.

### **OPERATING BUDGET**

The applicant must formally adopt Form RD 442-7, "Operating Budget" at a properly called meeting of the governing body. The budget must provide sufficient revenue to meet the requirements of operations and maintenance and debt service. Adoption of these documents should be made a part of the official minutes of the above meeting. A certified copy of the said minutes should be attached to the resolution and be provided to Rural Development.

### **PROCUREMENT, BIDDING, AND CONSTRUCTION**

Procurement and bidding must be accomplished in accordance with the requirements of RD Instruction 1942-A, 1942.18(k). Final plans, specifications, and contract documents will be prepared in a manner that meets all state requirements as well as those of Rural Development. All construction should also meet the requirements of the American Disabilities Act (ADA). The construction plan should include a method of inspection that is acceptable to Rural Development. Rural Development's approval and concurrence must be obtained for all contracts, agreements, and plans and specifications.

## **DISBURSEMENT OF FUNDS**

The funds contributed by the Applicant will be the first funds disbursed. The Rural Development direct loan funds will be disbursed after all construction improvements have been completed. After providing for all authorized costs, any remaining funds will be considered Rural Development loan funds and refunded to Rural Development.

## **ACCOUNTING, AUDITS, AND REPORTS**

The Applicant's accounting systems, audits and management reports will be established and maintained as required by North Carolina General Statutes, RD Instructions 1942-A, Section 1942.17(q), and subpart F of 2 CFR part 200, as adopted by USDA through 2 CFR part 400.

## **INSURANCE AND BONDING**

Insurance and bonding should be obtained as required by NC General Statutes and Rural Development Instructions 1942-A, Subsection 1942.17(j)(3). Evidence of required coverage must be provided to Rural Development prior to loan closing. Evidence that coverage is being maintained must be provided annually thereafter.

Position Fidelity Bond: The Applicant will provide fidelity bond coverage for the positions of officials entrusted with the receipt and disbursement of its funds and the custody of valuable property. The amount of the bond will normally approximate the total annual debt service requirements for the Rural Development loan(s).

Corporate Liability and Property Damage Insurance: The Applicant will provide public liability, and property damage insurance in an amount to adequately protect the applicant from civil action arising from the function of the applicant relative to the project.

Workman's Compensation Insurance: The applicant will provide adequate Workman's Compensation Insurance, if applicable.

Real Property Insurance: The applicant will provide fire and extended coverage in an amount equal to the replacement value of the building and improvements. The United States of America will be named first mortgagee for all real property held as security for the Rural Development loan.

## **APPLICANT CERTIFICATIONS**

- **Form AD-1047**, Certification Regarding Debarment, Suspension, and other Responsibility Matters - Primary Covered Transactions, must be executed by the applicant prior to grant approval.
- **Form AD-1048**, Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier covered transactions must be executed by the Contractor(s), supplier(s), and/or dealers prior to any purchase that exceeds \$25,000.00.

## ACCOUNTING, AUDITS, AND REPORTS

**Audits/Accounting:** The Applicant's accounting systems, audits and management reports will be established and maintained as required by USDA Rural Development with a copy furnished to Rural Development.

**Quarterly Financial Reports:** Upon closing the Rural Development loan, quarterly financial status reports must be submitted by the following dates:

- **Quarter Ending 3/31**      Report due 4/15 of each year
- **Quarter Ending 6/30**      Report due 7/15 of each year
- **Quarter Ending 9/30**      Report due 10/15 of each year
- **Quarter Ending 12/31**      Report due 1/15 of each year

**SF 425, Federal Financial Report:** Must be completed and provided for each quarter that loan and grant funds are expended.

## GRADUATION

The Applicant will refinance the unpaid balance, in whole or in part, of its debt upon the request of the Government, if at any time it should appear to the Government that the Applicant is able to refinance its note by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms.

## CLOSING INSTRUCTIONS

The loan will be closed in accordance with instructions issued by the Rural Development State Office, applicable Rural Development State and National procedures, and instructions from the Office of General Counsel.

## OTHER CONDITIONS

All applicable items set out in Form 1942-11 "Processing Checklist apply to this project and become a part of the Letter of Conditions.

All requirements of the following must be met:

- a. Compliance with special laws and regulations.
- b. State Pollution Control or Environmental Protection Agency Standards.
- c. Consistency with other development plans.
- d. Civil Rights Act of 1964.
- e. Title IX of the Education Amendment of 1972.
- f. Section 504 of the Rehabilitation Act of 1973.
- g. Age Discrimination Act of 1975.

Sincerely,

Pamela H. Hysong,  
Area Director

**LETTER OF INTENT TO MEET CONDITIONS**

Date \_\_\_\_\_

TO: United States Department of Agriculture

\_\_\_\_\_  
(Name of USDA Agency)

\_\_\_\_\_  
(USDA Agency Office Address)  
\_\_\_\_\_

We have reviewed and understand the conditions set forth in your letter dated \_\_\_\_\_ . It is our intent to meet all of them not later than \_\_\_\_\_ .

Haywood County 215 North Main St  
\_\_\_\_\_  
(Name of Association)

BY \_\_\_\_\_  
\_\_\_\_\_  
(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.*

Name Haywood County 215 North Main St		Address 215 North Main Street		Waynesville, NC 28786-	
Applicant Fiscal Year From		County Haywood		State (Including ZIP Code) NC 28786-	
	To	20	20	20	20
		16	17		First Full Year
		(1)	(2)	(3)	(4)
					(5)
<b>OPERATING INCOME</b>					
1. Total Revenue			72,937,354	74,403,818	76,136,532
2.					
3.					
4.					
5. Miscellaneous	0	0	0	0	0
6. Less: Allowances and Deductions	( )	( )	( )	( )	( 0)
7. Total Operating Income (Add Lines 1 through 6)	0	0	72,937,354	74,403,818	76,136,532
<b>OPERATING EXPENSES</b>					
8. Total Expense			65,134,814	66,595,536	67,885,737
9.					
10.					
11.					
12.					
13.					
14.					
15. Interest (RD)	0	0	1,640,124	1,476,120	1,389,069
16. Depreciation	0	0	0	0	0
17. Total Operating Expense (Add lines 8 through 16)	0	0	66,774,938	68,071,656	69,274,806
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	0	0	6,162,416	6,332,162	6,861,726
<b>NONOPERATING INCOME</b>					
19.					
20. Other			-178,429	-681,728	-693,384
21. Total Nonoperating Income (Add Lines 19 and 20)	0	0	-178,429	-681,728	-693,384
22. NET INCOME (LOSS) (Add Lines 18 and 21) (Transfer to Line A Schedule 2)	0	0	5,983,987	5,650,434	6,168,342

Budget and Projected Cash Flow Approved by Governing Body

Attest: \_\_\_\_\_ Secretary \_\_\_\_\_ Date

\_\_\_\_\_ Appropriate Official \_\_\_\_\_ Date

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 0575-0015. The time required to complete this information collection is estimated to average 5 hours 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.

## PROJECTED CASH FLOW

	20	20	20 16	20 17	First Full Year
A. Line 22 from Schedule 1 Income (Loss)	0	0	5,983,987	5,650,434	6,168,342
<b>Add</b>					
B. Items in Operations not Requiring Cash:					
1. Depreciation (Line 16, Schedule 1)	0	0	0	0	0
2. Others: _____	0	0	0	0	0
C. Cash Provided from:					
1. Proceeds from RD loan/grant	0	0	1,000,000	2,325,000	0
2. Proceeds from others	0	0	0	0	0
3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities	0	0	0	0	0
4. Decrease (Increase) in Accounts Receivable, inventories and Other Current Asset(Exclude Cash)	0	0	0	0	0
5. Other: _____	0	0	0	0	0
6. _____	0	0	0	0	0
D. Total all A, B and C Items	0	0	6,983,987	7,975,434	6,168,342
E. <b>Less:</b> Cash Expended for:					
1. All Construction, Equipment and New Capital Items (Loan and grant funds)	0	0	1,000,000	2,325,000	0
2. Replacement and Additions to Existing Property, Plant and Equipment	0	0	0	0	0
3. Principal Payment RD Loan	0	0	0	0	47,034
4. Principal Payment Other Loans	0	0	5,984,987	6,467,434	6,196,166
5. Other: _____	0	0	0	0	0
6. Total E 1 through 5	0	0	6,984,987	8,792,434	6,243,200
<b>Add</b>					
F. Beginning Cash Balances	0	0	26,738,129	26,737,159	25,920,159
G. Ending Cash Balances (Total of D minus E 6 plus F)	0	0	26,737,129	25,920,159	25,845,301
Item G Cash Balances Composed of:					
Construction Account	0	0	0	0	0
Revenue Account	0	0	0	0	0
Debt Payment Account	0	0	0	0	0
O&M Account	0	0	16,921,712	15,969,942	15,820,343
Reserve Account	0	0	380,868	450,217	524,958
Funded Depreciation Account	0	0	0	0	0
Others: Restricted	0	0	9,434,549	9,500,000	9,500,000
Total - Agrees with Item G	0	0.00	26,737,129.00	25,920,159.00	25,845,301.00

## BUDGET ATTACHEMNT

### Income Detail

<u>Income Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_2016</u>	<u>Year4_2017</u>	<u>First Full Year</u>
Miscellaneous	0.00	0.00	0.00	0.00	0.00
Less: Allowances and	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	72,937,354.00	74,403,818.00	76,136,532.00
TOTALS			72,937,354	74,403,818	76,136,532

### Expense Detail

<u>Expense Source</u>	<u>Year1_0</u>	<u>Year2_0</u>	<u>Year3_2016</u>	<u>Year4_2017</u>	<u>First Full Year</u>
Interest	0.00	0.00	1,640,124.00	1,476,120.00	1,389,069.00
Depreciation	0.00	0.00	0.00	0.00	0.00
Total Expense	0.00	0.00	65,134,814.00	66,595,536.00	67,885,737.00
TOTALS			66,774,938	68,071,656	69,274,806

EQUAL OPPORTUNITY AGREEMENT

This agreement, dated 8/15/2016 between  
Haywood County

(herein called "Recipient" whether one or more) and United States Department of Agriculture (USDA), pursuant to the rules and regulations of the Secretary of Labor (herein called the 'Secretary') issued under the authority of Executive Order 11246 as amended, witnesseth:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by the USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds \$10,000 - unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965.

1. To incorporate or cause to be incorporated into any contract for construction work, or modification thereof, subject to the relevant rules, regulations, and orders of the Secretary or of any prior authority that remain in effect, which is paid for in whole or in part with the aid of such financial assistance, the following "Equal Opportunity Clause":

During the performance of this contract, the contractor agrees as follows:

- (a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the USDA setting forth the provisions of this nondiscrimination clause.
- (b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of all rules, regulations and relevant orders of the Secretary of Labor.
- (e) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, rules, regulations, and orders, or pursuant thereto, and will permit access to his books, records, and accounts by the USDA Civil Rights Office, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.
- (g) The contractor will include the provisions of paragraph 1 and paragraph (a) through (f) in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the USDA may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

*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 0575-0018. The time required to complete this information collection is estimated to average 10 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.*

2. To be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the organization so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.
3. To notify all prospective contractors to file the required 'Compliance Statement', Form RD 400-6, with their bids.
4. Form AD-425, Instructions to Contractors, will accompany the notice of award of the contract. Bid conditions for all nonexempt federal and federally assisted construction contracts require inclusion of the appropriate "Hometown" or "Imposed" plan affirmative action and equal employment opportunity requirements. All bidders must comply with the bid conditions contained in the invitation to be considered responsible bidders and hence eligible for the award.
5. To assist and cooperate actively with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and rules, regulations, and relevant orders of the Secretary, that will furnish USDA and the Secretary such information such as , but not limited to, Form AD-560, Certification of Nonsegregated Facilities, to submit the Monthly Employment Utilization Report, Form CC-257, as they may require for the supervision of such compliance, and that it will otherwise assist USDA in the discharge of USDA's primary responsibility for securing compliance.
6. To refrain from entering into any contract or contract modification subject to such Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by USDA or the Secretary of Labor pursuant to Part II, Subpart D, of the Executive Order.
7. That if the recipient fails or refuses to comply with these undertakings, the USDA may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the organization under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such organization; and refer the case to the Department of Justice for appropriate legal proceedings.

Signed by the Recipient on the date first written above.

\_\_\_\_\_  
Recipient

\_\_\_\_\_  
Recipient

(CORPORATE SEAL)

Haywood County  
\_\_\_\_\_  
Name of Corporate Recipient

Attest:

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President



UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT

**APPLICANT CERTIFICATION**  
**FEDERAL COLLECTION POLICIES FOR CONSUMER OR COMMERCIAL DEBTS**

The Federal Government is authorized to check credit information about the applicant(s) including using the federal Credit Alert Interactive Voice Response System (CAIVRS) or its successors to check to see if the applicant(s) are delinquent or in default on a Federal debt.

The Federal Government is also authorized by law to take any or all of the following actions in the event your loan payments become delinquent or you default on your loan:

- Report your name and account information to a credit reporting agency, and the Credit Alert Interactive Voice Response System (CAIVRS).
- Assess interest and penalty charges for the period of time that payment is not made.
- Assess charges to cover additional administrative costs incurred by the government to service your account.
- Offset amounts to be paid to you from your Federal income tax refund.
- Offset amounts to be paid to you under other Federal Programs.
- Refer your account to a private collection agency to collect the amount due.
- Foreclose on any security you have given for the loan.
- Pursue legal action to collect through the courts.
- Report any written off debt to the Internal Revenue Service as taxable income.
- If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits.
- Debar or suspend you from doing business with the Federal Government either as a participant or principal throughout the executive branch of the Federal Government for the period of debarment or suspension.
- Refer any debt that is delinquent to the Treasury Offset Program (TOP) in accordance with the Debt Collection Improvement Act of 1996.
- Refer any eligible debt that is delinquent to the Treasury for cross servicing in accordance with the Debt Collection Improvement Act of 1996.
- Garnish your wages as allowed by the Debt Collection Improvement Act of 1996.

Any or all of these actions may be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

CERTIFICATION: I/we have read and I/we understand the actions the Federal Government may take in the event that I/we fail to meet my/our scheduled payments in accordance with the terms and conditions of my/our agreement. I/we understand that the above list is not all inclusive and that the Federal Government may deem additional actions necessary to collect should I/we become delinquent.

(Signature-Individual(s))	(Date)	(Signature-Individual(s))	(Date)
(SEAL)		08-15-2016	Haywood County 215 North Main St
	(Date)	(Name of Applicant)	
ATTEST:		(Signature of Authorized Entity Official)	
(Signature of Attesting Official)		(Title of Authorized Entity Official)	
(Title of Attesting Official)		215 North Main Street	
		(Address)	
		Waynesville, NC 28786-	
		(City, State, and Zip Code)	

REQUEST FOR OBLIGATION OF FUNDS

<b>INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ( )</b> Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
<b>1. CASE NUMBER</b> ST CO BORROWER ID 38-044-*****1524		<b>LOAN NUMBER</b>	<b>FISCAL YEAR</b>
<b>2. BORROWER NAME</b> Haywood County 215 North Main St		<b>3. NUMBER NAME FIELDS</b> (1, 2, or 3 from Item 2)	
		<b>4. STATE NAME</b> North Carolina	
		<b>5. COUNTY NAME</b> Haywood	
<b>GENERAL BORROWER/LOAN INFORMATION</b>			
<b>6. RACE/ETHNIC CLASSIFICATION</b> 1 - WHITE 2 - BLACK 3 - A/AN 4 - HISPANIC 5 - A/PI	<b>7. TYPE OF APPLICANT</b> 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	<b>8. COLLATERAL CODE</b> 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	<b>9. EMPLOYEE RELATIONSHIP CODE</b> 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
<b>10. SEX CODE</b> 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	<b>11. MARITAL STATUS</b> 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	<b>12. VETERAN CODE</b> 1 - YES 2 - NO	<b>13. CREDIT REPORT</b> 1 - YES 2 - NO
<b>14. DIRECT PAYMENT</b> 2 (See FMI)	<b>15. TYPE OF PAYMENT</b> 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	<b>16. FEE INSPECTION</b> 1 - YES 2 - NO	
<b>17. COMMUNITY SIZE</b> 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		<b>18. USE OF FUNDS CODE</b> (See FMI)	
<b>COMPLETE FOR OBLIGATION OF FUNDS</b>			
<b>19. TYPE OF ASSISTANCE</b> 075 (See FMI)	<b>20. PURPOSE CODE</b> 4	<b>21. SOURCE OF FUNDS</b>	<b>22. TYPE OF ACTION</b> 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
<b>23. TYPE OF SUBMISSION</b> 1 - INITIAL 2 - SUBSEQUENT 2	<b>24. AMOUNT OF LOAN</b> \$3,350,000.00	<b>25. AMOUNT OF GRANT</b>	
<b>26. AMOUNT OF IMMEDIATE ADVANCE</b>	<b>27. DATE OF APPROVAL</b> MO DAY YR	<b>28. INTEREST RATE</b> 2.7500 %	<b>29. REPAYMENT TERMS</b> 40
<b>COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS</b>			
<b>30. PROFIT TYPE</b> 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
<b>COMPLETE FOR EM LOANS ONLY</b>		<b>COMPLETE FOR CREDIT SALE-ASSUMPTION</b>	
<b>31. DISASTER DESIGNATION NUMBER</b> (See FMI)	<b>32. TYPE OF SALE</b> 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
<b>FINANCE OFFICE USE ONLY</b>		<b>COMPLETE FOR FP LOANS ONLY</b>	
<b>33. OBLIGATION DATE</b> MO DA YR	<b>34. BEGINNING FARMER/RANCHER</b> (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 \_\_\_\_\_

*(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.

BOARD OF COMMISSIONERS

MARK S. SWANGER, CHAIRMAN  
J. W. "KIRK" KIRKPATRICK, III, VICE CHAIRMAN  
L. KEVIN ENSLEY  
BILL L. UPTON  
MICHAEL T. SORRELLS



COUNTY MANAGER  
IRA DOVE

COUNTY ATTORNEY  
LEON M. KILLIAN, III

**BE IT RESOLVED**

That the Haywood County Board of Commissioners accepts the conditions set forth in the Letter of Conditions dated August 15, 2016.

That the Haywood County Board of Commissioners approves the budget as shown on Form RD 442-7, Operating Budget.

That the Board Chairman and Clerk to the Board be authorized to execute all forms necessary to obtain a loan from Rural Development, including, but not limited to the following forms:

- |                     |   |
|---------------------|---|
| Form RD 1942-46     | Letter of Intent to Meet Conditions                 |
| Form RD 442-7       | Operating Budget                                    |
| Form RD 400-1       | Equal Opportunity Agreement                         |
| Form RD 400-4       | Assurance Agreement                                 |
| Form RD 1910-11     | Applicant Certification—Federal Collection Policies |
| Form RD 1940-1      | Request for Obligation of Funds                     |
| Form RD 1942-47     | Loan Resolution                                     |
| Form AD 1047        | Certification Regarding Debarment                   |
| Form AD 3031        | Felony Conviction/Tax Status                        |
| 1940-Q, Exhibit A-1 | Certification for Contracts, Grants, and Loans      |
| Unnumbered Form     | Certificate of Compliance                           |

The resolution is to become a part of the official minutes of the Haywood County Board of Commissioners meeting held on August 15, 2016.

MOTION that the resolution be approved made by: \_\_\_\_\_ and

seconded by: \_\_\_\_\_

Motion Passed \_\_\_\_\_ FOR and \_\_\_\_\_ AGAINST.

TO BE MADE A PART OF THE MINUTES DATED August 15, 2016.

BY: \_\_\_\_\_  
Chairman, Haywood County Board of Commissioners

Attest: \_\_\_\_\_ August 15, 2016

BY: \_\_\_\_\_  
Ira Dove, Clerk to the Board

USDA  
Form RD 1942-47  
(Rev. 12-97)

LOAN RESOLUTION  
(Public Bodies)

FORM APPROVED  
OMB NO. 0575-0015

A RESOLUTION OF THE Board of Commissioners  
OF ~~THE~~ Haywood County  
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING  
A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS  
Haywood County Animal Services Facility  
FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for ~~the~~ Haywood County  
(Public Body)  
(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of  
3,350,000.00

pursuant to the provisions of NCGS 160A-20; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.



**CERTIFICATION TO BE EXECUTED AT LOAN CLOSING**

I, the undersigned, as \_\_\_\_\_ of the Haywood County \_\_\_\_\_  
hereby certify that the Board of Commissioners \_\_\_\_\_ of such Association is composed of  
\_\_\_\_\_ members, of whom \_\_\_\_\_, constituting a quorum, were present at a meeting thereof duly called and  
held on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_; and that the foregoing resolution was adopted at such meeting  
by the vote shown above. I further certify that as of \_\_\_\_\_, the date of closing of the loan from the Government, said resolution  
remains in effect and has not been rescinded or antended in any way.

Dated, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Title \_\_\_\_\_



United States Department of Agriculture

AD-1047

**Certification Regarding Debarment, Suspension, and Other Responsibility Matters  
 Primary Covered Transactions**

*The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. § 552(a), as amended). This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, and 2 C.F.R. § 180.335, Participants' responsibilities. The regulations were amended and published on August 31, 2005, in 70 Fed. Reg. 51865-51880. Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed covered transaction.*

*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 0505-0027. The time required to complete this information collection is estimated to average 0.25 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. The provisions of appropriate criminal and civil fraud privacy, and other statutes may be applicable to the information provided.*

**(Read Instructions On Page Two Before Completing Certification)**

- A. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
1. Are not presently debarred, suspended, or proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (A.2.) of this certification; and
  4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- B. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

ORGANIZATION NAME	PR/AWARD NUMBER OR PROJECT NAME
NAME(S) AND TITLE(S) OF AUTHORIZED REPRESENTATIVE(S)	
SIGNATURE(S)	DATE

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

### Instructions for Certification

- (1) By signing and submitting this form, the prospective primary participant is providing the certification set out on page 1 in accordance with these instructions.
- (2) The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out on this form. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
- (3) The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
- (4) The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (5) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549, at 2 C.F.R. Parts 180 and 417. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
- (6) The prospective primary participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
- (7) The prospective primary participant further agrees by submitting this form that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- (8) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the System for Award Management (SAM) database.
- (9) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (10) Except for transactions authorized under paragraph (6) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

AD-3031

**U.S. Department of Agriculture**  
**ASSURANCE REGARDING FELONY CONVICTION**  
**OR TAX DELINQUENT STATUS FOR CORPORATE APPLICANTS**

*NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 55a – as amended). The authority for requesting the following information for USDA agencies and offices is in sections 738 and 739 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012, P.L. 112-55, as amended and/or subsequently enacted. The information will be used to document compliance with appropriations restrictions.*

*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 of this information collection is 0505-0025. The time required to complete this information collection is estimated to average 3 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. The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided.*

This award is subject to the provisions contained in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012, P.L. 112-55, Division A, Sections 738 and 739, as amended and/or subsequently enacted for USDA agencies and offices (except Forest Service) regarding corporate felony convictions and corporate federal tax delinquencies.

Accordingly, by accepting this award the recipient acknowledges that it: (1) does not have a tax delinquency, meaning that it is not subject to any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, and (2) has not been convicted (or had an officer or agent acting on its behalf convicted) of a felony criminal violation under any Federal or State law within 24 months preceding the award, unless a suspending and debarring official of the United States Department of Agriculture has considered suspension or debarment of the recipient corporation, or such officer or agent, based on these convictions and/or tax delinquencies and determined that suspension or debarment is not necessary to protect the interests of the Government. If the recipient fails to comply with these provisions, the agency will annul this agreement and may recover any funds the recipient has expended in violation of the above cited statutory provisions.

\_\_\_\_\_  
APPLICANT'S SIGNATURE (BY)

\_\_\_\_\_  
TITLE/RELATIONSHIP OF THE INDIVIDUAL IF SIGNING IN A REPRESENTATIVE CAPACITY

Haywood County

\_\_\_\_\_  
BUSINESS NAME

8/15/2016

\_\_\_\_\_  
DATE SIGNED (MM-DD-YYYY)

*The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.*

CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
(name)

08-15-2016  
(date)

\_\_\_\_\_  
(title)

000

215 North Main Street

Waynesville, NC 28786-

**RURAL DEVELOPMENT, USDA**

84 Coxe Ave, Suite 1E

Asheville, NC 28801

Dear Sir:

This is to certify that the Haywood County  
is in compliance with Federal, State, and Local requirements include the following:

- a. Compliance with special laws and regulations.
- b. Compliance with State Pollution Control or Environmental Protection Agency standards.
- c. Consistency with other development plans of the area.
- d. Compliance with State agency regulating water rights.
- e. Compliance with Civil Rights Act of 1964.
- f. Compliance with Title IX of the Education Amendments of 1972.
- g. Compliance with Section 504 of the Rehabilitation Act of 1973.
- h. Compliance with Age Discrimination Act of 1975.
- i. Compliance with A-133 audit requirements.

BY: \_\_\_\_\_

8/15/2016

\_\_\_\_\_  
Date