

# Pocatello Development Authority

Board of Commissioners Meeting  
December 17, 2014 – 11:00 p.m.  
Paradise Conference Room

City of Pocatello  
911 North 7th Avenue  
Pocatello, Idaho 83205

*An urban renewal agency for the City of Pocatello, Idaho*

**11:00 a.m.**

Call to order by Michael Orr, Chairman  
Acknowledge guests of the Board  
Disclosure of conflicts of interest  
Agenda; delete action or discussion items

**Action and Discussion Items:**

**Agenda Item No. 1: Minutes.**

Motion to approve and/or amend Minutes of November 19, 2014 and November 25, 2014.

**Agenda Item No. 2: Financial Report.**

Motion to approve and/or amend November Income and Expenses.

4 **Agenda Item No. 3: Payment Requests/Reimbursements.**

Reimbursement to the City of Pocatello for Balfour Beatty Rail Invoice No.'s 200531-003 (\$4,292.75) and 200531-004 (\$533.00).

5 **Agenda Item No. 4: Approval of Loan Documents with Citizens Community Bank for \$5,750,000.00 for Payment of Infrastructure Improvements within the ~~Portneuf~~ Pocatello Regional Airport TIF District.**

6 **Agenda Item No. 5: Idaho Power Construction Agreement and Approval to Purchase Transformer**

3 **Agenda Item No. 6: Construction Update on Airport Development Project by Michael Jaglowski**

Matters exist for discussion in an executive session as per I.C. §67-2345(1)(e)

*Motion: "I move that we enter into an executive session as per Idaho Code §67-2345(1)(e) to consider preliminary negotiations involving matters of trade or commerce in which the PDA may be in competition with other jurisdictions."*

**Adjourn.**

AGENDA ITEM

NO. 1

MINUTES

**POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES**  
**December 18, 2014**

**Members present:** Brian Blad, Larry Fisher, Darlene Gerry, Cynthia Hill, Russell Meyers, Michael Orr, Ryan Ward, and Caroline Wight. John Regetz (ex officio)

**Members absent:** Linda Tigert

**Staff present:** Lon Crowell, Executive Director; Michael Jaglowski, City Public Works Director; Merril Quayle, City Development Engineer; Dean Tranmer and Tiffany Olsen, City Legal Dept.; and Joyce Stroschein, City Finance Dept.

**Chair Orr** called the meeting to order at 11:05 a.m.

Introductions, Conflicts, and Agenda: There were no guests in attendance, no conflicts with the Agenda items, nor were there any deletions to the Agenda. Chair Orr moved Agenda Item No. 6 to be heard after the Financial Report.

**1. Action and Discussion Items:**

Agenda Item No. 1: Minutes. The Minutes of the regularly scheduled meeting of November 19, 2014 and the Special Meeting of November 25, 2014 were reviewed. It was **MSC (B. Blad, C. Hill)** to approve the Minutes as presented.

Agenda Item No. 2: Financial Report. **J. Stroschein** presented the Financial Report for the month of November 2014. At month end, the Authority had cash on hand of \$3,420,541.28. The checking account balance was \$2,674,570.27, the savings account was \$745,971.01 and cash held by Zions Trust amounted to \$1,479,675.87. The Authority recognized above average financial activity during the month. The Authority received revenues totaling \$2,906,790.47 of which \$984.88 was interest earnings on cash invested and property taxes. The \$1,000.00 payment received on the note receivable applied \$178.91 towards the principal of the note. Property tax revenue totaled \$1,105.75 for the North Yellowstone District. Administrative fee Transfer from the Districts into the General Fund totaled \$2,904,520.93. Expenses for the month totaled \$3,153,815.08. The Authority granted Gateway West monies toward the NOP District for rail upgrades in the amount of \$242,267.00. The City of Pocatello was reimbursed for the Balfour Beatty Rail, Inc. expense related to the rail design at the PRA TIF District in the amount of \$4,489.10. Dues for the Redevelopment Association of Idaho were paid in the amount of \$2,250.00. The administrative expenditures in the amount of \$2,904,808.98 included transfers to the General Fund for the administrative fees in the TIF Districts for \$2,904,520.93, publication expense from July 2014 in the amount of \$112.31, and the remaining amount of \$175.74 was for lunch. Year to date revenues of \$2,909,059.99 are not greater than the expenses of \$4,219,385.34. The General Fund District has a net income of YTD of \$2,901,835.28. It was then **MSC (B. Blad, R. Ward)** to approve the Financial Report as presented.

Agenda Item No. 3: Construction Update on Airport Development Project by Michael Jaglowski. Michael Jaglowski presented highlights from the last PDA meeting on construction at the Airport included the implementation of a design team involving City Staff. Concept and preliminary plans are expected to be completed in January 2015. The plans will then be submitted to the regulatory agencies for approval in February 2015. Bid packages are expected to be issued in March and bid openings and awards in April 2015. The City utility departments are expecting to be completed with the construction/upgrades prior to the Street Department which has an anticipated completion timeline of October 2015.

Agenda Item No. 3: Payment Requests/Reimbursements. Merrill Quayle presented two invoices from Balfour Beatty Rail, Inc. in the amount of \$4,292.75 and \$533.00 for the 10% rail design within the PRA TIF District. At the PDA's last meeting, the Board approved the change order and these invoices are in accordance with the terms contained therein. After some clarification on why the City is owed the refund, Quayle reiterated his request that the PDA issue reimbursement to the City of Pocatello since the contract with Balfour Beatty is with the City. The request for payment is scheduled for the City Council meeting on December 19, 2014. Once the City issues payment, PDA will issue reimbursement to the City. It was then **MSC (R. Meyers, B. Blad)** to approve reimbursement to the City, once the City has issued payment to Balfour Beatty Rail, Inc., in the amount of \$4,825.75.

Agenda Item No. 4: Approval of Loan Documents with Citizens Community Bank for \$5,750,000.00 for Payment of Infrastructure Improvements within the Pocatello Regional Airport TIF District.

Several members raised concern with sections of the proposed loan documents. (1) **L. Fisher** pointed out that the Promissory Note states that the loan will be payable upon demand. **D. Gerry** agreed that stipulation cannot be met since we need the increment to pay the loan. **R. Ward** clarified that is upon default. (2) Fixed Interest Rate. **L. Fisher** noted the rate is variable for the first two years and then fixed at 3.25% beginning in year three. He understood the loan to be fixed at 3.25% for the first two years and again at 3.25% in year three. (3) **D. Gerry** felt there was no need to execute the Commercial Security Agreement since there was no requirement for collateral in CCB's proposal. **J. Stroschein** reminded the Board she was going to place one payment in a reserve account at CCB although there was no collateral or security required by CCB. **L. Crowell** commented that throughout the documents, the term "real property" was being used as collateral. This is not suitable since the PDA doesn't own the real property.

**Chair Orr** asked if there was any recourse if Pipe pulls out of the Lease Agreement in 6 months or 1 year and the loan agreement has been executed. He wondered if there could be any repayment of the funds expended to that date. **L. Fisher** questioned if Pipe could make the loan payments until the City/PDA was able to secure another tenant for the location? **D. Gerry** asked if there are any infrastructure deadlines or ramifications in a Development Agreement. **D. Tranmer** explained a Development Agreement had not been requested or prepared by the Legal Department. He understood Pipe may be preparing the document but he would need to check with Pipe's attorneys.

Given the number of concerns pertaining to the loan documents and questions surrounding a Development Agreement, it was **MSC (D. Gerry, C. Hill)** to postpone the execution of the loan documents at this time. If the loan documents are revised and Lease/Development Agreement concerns addressed before the PDA's next regularly scheduled meeting in January, a Special Meeting will take place.

Agenda Item No. 5: Idaho Power Construction Agreement and Approval to Purchase Transformer. **L. Crowell** asked if the Board would consider approving the Construction Agreement with Idaho Power and give its approval to purchase the transformer on the condition that this action would occur when the loan documents with CCB were executed to prevent additional delay in the transformer bid process. **D. Gerry** and **B. Blad** stated that since the PDA will have to meet again to discuss the revised loan documents, the Idaho Power documents can be addressed at that time. **C. Wight** and **R. Meyers** agreed with **Gerry** and **Blad** therefore no action on this agenda item was taken.

**2. Adjournment:**

There being no additional business on the Agenda and no matters for executive session, it was **MSC (R. Ward, R. Meyers)** to adjourn the meeting at 12:05 p.m.

By:   
Tiffany G. Olsen, Secretary

AGENDA ITEM

NO. 2

FINANCIAL

REPORTS

Pocatello Development Authority  
Balance Sheet by Class  
As of November 30, 2014

	1-General Fund	2-Central Corridor	3-North Yellowstone	4-Naval Ordinance	6-North Portneuf	7-Pocatello Regional Airport	TOTAL
<b>ASSETS</b>							
Current Assets							
Checking/Savings							
Checking Wells Fargo	2,400,762.29	0.00	36,037.06	79,759.67	0.00	158,011.25	2,674,570.27
Savings Wells Fargo	745,934.81	0.00	36.20	0.00	0.00	0.00	745,971.01
Zions 2012 Bnd Fnd 7110526D	0.00	0.00	0.32	0.00	0.00	0.00	0.32
Zions Bnd Reserve Fnd 7110526B	0.00	0.00	677,516.83	0.00	0.00	0.00	677,516.83
Zions Rev Alloc Fnd 7110526	0.00	0.00	802,158.72	0.00	0.00	0.00	802,158.72
<b>Total Checking/Savings</b>	<b>3,146,697.10</b>	<b>0.00</b>	<b>1,515,749.13</b>	<b>79,759.67</b>	<b>0.00</b>	<b>158,011.25</b>	<b>4,900,217.15</b>
Accounts Receivable							
Notes Receivable	50,000.00	597,621.97	0.00	0.00	0.00	0.00	647,621.97
<b>Total Accounts Receivable</b>	<b>50,000.00</b>	<b>597,621.97</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>647,621.97</b>
Other Current Assets							
Accrued Interest Income	0.00	0.00	35.96	0.00	0.00	0.00	35.96
Property Tax Receivable	0.00	21,713.24	27,117.52	0.00	12,964.56	0.00	61,795.32
<b>Total Other Current Assets</b>	<b>0.00</b>	<b>21,713.24</b>	<b>27,153.48</b>	<b>0.00</b>	<b>12,964.56</b>	<b>0.00</b>	<b>61,831.28</b>
<b>Total Current Assets</b>	<b>3,196,697.10</b>	<b>619,335.21</b>	<b>1,542,902.61</b>	<b>79,759.67</b>	<b>12,964.56</b>	<b>158,011.25</b>	<b>5,609,670.40</b>
<b>TOTAL ASSETS</b>	<b>3,196,697.10</b>	<b>619,335.21</b>	<b>1,542,902.61</b>	<b>79,759.67</b>	<b>12,964.56</b>	<b>158,011.25</b>	<b>5,609,670.40</b>
<b>LIABILITIES &amp; EQUITY</b>							
Liabilities							
Long Term Liabilities							
Deferred Notes Receivable Rev	50,000.00	597,621.97	0.00	0.00	0.00	0.00	647,621.97
Deferred Tax Revenues	0.00	15,601.56	14,241.05	0.00	12,964.56	0.00	42,807.17
<b>Total Long Term Liabilities</b>	<b>50,000.00</b>	<b>613,223.53</b>	<b>14,241.05</b>	<b>0.00</b>	<b>12,964.56</b>	<b>0.00</b>	<b>690,429.14</b>
<b>Total Liabilities</b>	<b>50,000.00</b>	<b>613,223.53</b>	<b>14,241.05</b>	<b>0.00</b>	<b>12,964.56</b>	<b>0.00</b>	<b>690,429.14</b>
Equity							
Fund Balance	244,861.82	2,974,145.20	2,350,693.52	418,042.02	14,679.84	162,500.35	6,164,922.75
Opening Balance Equity	0.00	0.00	64,643.86	0.00	0.00	0.00	64,643.86
Net Income	2,901,835.28	-2,968,033.52	-886,675.82	-338,282.35	-14,679.84	-4,489.10	-1,310,325.35
<b>Total Equity</b>	<b>3,146,697.10</b>	<b>6,111.68</b>	<b>1,528,661.56</b>	<b>79,759.67</b>	<b>0.00</b>	<b>158,011.25</b>	<b>4,919,241.26</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3,196,697.10</b>	<b>619,335.21</b>	<b>1,542,902.61</b>	<b>79,759.67</b>	<b>12,964.56</b>	<b>158,011.25</b>	<b>5,609,670.40</b>

Pocatello Development Authority  
Profit & Loss Statement  
by Class  
November 2014

	1-General Fund	2-Central Corridor	3-North Yellowstone	4-Naval Ordinance	6-North Portneuf	7-Pocatello Regional Airport	TOTAL
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
Interest Income	0.59	821.09	163.20	0.00	0.00	0.00	984.88
Miscellaneous Income	2,904,520.93	0.00	0.00	0.00	0.00	0.00	2,904,520.93
Principal received on notes	0.00	178.91	0.00	0.00	0.00	0.00	178.91
Property Taxes	0.00	0.00	1,105.75	0.00	0.00	0.00	1,105.75
<b>Total Income</b>	<u>2,904,521.52</u>	<u>1,000.00</u>	<u>1,268.95</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,906,790.47</u>
<b>Gross Profit</b>	2,904,521.52	1,000.00	1,268.95	0.00	0.00	0.00	2,906,790.47
<b>Expense</b>							
Administrative	288.05	1,904,612.06	889,213.68	96,015.35	14,679.84	0.00	2,904,808.98
Dues and Memberships	2,250.00	0.00	0.00	0.00	0.00	0.00	2,250.00
Economic Grants Issued	0.00	0.00	0.00	242,267.00	0.00	4,489.10	246,756.10
<b>Total Expense</b>	<u>2,538.05</u>	<u>1,904,612.06</u>	<u>889,213.68</u>	<u>338,282.35</u>	<u>14,679.84</u>	<u>4,489.10</u>	<u>3,153,815.08</u>
<b>Net Ordinary Income</b>	<u>2,901,983.47</u>	<u>-1,903,612.06</u>	<u>-887,944.73</u>	<u>-338,282.35</u>	<u>-14,679.84</u>	<u>-4,489.10</u>	<u>-247,024.61</u>
<b>Net Income</b>	<u>2,901,983.47</u>	<u>-1,903,612.06</u>	<u>-887,944.73</u>	<u>-338,282.35</u>	<u>-14,679.84</u>	<u>-4,489.10</u>	<u>-247,024.61</u>

At month end the Authority had cash on hand of \$3,420,541.28. The checking account balance was \$2,674,570.27, the savings account was \$745,971.01, and cash being held by Zions Trust amounted to \$1,479,675.87.

Pocatello Development Authority recognized above average financial activity during the month of November. The Authority received revenues totaling \$2,906,790.47 of which \$984.88 was interest earnings on cash invested and property taxes. The \$1,000.00 payment received on the note receivable applied \$178.91 towards the principal of the note. Property tax revenue totaled \$1,105.75 for the North Yellowstone District. Administrative Fee Transfer from the districts into the General Fund totaled \$2,904,520.93.

Expenses for the month totaled \$3,153,815.08. The Authority granted Gateway West monies toward the NOP district for rail upgrades in the amount of \$242,267.00. The City of Pocatello was reimbursed for the Balfour Betty expense related to rail design at the Airport TIF district in the amount of \$4,489.10. Dues for the Redevelopment Association of Idaho were paid in the amount of \$2,250.00. The administrative expenditures in the amount of \$2,904,808.98 included transfers to the General Fund for the administrative fees in the TIF districts for \$2,904,520.93, publication expense for \$112.31, and the remaining amount of \$175.74 was for lunch.

Year to date revenues of \$2,909,059.99 (see page 3) are not greater than expenses of \$4,219,385.34. The Genral Fund District has a net income YTD of \$2,901,835.28.

Pocatello Development Authority  
Profit & Loss by Class  
October through November 2014

	<u>1-General Fund</u>	<u>2-Central Corridor</u>	<u>3-North Yellowstone</u>	<u>4-Naval Ordinance</u>	<u>6-North Portneuf</u>	<u>7-Pocatello Regional Airport</u>	<u>TOTAL</u>
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
Interest Income	1.20	1,642.92	200.79	0.00	0.00	0.00	1,844.91
Miscellaneous Income	2,904,520.93	0.00	0.00	0.00	0.00	0.00	2,904,520.93
Principal received on notes	0.00	357.08	0.00	0.00	0.00	0.00	357.08
Property Taxes	0.00	0.00	2,337.07	0.00	0.00	0.00	2,337.07
<b>Total Income</b>	<u>2,904,522.13</u>	<u>2,000.00</u>	<u>2,537.86</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,909,059.99</u>
<b>Gross Profit</b>	2,904,522.13	2,000.00	2,537.86	0.00	0.00	0.00	2,909,059.99
<b>Expense</b>							
Administrative	436.85	1,904,612.06	889,213.68	96,015.35	14,679.84	0.00	2,904,957.78
Dues and Memberships	2,250.00	0.00	0.00	0.00	0.00	0.00	2,250.00
Economic Grants Issued	0.00	1,065,421.46	0.00	242,267.00	0.00	4,489.10	1,312,177.56
<b>Total Expense</b>	<u>2,686.85</u>	<u>2,970,033.52</u>	<u>889,213.68</u>	<u>338,282.35</u>	<u>14,679.84</u>	<u>4,489.10</u>	<u>4,219,385.34</u>
<b>Net Ordinary Income</b>	<u>2,901,835.28</u>	<u>-2,968,033.52</u>	<u>-886,675.82</u>	<u>-338,282.35</u>	<u>-14,679.84</u>	<u>-4,489.10</u>	<u>-1,310,325.35</u>
<b>Net Income</b>	<u>2,901,835.28</u>	<u>-2,968,033.52</u>	<u>-886,675.82</u>	<u>-338,282.35</u>	<u>-14,679.84</u>	<u>-4,489.10</u>	<u>-1,310,325.35</u>

# AGENDA ITEM NO. 3

# Memorandum

**To:** Michael Orr, PDA Chair  
Lonnie Crowell, PDA Executive Director

**Cc:** Tiffany Olsen, PDA Secretary

**From:** Merrill Quayle P.E. City of Pocatello Development Services Engineer *MB*

**Date:** December 17, 2014

**Re:** Payment Request/Reimbursement to City of Pocatello

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At the April 16, 2014 meeting the PDA Board voted to approve expenditure not to exceed \$7,500.00 for a 10% Industrial Track design and at the November 19, 2014 approved and additional \$2,000.00 for Project Pipe 10% design for a total not to exceed \$9,500.00 that would be submitted to UPRR for approval at the Pocatello Airport.

This came about from meeting held between UPRR, Balfour Beatty Rail and the City of Pocatello it was determined it would be in the best interest of the parties involved to include the 10% rail spur design for project pipe in phase 1.

At the December 18, 2014 a recommendation will be made to the City Council to increase the current contract between the City of Pocatello and Balfour Beatty Rail (CRS Engineering/ Balfour Beatty, Contractor) by \$2,750.00 for a total of \$9,350 but not to exceed \$9,500.00 same as the PDA.

The City of Pocatello has received and will be paying invoice #200531-003 in the amount of \$4,292.75 and invoice #200531-004 in the amount of \$533.00 for a total of \$4,825.75 after the December 18, 2014 City Council approval based on the PDA reimbursement.

At this time the City of Pocatello is requesting reimbursement from the PDA in the amount of \$4,825.75 (#200531-003 = \$4,292.75 and #200531-004 = \$533.00) as soon as the City has paid the invoices.

For the record there was an error on invoice 200531-002 and it was voided and will not show up in the file.

I will be in attendance to answer any question that the Board may have.

# Balfour Beatty

Invoice

Received

DEC 4 2014

**CITY OF POCATELLO  
ENGINEERING DEPARTMENT**

*Balfour Beatty  
Gillette WY Regional Office*

3705 Hackathorne Lane  
P.O. Box 3830  
Gillette, WY 82717

Tel: (307) 686-7429  
Fax: (307) 686-9024

**Customer: CITYPOCA**  
CITY OF POCATELLO  
PO BOX 4169  
  
POCATELLO, ID 83205  
**Attention:** Accounts Payable

**Invoice No.:** 200531-003  
**Invoice Date:** 11/18/2014  
**Term:** NET 30  
**Job No.:** 200531  
**Contract No.:**  
**P.O. No.:** 200531-001

Qty	Description	Unit Price	Gross Amount
1.00	<p>Engineering:</p> <p>Engineering services through 10/31/14. Daily force account report attached.</p> <p style="margin-top: 20px;">VENDOR # <u>20223</u> DATE <u>12/8/2014</u>            ACCT.# <u>087-8701-490.40-99</u>            PROJ.# <u>AI R001</u>            AMOUNT \$ <u>\$4292.75</u>            DEPT. APPR <u>MB</u> <u>[Signature]</u>            BUDGET APPR _____            GROUP # _____ TRANS # _____</p> <p>Partial 10% Rail Design at Pocatello Airport</p>	4,292.75	4,292.75

**REMITTANCE ADDRESS:**

Balfour Beatty Infrastructure, Inc  
Attn: Accounts Receivable  
999 Peachtree St. NE Suite 900  
Atlanta, GA 30309  
Federal ID# 65-0183589

<b>SubTotal:</b>	4,292.75
<b>Less Retainage:</b>	0.00
<b>Less Discount:</b>	0.00
<b>Taxes:</b>	0.00
<b>Total:</b>	4,292.75

1717 North Beck Street  
Salt Lake City, UT 84116  
(801) 532-4322

Customer: City of Pocatello  
Purchase Order No.: 200531-001  
Date of Service: Services performed through 10/31/14


**Daily Force Account Report**

Labor Type	REGULAR	OVERTIM	Regular Rate	Overtime Rate	TOTAL	Comments:	
	Hours	E Hours					
Cadd Operator II	2		\$88.00	\$0.00	\$176.00		
Eng in Training	22.5		\$91.30	\$58.50	\$2,054.25		
Sr. Project Mng	15		\$137.50	\$48.00	\$2,062.50		
Operator			\$32.00	\$48.00	\$0.00		
Labor			\$28.50	\$42.75	\$0.00		
Labor			\$28.50	\$42.75	\$0.00		
Labor			\$28.50	\$42.75	\$0.00		
Labor			\$28.50	\$42.75	\$0.00		
Labor			\$28.50	\$42.75	\$0.00		
CDL Driver			\$42.00	\$63.00	\$0.00		
Per Dim			\$75.00	\$0.00	\$0.00		
					<b>Total Labor</b>		<b>\$4,292.75</b>

<b>Work Completed</b>	Engineering

Equipment Type	Hours / Days	Rate	Total	Comments: Hourly Rate or Day Rate	
					Truck with tools
Backhoe		\$ 365.00	\$ -		
Front End Loader		\$ 600.00	\$ -		
Tko		\$ 528.00	\$ -		
Power pack with tools		\$ 220.00	\$ -		
Tamper		\$ 750.00	\$ -		
Pickup		\$ 160.00	\$ -		
Boom truck & trialer		\$ 600.00	\$ -		
Tie crane		\$ 600.00	\$ -		
				<b>Total Equipment</b>	<b>\$0.00</b>

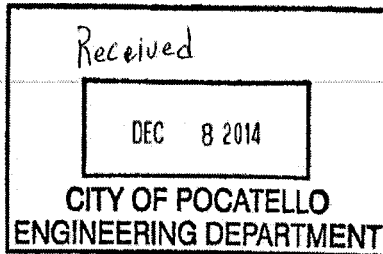
Description	Units	Price	TOTAL
		\$0.00	\$0.00
		\$0.00	\$0.00
		\$0.00	\$0.00
		\$0.00	\$0.00
		\$0.00	\$0.00
<b>Total Materials</b>			<b>\$0.00</b>

Approved: \_\_\_\_\_  
  
 \_\_\_\_\_  
 Company Representative  
 \_\_\_\_\_  
 Superintendent

<b>Total Labor, EQ &amp; MTL Today</b>	<b>\$4,292.75</b>
<b>Total Job Cost to Date</b>	<b>\$4,292.75</b>

# Balfour Beatty

## Invoice



Balfour Beatty  
Gillette WY Regional Office

3705 Hackathorne Lane  
P.O. Box 3830  
Gillette, WY 82717  
Tel: (307) 686-7429  
Fax: (307) 686-9024

**Customer: CITYPOCA**  
CITY OF POCATELLO  
PO BOX 4169  
  
POCATELLO, ID 83205  
**Attention: Accounts Payable**

**Invoice No.:** 200531-004  
**Invoice Date:** 12/05/2014  
**Term:** NET 30  
**Job No.:** 200531  
**Contract No.:**  
**P.O. No.:** 200531-001

Qty	Description	Unit Price	Gross Amount
1.00	<p>Engineering:</p> <p>Engineering services billed through 11/18/14. Daily force account report attached.</p> <p>VENDOR # <u>20223</u> DATE <u>12/8/2014</u>            ACCT.# <u>087-0701-490,40-99</u>            PROJ.# <u>AIR001</u>            AMOUNT \$ <u>533.00</u>            DEPT. APPR <u>NB</u> <u>[Signature]</u>            BUDGET APPR _____            GROUP # _____ TRANS # _____</p> <p>Partial 10% Rail Design at Pocatello Airport</p>	533.00	533.00

**REMITTANCE ADDRESS:**

Balfour Beatty Infrastructure, Inc  
Attn: Accounts Receivable  
999 Peachtree St. NE Suite 900  
Atlanta, GA 30309  
Federal ID# 65-0183589

<b>SubTotal:</b>	533.00
<b>Less Retainage:</b>	0.00
<b>Less Discount:</b>	0.00
<b>Taxes:</b>	0.00
<b>Total:</b>	533.00



# AGENDA ITEM

## NO. 4

(will be supplemented)



\*00000000180272932%0450%12152014%00000000000000\*

# GOVERNMENTAL CERTIFICATE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$5,750,000.00	12-15-2014	01-15-2034	180272932	8 / 215		0105	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item.  
Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Entity:** POCATELLO DEVELOPMENT AUTHORITY  
P O BOX 4169  
POCATELLO, ID 83205

**Lender:** CITIZENS COMMUNITY BANK, Division of Glacier Bank  
S. ARTHUR BRANCH  
P. O. BOX 1689  
280 S. ARTHUR  
POCATELLO, ID 83204

### I, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:

**THE ENTITY'S EXISTENCE.** The complete and correct name of the governmental entity is POCATELLO DEVELOPMENT AUTHORITY ("Entity"). The Entity is a governmental entity which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws and regulations of the State of Idaho. The Entity has the full power and authority to own its properties and to transact the business and activities in which it is presently engaged or presently proposes to engage. The Entity maintains an office at 911 N 7TH ST, POCATELLO, ID 83201. The Entity shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of the Entity and any other governmental or quasi-governmental authority or court applicable to the Entity and the Entity's business activities.

**CERTIFICATES ADOPTED.** At a meeting of the appropriate governing body of the Entity, duly called and held on **December 15, 2014**, at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Certificate were adopted.

**OFFICIAL.** The following named person is an Official of POCATELLO DEVELOPMENT AUTHORITY:

<u>NAMES</u>	<u>TITLES</u>	<u>AUTHORIZED</u>	<u>ACTUAL SIGNATURES</u>
MICHAEL L ORR	CHAIRMAN	Y X	_____

**ACTIONS AUTHORIZED.** The authorized person listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Entity. Specifically, but without limitation, the authorized person is authorized, empowered, and directed to do the following for and on behalf of the Entity:

**Borrow Money.** To borrow, as a cosigner or otherwise, from time to time from Lender, on such terms as may be agreed upon between the Entity and Lender, such sum or sums of money as in his or her judgment should be borrowed, without limitation.

**Execute Notes.** To execute and deliver to Lender the promissory note or notes, or other evidence of the Entity's credit accommodations, on Lender's forms, at such rates of interest and on such terms as may be agreed upon, evidencing the sums of money so borrowed or any of the Entity's indebtedness to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

**Grant Security.** To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Entity or in which the Entity now or hereafter may have an interest, including without limitation all of the Entity's real property and all of the Entity's personal property (tangible or intangible), as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes), or any other or further indebtedness of the Entity to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered.

**Execute Security Documents.** To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances.

**Negotiate Items.** To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Entity or in which the Entity may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the Entity's account with Lender, or to cause such other disposition of the proceeds derived therefrom as he or she may deem advisable.

**Further Acts.** In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances under such lines, and in all cases, to do and perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements, **including agreements waiving the right to a trial by jury**, as the Official may in his or her discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Certificate.

**SUMMED BUSINESS NAMES.** The Entity has filed or recorded all documents or filings required by law relating to all assumed business names used by the Entity. Excluding the name of the Entity, the following is a complete list of all assumed business names under which the Entity does business: **None.**

**NOTICES TO LENDER.** The Entity will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (A) change in the Entity's name; (B) change in the Entity's assumed business name(s); (C) change in the structure of the Entity; (D) change in the authorized signer(s); (E) change in the Entity's principal office address; (F) change in the Entity's principal residence; or (G) change in any other aspect of the Entity that directly or indirectly relates to any agreements between the

**GOVERNMENTAL CERTIFICATE  
(Continued)**

Loan No: 180272932

Page 2

Entity and Lender.

**RTIFICATION CONCERNING OFFICIALS AND CERTIFICATES.** The Official named above is duly elected, appointed, or employed by or for the Entity, as the case may be, and occupies the position set opposite his or her respective name. This Certificate now stands of record on the books of the Entity, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

**CONTINUING VALIDITY.** Any and all acts authorized pursuant to this Certificate and performed prior to the passage of this Certificate are hereby ratified and approved. This Certificate shall be continuing, shall remain in full force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by Lender at Lender's address shown above (or such addresses as Lender may designate from time to time). Any such notice shall not affect any of the Entity's agreements or commitments in effect at the time notice is given.

**IN TESTIMONY WHEREOF,** I have hereunto set my hand and attest that the signature set opposite the name listed above is his or her genuine signature.

I have read all the provisions of this Certificate, and I personally and on behalf of the Entity certify that all statements and representations made in this Certificate are true and correct. This Governmental Certificate is dated December 15, 2014.

CERTIFIED TO AND ATTESTED BY:

X  
\_\_\_\_\_  
MICHAEL L ORR, CHAIRMAN of POCATELLO  
DEVELOPMENT AUTHORITY

NOTE: If the Official signing this Certificate is designated by the foregoing document as one of the officials authorized to act on the Entity's behalf, it is advisable to have this Certificate signed by at least one non-authorized official of the Entity.

# AGENDA ITEM NO. 5



\*00000000180272932%0070%12152014%00000000000000\*

# BUSINESS LOAN AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$5,750,000.00	12-15-2014	01-15-2034	180272932	8 / 215		0105	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** POCATELLO DEVELOPMENT AUTHORITY  
P O BOX 4169  
POCATELLO, ID 83205

**Lender:** CITIZENS COMMUNITY BANK, Division of Glacier Bank  
S. ARTHUR BRANCH  
P. O. BOX 1689  
280 S. ARTHUR  
POCATELLO, ID 83204

THIS BUSINESS LOAN AGREEMENT dated December 15, 2014, is made and executed between POCATELLO DEVELOPMENT AUTHORITY ("Borrower") and CITIZENS COMMUNITY BANK, Division of Glacier Bank ("Lender") on the following terms and conditions. Borrower has received prior commercial loans from Lender or has applied to Lender for a commercial loan or loans or other financial accommodations, including those which may be described on any exhibit or schedule attached to this Agreement. Borrower understands and agrees that: (A) in granting, renewing, or extending any Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement; (B) the granting, renewing, or extending of any Loan by Lender at all times shall be subject to Lender's sole judgment and discretion; and (C) all such Loans shall be and remain subject to the terms and conditions of this Agreement.

**TERM.** This Agreement shall be effective as of December 15, 2014, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until January 15, 2034.

**CONDITIONS PRECEDENT TO EACH ADVANCE.** Lender's obligation to make the initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's satisfaction of all of the conditions set forth in this Agreement and in the Related Documents.

**Loan Documents.** Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) Security Agreements granting to Lender security interests in the Collateral; (3) financing statements and all other documents perfecting Lender's Security Interests; (4) evidence of insurance as required below; (5) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's counsel.

**Borrower's Authorization.** Borrower shall have provided in form and substance satisfactory to Lender properly certified resolutions, duly authorizing the execution and delivery of this Agreement, the Note and the Related Documents. In addition, Borrower shall have provided such other resolutions, authorizations, documents and instruments as Lender or its counsel, may require.

**Payment of Fees and Expenses.** Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

**Representations and Warranties.** The representations and warranties set forth in this Agreement, in the Related Documents, and in any document or certificate delivered to Lender under this Agreement are true and correct.

**No Event of Default.** There shall not exist at the time of any Advance a condition which would constitute an Event of Default under this Agreement or under any Related Document.

**REPRESENTATIONS AND WARRANTIES.** Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension or modification of any Loan, and at all times any Indebtedness exists:

**Organization.** Borrower is a governmental entity which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws of the State of Idaho. Borrower is duly authorized to transact business in all other states in which Borrower is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Borrower is doing business. Specifically, Borrower is, and at all times shall be, duly qualified as a foreign in all states in which the failure to so qualify would have a material adverse effect on its business or financial condition. Borrower has the full power and authority to own its properties and to transact the business in which it is presently engaged or presently proposes to engage. Borrower maintains an office at 911 N 7TH ST, POCATELLO, ID 83201. Unless Borrower has designated otherwise in writing, the principal office is the office at which Borrower keeps its books and records including its records concerning the Collateral. Borrower will notify Lender prior to any change in the location of Borrower's state of organization or any change in Borrower's name. Borrower shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental or quasi-governmental authority or court applicable to Borrower and Borrower's business activities.

**Assumed Business Names.** Borrower has filed or recorded all documents or filings required by law relating to all assumed business names used by Borrower. Excluding the name of Borrower, the following is a complete list of all assumed business names under which Borrower does business: **None.**

**Authorization.** Borrower's execution, delivery, and performance of this Agreement and all the Related Documents have been duly authorized by all necessary action by Borrower and do not conflict with, result in a violation of, or constitute a default under (1) any provision of any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's properties.

**Financial Information.** Each of Borrower's financial statements supplied to Lender truly and completely disclosed Borrower's financial condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lender. Borrower has no material contingent obligations except as disclosed in such financial statements.

**Legal Effect.** This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in accordance with their respective terms.

**BUSINESS LOAN AGREEMENT  
(Continued)**

Loan No: 180272932

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**Properties.** Except as contemplated by this Agreement or as previously disclosed in Borrower's financial statements or in writing to Lender and as accepted by Lender, and except for property tax liens for taxes not presently due and payable, Borrower owns and has good title to all of Borrower's properties free and clear of all Security Interests, and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are titled in Borrower's legal name, and Borrower has not used or filed a financing statement under any other name for at least the last five (5) years.

**Hazardous Substances.** Except as disclosed to and acknowledged by Lender in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral. (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Laws; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters. (3) Neither Borrower nor any tenant, contractor, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral; and any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lender and its agents to enter upon the Collateral to make such inspections and tests as Lender may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tests made by Lender shall be at Borrower's expense and for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due diligence in investigating the Collateral for hazardous waste and Hazardous Substances. Borrower hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Agreement or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release of a hazardous waste or substance on the Collateral. The provisions of this section of the Agreement, including the obligation to indemnify and defend, shall survive the payment of the indebtedness and the termination, expiration or satisfaction of this Agreement and shall not be affected by Lender's acquisition of any interest in any of the Collateral, whether by foreclosure or otherwise.

**Litigation and Claims.** No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely affect Borrower's financial condition or properties, other than litigation, claims, or other events, if any, that have been disclosed to and acknowledged by Lender in writing.

**Taxes.** To the best of Borrower's knowledge, all of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

**Lien Priority.** Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filing or attachment of any Security Interests on or affecting any of the Collateral directly or indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Lender's Security Interests and rights in and to such Collateral.

**Binding Effect.** This Agreement, the Note, all Security Agreements (if any), and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

**AFFIRMATIVE COVENANTS.** Borrower covenants and agrees with Lender that, so long as this Agreement remains in effect, Borrower will:

**Notices of Claims and Litigation.** Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor.

**Financial Records.** Maintain its books and records in accordance with GAAP, applied on a consistent basis, and permit Lender to examine and audit Borrower's books and records at all reasonable times.

**Financial Statements.** Furnish Lender with the following:

**Annual Statements.** As soon as available, but in no event later than ninety (90) days after the end of each fiscal year, Borrower's balance sheet and income statement for the year ended, prepared by Borrower.

All financial reports required to be provided under this Agreement shall be prepared in accordance with GAAP, applied on a consistent basis, and certified by Borrower as being true and correct.

**Additional Information.** Furnish such additional information and statements, as Lender may request from time to time.

**Additional Requirements.** TO THE EXTENT THAT ALL SCHEDULED PAYMENTS ON THIS LOAN ARE PAID CURRENT, AND THE POCATELLO DEVELOPMENT AUTHORITY (PDA), HAS AT LEAST ONE FULL PAYMENT ON RESERVE DEPOSITED WITH CITIZENS COMMUNITY BANK. THE REMAINING TAX INCREMENT REVENUE SHALL BE AVAILABLE TO PDA TO USE AT THEIR DISCRETION.

**Insurance.** Maintain fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, amounts, coverages and with insurance companies acceptable to Lender. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least fifteen (15) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Loans, Borrower will provide Lender with such lender's loss payable or other endorsements as Lender may require.

**Insurance Reports.** Furnish to Lender, upon request of Lender, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the manner of determining those values; and (6) the expiration date of the policy. In addition, upon request of Lender (however not more often than annually), Borrower will have an independent appraiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Collateral. The cost of such appraisal shall be paid by Borrower.

**Other Agreements.** Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower

**BUSINESS LOAN AGREEMENT  
(Continued)**

Loan No: 180272932

Page 3

and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

**Loan Proceeds.** Use all Loan proceeds solely for Borrower's business operations, unless specifically consented to the contrary by Lender in writing.

**Taxes, Charges and Liens.** Pay and discharge when due all of its indebtedness and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits. Provided however, Borrower will not be required to pay and discharge any such assessment, tax, charge, levy, lien or claim so long as (1) the legality of the same shall be contested in good faith by appropriate proceedings, and (2) Borrower shall have established on Borrower's books adequate reserves with respect to such contested assessment, tax, charge, levy, lien, or claim in accordance with GAAP.

**Performance.** Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall notify Lender immediately in writing of any default in connection with any agreement.

**Operations.** Maintain executive and management personnel with substantially the same qualifications and experience as the present executive and management personnel; provide written notice to Lender of any change in executive and management personnel; conduct its business affairs in a reasonable and prudent manner.

**Environmental Studies.** Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relative to any substance, or any waste or by-product of any substance defined as toxic or a hazardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or affecting any property or any facility owned, leased or used by Borrower.

**Compliance with Governmental Requirements.** Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of Borrower's properties, businesses and operations, and to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Lender may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

**Inspection.** Permit employees or agents of Lender at any reasonable time to inspect any and all Collateral for the Loan or Loans and Borrower's other properties and to examine or audit Borrower's books, accounts, and records and to make copies and memoranda of Borrower's books, accounts, and records. If Borrower now or at any time hereafter maintains any records (including without limitation computer generated records and computer software programs for the generation of such records) in the possession of a third party, Borrower, upon request of Lender, shall notify such party to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Borrower's expense.

**Compliance Certificates.** Unless waived in writing by Lender, provide Lender at least annually, with a certificate executed by Borrower's chief financial officer, or other officer or person acceptable to Lender, certifying that the representations and warranties set forth in this Agreement are true and correct as of the date of the certificate and further certifying that, as of the date of the certificate, no Event of Default exists under this Agreement.

**Environmental Compliance and Reports.** Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to exist, as a result of an intentional or unintentional action or omission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where damage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authorities; shall furnish to Lender promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, summons, lien, citation, directive, letter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional action or omission on Borrower's part in connection with any environmental activity whether or not there is damage to the environment and/or other natural resources.

**Additional Assurances.** Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, financing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security Interests.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Borrower fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agreement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Collateral and paying all costs for insuring, maintaining and preserving any Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity.

**NEGATIVE COVENANTS.** Borrower covenants and agrees with Lender that while this Agreement is in effect, Borrower shall not, without the prior written consent of Lender:

**Indebtedness and Liens.** (1) Except for trade debt incurred in the normal course of business and indebtedness to Lender contemplated by this Agreement, create, incur or assume indebtedness for borrowed money, including capital leases, (2) sell, transfer, mortgage, assign, pledge, lease, grant a security interest in, or encumber any of Borrower's assets (except as allowed as Permitted Liens), or (3) sell with recourse any of Borrower's accounts, except to Lender.

**Continuity of Operations.** (1) Engage in any business activities substantially different than those in which Borrower is presently engaged, (2) cease operations, liquidate, merge, transfer, acquire or consolidate with any other entity, change its name, dissolve or transfer or sell Collateral out of the ordinary course of business, or (3) make any distribution with respect to any capital account, whether by reduction of capital or otherwise.

**Loans, Acquisitions and Guaranties.** (1) Loan, invest in or advance money or assets to any other person, enterprise or entity, (2) purchase, create or acquire any interest in any other enterprise or entity, or (3) incur any obligation as surety or guarantor other than in the ordinary course of business.

**BUSINESS LOAN AGREEMENT  
(Continued)**

Loan No: 180272932

Page 4

**Agreements.** Enter into any agreement containing any provisions which would be violated or breached by the performance of Borrower's obligations under this Agreement or in connection herewith.

**CESSATION OF ADVANCES.** If Lender has made any commitment to make any Loan to Borrower, whether under this Agreement or under any other agreement, Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged a bankrupt; (C) there occurs a material adverse change in Borrower's financial condition, in the financial condition of any Guarantor, or in the value of any Collateral securing any Loan; or (D) any Guarantor seeks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (E) Lender in good faith deems itself insecure, even though no Event of Default shall have occurred.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the Indebtedness against any and all such accounts.

**DEFAULT.** Each of the following shall constitute an Event of Default under this Agreement:

**Payment Default.** Borrower fails to make any payment when due under the Loan.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Defective Collateralization.** This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Loan is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Right to Cure.** If any default, other than a default on Indebtedness, is curable and if Borrower or Grantor, as the case may be, has not been given a notice of a similar default within the preceding twelve (12) months, it may be cured if Borrower or Grantor, as the case may be, after Lender sends written notice to Borrower or Grantor, as the case may be, demanding cure of such default: (1) cure the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, immediately initiate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**EFFECT OF AN EVENT OF DEFAULT.** If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursements), and, at Lender's option, all Indebtedness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "Insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Lender shall have all the rights and remedies provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Lender's rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Borrower or of any Grantor shall not affect Lender's right to declare a default and to exercise its rights and remedies.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Agreement:

**Amendments.** This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Attorneys' Fees; Expenses.** Borrower agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Borrower also shall pay all court costs and such additional fees as may be directed by the court.

**Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

**Consent to Loan Participation.** Borrower agrees and consents to Lender's sale or transfer, whether now or later, of one or more

**BUSINESS LOAN AGREEMENT  
(Continued)**

Loan No: 180272932

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participation interests in the Loan to one or more purchasers, whether related or unrelated to Lender. Lender may provide, without any limitation whatsoever, to any one or more purchasers, or potential purchasers, any information or knowledge Lender may have about Borrower or about any other matter relating to the Loan, and Borrower hereby waives any rights to privacy Borrower may have with respect to such matters. Borrower additionally waives any and all notices of sale of participation interests, as well as all notices of any repurchase of such participation interests. Borrower also agrees that the purchasers of any such participation interests will be considered as the absolute owners of such interests in the Loan and will have all the rights granted under the participation agreement or agreements governing the sale of such participation interests. Borrower further waives all rights of offset or counterclaim that it may have now or later against Lender or against any purchaser of such a participation interest and unconditionally agrees that either Lender or such purchaser may enforce Borrower's obligation under the Loan irrespective of the failure or insolvency of any holder of any interest in the Loan. Borrower further agrees that the purchaser of any such participation interests may enforce its interests irrespective of any personal claims or defenses that Borrower may have against Lender.

**Governing Law.** This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Idaho.

**Choice of Venue.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of BANNOCK County, State of Idaho.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Grantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Notices.** Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Borrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

**Severability.** If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

**Subsidiaries and Affiliates of Borrower.** To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, warranty or covenant, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates. Notwithstanding the foregoing however, under no circumstances shall this Agreement be construed to require Lender to make any Loan or other financial accommodation to any of Borrower's subsidiaries or affiliates.

**Successors and Assigns.** All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and assigns and shall inure to the benefit of Lender and its successors and assigns. Borrower shall not, however, have the right to assign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

**Survival of Representations and Warranties.** Borrower understands and agrees that in making the Loan, Lender is relying on all representations, warranties, and covenants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties and covenants will survive the making of the Loan and delivery to Lender of the Related Documents, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

**Time is of the Essence.** Time is of the essence in the performance of this Agreement.

**Waive Jury.** All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the meanings assigned to them in accordance with generally accepted accounting principles as in effect on the date of this Agreement:

**Advance.** The word "Advance" means a disbursement of Loan funds made, or to be made, to Borrower or on Borrower's behalf on a line of credit or multiple advance basis under the terms and conditions of this Agreement.

**Agreement.** The word "Agreement" means this Business Loan Agreement, as this Business Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Business Loan Agreement from time to time.

**Borrower.** The word "Borrower" means POCATELLO DEVELOPMENT AUTHORITY and includes all co-signers and co-makers signing the Note and all their successors and assigns.

**Collateral.** The word "Collateral" means all property and assets granted as collateral security for a Loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the future, and whether granted in the form of a security interest, mortgage, collateral mortgage, deed of trust, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien, charge, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

**BUSINESS LOAN AGREEMENT  
(Continued)**

Loan No: 180272932

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**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

**GAAP.** The word "GAAP" means generally accepted accounting principles.

**Grantor.** The word "Grantor" means each and all of the persons or entities granting a Security Interest in any Collateral for the Loan, including without limitation all Borrowers granting such a Security Interest.

**Guarantor.** The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Loan.

**Guaranty.** The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Indebtedness.** The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

**Lender.** The word "Lender" means CITIZENS COMMUNITY BANK, Division of Glacier Bank, its successors and assigns.

**Loan.** The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced, including without limitation those loans and financial accommodations described herein or described on any exhibit or schedule attached to this Agreement from time to time.

**Note.** The word "Note" means the Note dated December 15, 2014 and executed by POCATELLO DEVELOPMENT AUTHORITY in the principal amount of \$5,750,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

**Permitted Liens.** The words "Permitted Liens" mean (1) liens and security interests securing Indebtedness owed by Borrower to Lender; (2) liens for taxes, assessments, or similar charges either not yet due or being contested in good faith; (3) liens of materialmen, mechanics, warehousemen, or carriers, or other like liens arising in the ordinary course of business and securing obligations which are not yet delinquent; (4) purchase money liens or purchase money security interests upon or in any property acquired or held by Borrower in the ordinary course of business to secure indebtedness outstanding on the date of this Agreement or permitted to be incurred under the paragraph of this Agreement titled "Indebtedness and Liens"; (5) liens and security interests which, as of the date of this Agreement, have been disclosed to and approved by the Lender in writing; and (6) those liens and security interests which in the aggregate constitute an immaterial and insignificant monetary amount with respect to the net value of Borrower's assets.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

**Security Agreement.** The words "Security Agreement" mean and include without limitation any agreements, promises, covenants, arrangements, understandings or other agreements, whether created by law, contract, or otherwise, evidencing, governing, representing, or creating a Security Interest.

**Security Interest.** The words "Security Interest" mean, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever whether created by law, contract, or otherwise.

**BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS BUSINESS LOAN AGREEMENT AND BORROWER AGREES TO ITS TERMS. THIS BUSINESS LOAN AGREEMENT IS DATED DECEMBER 15, 2014.**

BORROWER:

POCATELLO DEVELOPMENT AUTHORITY

By: \_\_\_\_\_  
MICHAEL L ORR, CHAIRMAN of POCATELLO  
DEVELOPMENT AUTHORITY

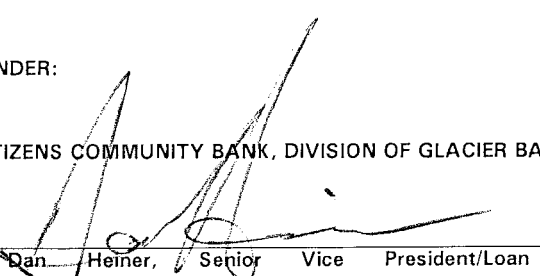
**BUSINESS LOAN AGREEMENT  
(Continued)**

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UNDER:

CITIZENS COMMUNITY BANK, DIVISION OF GLACIER BANK

By:   
Dan Heiner, Senior Vice President/Loan  
Administrator



\*00000000180272932%0955%12152014%00000000000000\*

# PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$5,750,000.00	12-15-2014	01-15-2034	180272932	8 / 215		0105	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** POCATELLO DEVELOPMENT AUTHORITY  
P O BOX 4169  
POCATELLO, ID 83205

**Lender:** CITIZENS COMMUNITY BANK, Division of Glacier Bank  
S. ARTHUR BRANCH  
P. O. BOX 1689  
280 S. ARTHUR  
POCATELLO, ID 83204

**Principal Amount: \$5,750,000.00**

**Date of Note: December 15, 2014**

**PROMISE TO PAY.** POCATELLO DEVELOPMENT AUTHORITY ("Borrower") promises to pay to CITIZENS COMMUNITY BANK, Division of Glacier Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of Five Million Seven Hundred Fifty Thousand & 00/100 Dollars (\$5,750,000.00), together with interest on the unpaid principal balance from December 15, 2014, until paid in full.

**PAYMENT.** Borrower will pay this loan in full immediately upon Lender's demand. If no demand is made, subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in accordance with the following payment schedule, which calculates interest on the unpaid principal balances as described in the "INTEREST CALCULATION METHOD" paragraph using the interest rates described in this paragraph: 2 annual consecutive interest payments, beginning January 15, 2016, with interest calculated on the unpaid principal balances using an interest rate based on the variable rate known as Prime Rate as published in the Wall Street Journal; when a range of rates has been published, the higher of the rates will be used (currently 3.250%), resulting in an initial interest rate of 3.250% per annum; 16 annual consecutive principal and interest payments in the initial amount of \$445,630.43 each, beginning January 15, 2018, with interest calculated on the unpaid principal balances using an interest rate of 3.250% per annum; and one principal and interest payment of \$445,630.37 on January 15, 2034, with interest calculated on the unpaid principal balances using an interest rate of 3.250% per annum. This estimated final payment is based on the assumption that all payments will be made exactly as scheduled and that the Index does not change; the actual final payment will be for all principal and accrued interest not yet paid, together with any other unpaid amounts under this Note. Unless otherwise agreed or required by applicable law, payments will be applied to Accrued Interest, then to Principal, then to Escrow Payments (if applicable), then to Other Charges, then to Late Charges. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**VARIABLE INTEREST RATE.** The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the variable rate known as Prime Rate as published in the Wall Street Journal; when a range of rates has been published, the higher of the rates will be used (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each day. Borrower understands that Lender may make loans based on other rates as well. **The Index currently is 3.250% per annum.** The interest rate or rates to be applied to the unpaid principal balance during this Note will be the rate or rates set forth herein in the "Payment" section. Notwithstanding any other provision of this Note, after the first payment stream, the interest rate for each subsequent payment stream will be effective as of the due date of the last payment in the just-ending payment stream. **NOTICE:** Under no circumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

**INTEREST CALCULATION METHOD.** Interest on this Note is computed on a 365/365 simple interest basis; that is, by applying the ratio of the interest rate over the number of days in a year, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

**PREPAYMENT; MINIMUM INTEREST CHARGE.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. In any event, even upon full prepayment of this Note, Borrower understands that Lender is entitled to a **minimum interest charge of \$7.50.** Other than Borrower's obligation to pay any minimum interest charge, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. **All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: CITIZENS COMMUNITY BANK, Division of Glacier Bank; S. ARTHUR BRANCH; P. O. BOX 1689; 280 S. ARTHUR; POCATELLO, ID 83204.**

**LATE CHARGE.** If a payment is 15 days or more late, Borrower will be charged 5.000% of the unpaid portion of the regularly scheduled payment or \$10.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased to .000% per annum. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**PROMISSORY NOTE  
(Continued)**

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**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Death or Insolvency.** The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**LENDER'S RIGHTS.** Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and legal expenses, whether or not there is a lawsuit, including without limitation all reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**ARBITRATION WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Idaho.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of BANNOCK County, State of Idaho.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

**COLLATERAL.** Borrower acknowledges this Note is secured by the following collateral described in the security instrument listed herein: accounts described in a Commercial Security Agreement dated December 15, 2014.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES.** Borrower may notify Lender if Lender reports any inaccurate information about Borrower's account(s) to a consumer reporting agency. Borrower's written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: CITIZENS COMMUNITY BANK, Division of Glacier Bank, S. ARTHUR BRANCH, P. O. BOX 1689, 280 S. ARTHUR, POCATELLO, ID 83204.

**GENERAL PROVISIONS.** This Note is payable on demand. The inclusion of specific default provisions or rights of Lender shall not preclude Lender's right to declare payment of this Note on its demand. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PROMISSORY NOTE  
(Continued)

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BEFORE SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

POCATELLO DEVELOPMENT AUTHORITY

By: \_\_\_\_\_  
MICHAEL L ORR, CHAIRMAN of POCATELLO  
DEVELOPMENT AUTHORITY

# COMMERCIAL SECURITY AGREEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$5,750,000.00	12-15-2014	01-15-2034	180272932	8 / 215		0105	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

<b>Grantor:</b> POCATELLO DEVELOPMENT AUTHORITY P O BOX 4169 POCATELLO, ID 83205	<b>Lender:</b> CITIZENS COMMUNITY BANK, Division of Glacier Bank S. ARTHUR BRANCH P. O. BOX 1689 280 S. ARTHUR POCATELLO, ID 83204
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THIS COMMERCIAL SECURITY AGREEMENT dated December 15, 2014, is made and executed between POCATELLO DEVELOPMENT AUTHORITY ("Grantor") and CITIZENS COMMUNITY BANK, Division of Glacier Bank ("Lender").

**GRANT OF SECURITY INTEREST.** For valuable consideration, Grantor grants to Lender a security interest in the Collateral to secure the Indebtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law.

**COLLATERAL DESCRIPTION.** The word "Collateral" as used in this Agreement means the following described property, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located, in which Grantor is giving to Lender a security interest for the payment of the Indebtedness and performance of all other obligations under the Note and this Agreement:

**All Accounts-Specifically Related to the Assignment of Tax Increment Revenue**

In addition, the word "Collateral" also includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

- (A) All accessions, attachments, accessories, replacements of and additions to any of the collateral described herein, whether added now or later.
- (B) All products and produce of any of the property described in this Collateral section.
- (C) All accounts, general intangibles, instruments, rents, monies, payments, and all other rights, arising out of a sale, lease, consignment or other disposition of any of the property described in this Collateral section.
- (D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process.
- (E) All records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Grantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Grantor holds jointly with someone else and all accounts Grantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Grantor authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the Indebtedness against any and all such accounts.

**GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL.** With respect to the Collateral, Grantor represents and promises to Lender that:

**Perfection of Security Interest.** Grantor agrees to take whatever actions are requested by Lender to perfect and continue Lender's security interest in the Collateral. Upon request of Lender, Grantor will deliver to Lender any and all of the documents evidencing or constituting the Collateral, and Grantor will note Lender's interest upon any and all chattel paper and instruments if not delivered to Lender for possession by Lender.

**Notices to Lender.** Grantor will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (1) change in Grantor's name; (2) change in Grantor's assumed business name(s); (3) change in the structure of the entity Grantor; (4) change in the authorized signer(s); (5) change in Grantor's principal office address; (6) change in Grantor's principal residence; (7) conversion of Grantor to a new or different type of business entity; or (8) change in any other aspect of Grantor that directly or indirectly relates to any agreements between Grantor and Lender. No change in Grantor's name will take effect until after Lender has received notice.

**No Violation.** The execution and delivery of this Agreement will not violate any law or agreement governing Grantor or to which Grantor is a party.

**Enforceability of Collateral.** To the extent the Collateral consists of accounts, chattel paper, or general intangibles, as defined by the Uniform Commercial Code, the Collateral is enforceable in accordance with its terms, is genuine, and fully complies with all applicable laws and regulations concerning form, content and manner of preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral. At the time any account becomes subject to a security interest in favor of Lender, the account shall be a good and valid account representing an undisputed, bona fide indebtedness incurred by the account debtor, for merchandise held subject to delivery instructions or previously shipped or delivered pursuant to a contract of sale, or for services previously performed by Grantor with or for the account debtor. So long as this Agreement remains in effect, Grantor shall not, without Lender's prior written consent, compromise, settle, adjust, or extend payment under or with regard to any such Accounts. There shall be no setoffs or counterclaims against any of the Collateral, and no agreement shall have been made under which any deductions or discounts may be claimed concerning the Collateral except those disclosed to Lender in writing.

**Location of the Collateral.** Except in the ordinary course of Grantor's business, Grantor agrees to keep the Collateral (or to the extent the Collateral consists of intangible property such as accounts or general intangibles, the records concerning the Collateral) at Grantor's address shown above or at such other locations as are acceptable to Lender. Upon Lender's request, Grantor will deliver to Lender in form satisfactory to Lender a schedule of real properties and Collateral locations relating to Grantor's operations, including without limitation the

**COMMERCIAL SECURITY AGREEMENT  
(Continued)**

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following: (1) all real property Grantor owns or is purchasing; (2) all real property Grantor is renting or leasing; (3) all storage facilities Grantor owns, rents, leases, or uses; and (4) all other properties where Collateral is or may be located.

**Removal of the Collateral.** Except in the ordinary course of Grantor's business, Grantor shall not remove the Collateral from its existing location without Lender's prior written consent. Grantor shall, whenever requested, advise Lender of the exact location of the Collateral.

**Transactions Involving Collateral.** Except for inventory sold or accounts collected in the ordinary course of Grantor's business, or as otherwise provided for in this Agreement, Grantor shall not sell, offer to sell, or otherwise transfer or dispose of the Collateral. Grantor shall not pledge, mortgage, encumber or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in this Agreement, without the prior written consent of Lender. This includes security interests even if junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any disposition of the Collateral (for whatever reason) shall be held in trust for Lender and shall not be commingled with any other funds; provided however, this requirement shall not constitute consent by Lender to any sale or other disposition. Upon receipt, Grantor shall immediately deliver any such proceeds to Lender.

**Title.** Grantor represents and warrants to Lender that Grantor holds good and marketable title to the Collateral, free and clear of all liens and encumbrances except for the lien of this Agreement. No financing statement covering any of the Collateral is on file in any public office other than those which reflect the security interest created by this Agreement or to which Lender has specifically consented. Grantor shall defend Lender's rights in the Collateral against the claims and demands of all other persons.

**Repairs and Maintenance.** Grantor agrees to keep and maintain, and to cause others to keep and maintain, the Collateral in good order, repair and condition at all times while this Agreement remains in effect. Grantor further agrees to pay when due all claims for work done on, or services rendered or material furnished in connection with the Collateral so that no lien or encumbrance may ever attach to or be filed against the Collateral.

**Inspection of Collateral.** Lender and Lender's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Collateral wherever located.

**Taxes, Assessments and Liens.** Grantor will pay when due all taxes, assessments and liens upon the Collateral, its use or operation, upon this Agreement, upon any promissory note or notes evidencing the indebtedness, or upon any of the other Related Documents. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized in Lender's sole opinion. If the Collateral is subjected to a lien which is not discharged within fifteen (15) days, Grantor shall deposit with Lender cash, a sufficient corporate surety bond or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs, reasonable attorneys' fees or other charges that could accrue as a result of foreclosure or sale of the Collateral. In any contest Grantor shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Collateral. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings. Grantor further agrees to furnish Lender with evidence that such taxes, assessments, and governmental and other charges have been paid in full and in a timely manner. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized.

**Compliance with Governmental Requirements.** Grantor shall comply promptly with all laws, ordinances, rules and regulations of all governmental authorities, now or hereafter in effect, applicable to the ownership, production, disposition, or use of the Collateral, including all laws or regulations relating to the undue erosion of highly-erodible land or relating to the conversion of wetlands for the production of an agricultural product or commodity. Grantor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Lender's interest in the Collateral, in Lender's opinion, is not jeopardized.

**Hazardous Substances.** Grantor represents and warrants that the Collateral never has been, and never will be so long as this Agreement remains a lien on the Collateral, used in violation of any Environmental Laws or for the generation, manufacture, storage, transportation, treatment, disposal, release or threatened release of any Hazardous Substance. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Collateral for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any Environmental Laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims and losses resulting from a breach of this provision of this Agreement. This obligation to indemnify and defend shall survive the payment of the indebtedness and the satisfaction of this Agreement.

**Maintenance of Casualty Insurance.** Grantor shall procure and maintain all risks insurance, including without limitation fire, theft and liability coverage together with such other insurance as Lender may require with respect to the Collateral, in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least fifteen (15) days' prior written notice to Lender and not including any disclaimer of the insurer's liability for failure to give such a notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest, Grantor will provide Lender with such loss payable or other endorsements as Lender may require. If Grantor at any time fails to obtain or maintain any insurance as required under this Agreement, Lender may (but shall not be obligated to) obtain such insurance as Lender deems appropriate, including if Lender so chooses "single interest insurance," which will cover only Lender's interest in the Collateral.

**Application of Insurance Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Collateral, whether or not such casualty or loss is covered by insurance. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. All proceeds of any insurance on the Collateral, including accrued proceeds thereon, shall be held by Lender as part of the Collateral. If Lender consents to repair or replacement of the damaged or destroyed Collateral, Lender shall, upon satisfactory proof of expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. If Lender does not consent to repair or replacement of the Collateral, Lender shall retain a sufficient amount of the proceeds to pay all of the indebtedness, and shall pay the balance to Grantor. Any proceeds which have not been disbursed within six (6) months after their receipt and which Grantor has not committed to the repair or restoration of the Collateral shall be used to prepay the indebtedness.

**Insurance Reserves.** Lender may require Grantor to maintain with Lender reserves for payment of insurance premiums, which reserves shall be created by monthly payments from Grantor of a sum estimated by Lender to be sufficient to produce, at least fifteen (15) days before the premium due date, amounts at least equal to the insurance premiums to be paid. If fifteen (15) days before payment is due, the reserve funds are insufficient, Grantor shall upon demand pay any deficiency to Lender. The reserve funds shall be held by Lender as a general deposit and shall constitute a non-interest-bearing account which Lender may satisfy by payment of the insurance premiums required to be paid by Grantor as they become due. Lender does not hold the reserve funds in trust for Grantor, and Lender is not the agent of Grantor for payment of the insurance premiums required to be paid by Grantor. The responsibility for the payment of premiums shall remain

**COMMERCIAL SECURITY AGREEMENT  
(Continued)**

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Grantor's sole responsibility.

**Insurance Reports.** Grantor, upon request of Lender, shall furnish to Lender reports on each existing policy of insurance showing such information as Lender may reasonably request including the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured; (5) the then current value on the basis of which insurance has been obtained and the manner of determining that value; and (6) the expiration date of the policy. In addition, Grantor shall upon request by Lender (however not more often than annually) have an independent appraiser satisfactory to Lender determine, as applicable, the cash value or replacement cost of the Collateral.

**Financing Statements.** Grantor authorizes Lender to file a UCC financing statement, or alternatively, a copy of this Agreement to perfect Lender's security interest. At Lender's request, Grantor additionally agrees to sign all other documents that are necessary to perfect, protect, and continue Lender's security interest in the Property. Grantor will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Lender is required by law to pay such fees and costs. Grantor irrevocably appoints Lender to execute documents necessary to transfer title if there is a default. Lender may file a copy of this Agreement as a financing statement.

**GRANTOR'S RIGHT TO POSSESSION AND TO COLLECT ACCOUNTS.** Until default and except as otherwise provided below with respect to accounts, Grantor may have possession of the tangible personal property and beneficial use of all the Collateral and may use it in any lawful manner not inconsistent with this Agreement or the Related Documents, provided that Grantor's right to possession and beneficial use shall not apply to any Collateral where possession of the Collateral by Lender is required by law to perfect Lender's security interest in such Collateral. Until otherwise notified by Lender, Grantor may collect any of the Collateral consisting of accounts. At any time and even though no Event of Default exists, Lender may exercise its rights to collect the accounts and to notify account debtors to make payments directly to Lender for application to the Indebtedness. If Lender at any time has possession of any Collateral, whether before or after an Event of Default, Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral if Lender takes such action for that purpose as Grantor shall request or as Lender, in Lender's sole discretion, shall deem appropriate under the circumstances, but failure to honor any request by Grantor shall not of itself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any steps necessary to preserve any rights in the Collateral against prior parties, nor to protect, preserve or maintain any security interest given to secure the Indebtedness.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Grantor fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Agreement or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Collateral and paying all costs for insuring, maintaining and preserving the Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon default.

**DEFAULT.** Each of the following shall constitute an Event of Default under this Agreement:

**Payment Default.** Grantor fails to make any payment when due under the Indebtedness.

**Other Defaults.** Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Insolvency.** The insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any collateral securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or guarantor, endorser, surety, or accommodation party dies or becomes incompetent or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**Cure Provisions.** If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Agreement within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**RIGHTS AND REMEDIES ON DEFAULT.** If an Event of Default occurs under this Agreement, at any time thereafter, Lender shall have all the rights of a secured party under the Idaho Uniform Commercial Code. In addition and without limitation, Lender may exercise any one or more of the following rights and remedies:

**COMMERCIAL SECURITY AGREEMENT  
(Continued)**

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**Notice of Default.** In the Event of Default Lender shall execute or cause the Trustee to execute a written notice of such default and of Lender's election to cause the Property to be sold to satisfy the Indebtedness, and shall cause such notice to be recorded in the office of the recorder of each county wherein the Real Property, or any part thereof, is situated.

**Accelerate Indebtedness.** Lender may declare the entire Indebtedness, including any prepayment penalty which Grantor would be required to pay, immediately due and payable, without notice of any kind to Grantor.

**Assemble Collateral.** Lender may require Grantor to deliver to Lender all or any portion of the Collateral and any and all certificates of title and other documents relating to the Collateral. Lender may require Grantor to assemble the Collateral and make it available to Lender at a place to be designated by Lender. Lender also shall have full power to enter upon the property of Grantor to take possession of and remove the Collateral. If the Collateral contains other goods not covered by this Agreement at the time of repossession, Grantor agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Grantor after repossession.

**Sell the Collateral.** Lender shall have full power to sell, lease, transfer, or otherwise deal with the Collateral or proceeds thereof in Lender's own name or that of Grantor. Lender may sell the Collateral at public auction or private sale. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor, and other persons as required by law, reasonable notice of the time and place of any public sale, or the time after which any private sale or any other disposition of the Collateral is to be made. However, no notice need be provided to any person who, after Event of Default occurs, enters into and authenticates an agreement waiving that person's right to notification of sale. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or disposition. All expenses relating to the disposition of the Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sale and selling the Collateral, shall become a part of the Indebtedness secured by this Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

**Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Collateral, with the power to protect and preserve the Collateral, to operate the Collateral preceding foreclosure or sale, and to collect the rents from the Collateral and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Collateral exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Collect Revenues, Apply Accounts.** Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Collateral. Lender may at any time in Lender's discretion transfer any Collateral into Lender's own name or that of Lender's nominee and receive the payments, rents, income, and revenues therefrom and hold the same as security for the Indebtedness or apply it to payment of the Indebtedness in such order of preference as Lender may determine. Insofar as the Collateral consists of accounts, general intangibles, insurance policies, instruments, chattel paper, choses in action, or similar property, Lender may demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose, or realize on the Collateral as Lender may determine, whether or not Indebtedness or Collateral is then due. For these purposes, Lender may, on behalf of and in the name of Grantor, receive, open and dispose of mail addressed to Grantor; change any address to which mail and payments are to be sent; and endorse notes, checks, drafts, money orders, documents of title, instruments and items pertaining to payment, shipment, or storage of any Collateral. To facilitate collection, Lender may notify account debtors and obligors on any Collateral to make payments directly to Lender.

**Obtain Deficiency.** If Lender chooses to sell any or all of the Collateral, Lender may obtain a judgment against Grantor for any deficiency remaining on the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Agreement. Grantor shall be liable for a deficiency even if the transaction described in this subsection is a sale of accounts or chattel paper.

**Other Rights and Remedies.** Lender shall have all the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, as may be amended from time to time. In addition, Lender shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise.

**Election of Remedies.** Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement, the Related Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Agreement:

**Amendments.** This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Attorneys' Fees; Expenses.** Grantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's reasonable attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Grantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's reasonable attorneys' fees and legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Grantor also shall pay all court costs and such additional fees as may be directed by the court.

**Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

**Governing Law.** This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Idaho without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Idaho.

**Choice of Venue.** If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of BANNOCK County, State of Idaho.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be

**COMMERCIAL SECURITY AGREEMENT  
(Continued)**

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granted or withheld in the sole discretion of Lender.

**Notices.** Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

**Power of Attorney.** Grantor hereby appoints Lender as Grantor's irrevocable attorney-in-fact for the purpose of executing any documents necessary to perfect, amend, or to continue the security interest granted in this Agreement or to demand termination of filings of other secured parties. Lender may at any time, and without further authorization from Grantor, file a carbon, photographic or other reproduction of any financing statement or of this Agreement for use as a financing statement. Grantor will reimburse Lender for all expenses for the perfection and the continuation of the perfection of Lender's security interest in the Collateral.

**Severability.** If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

**Successors and Assigns.** Subject to any limitations stated in this Agreement on transfer of Grantor's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the Indebtedness.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Grantor in this Agreement shall survive the execution and delivery of this Agreement, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

**Time is of the Essence.** Time is of the essence in the performance of this Agreement.

**Waive Jury.** All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Agreement.** The word "Agreement" means this Commercial Security Agreement, as this Commercial Security Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Commercial Security Agreement from time to time.

**Borrower.** The word "Borrower" means POCATELLO DEVELOPMENT AUTHORITY and includes all co-signers and co-makers signing the Note and all their successors and assigns.

**Collateral.** The word "Collateral" means all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

**Default.** The word "Default" means the Default set forth in this Agreement in the section titled "Default".

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

**Grantor.** The word "Grantor" means POCATELLO DEVELOPMENT AUTHORITY.

**Guaranty.** The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Indebtedness.** The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents.

**Lender.** The word "Lender" means CITIZENS COMMUNITY BANK, Division of Glacier Bank, its successors and assigns.

**Note.** The word "Note" means the Note dated December 15, 2014 and executed by POCATELLO DEVELOPMENT AUTHORITY in the principal amount of \$5,750,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

**Property.** The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Collateral Description" section of this Agreement.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Agreement.





\*00000000180272932%0345%12152014%00000000000000\*

### DISBURSEMENT REQUEST AND AUTHORIZATION

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$5,750,000.00	12-15-2014	01-15-2034	180272932	8 / 215		0105	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "\*\*\*\*" has been omitted due to text length limitations.

**Borrower:** POCATELLO DEVELOPMENT AUTHORITY  
P O BOX 4169  
POCATELLO, ID 83205

**Lender:** CITIZENS COMMUNITY BANK, Division of Glacier Bank  
S. ARTHUR BRANCH  
P. O. BOX 1689  
280 S. ARTHUR  
POCATELLO, ID 83204

**LOAN TYPE.** This is a Variable Rate Nondisclosable Loan to a Government Entity for \$5,750,000.00 due on January 15, 2034.

**PRIMARY PURPOSE OF LOAN.** The primary purpose of this loan is for:

- Personal, Family, or Household Purposes or Personal Investment.
- Business (Including Real Estate Investment).

**SPECIFIC PURPOSE.** The specific purpose of this loan is: COMMERCIAL-ESTABLISH AN SLOC.

**DISBURSEMENT INSTRUCTIONS.** Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$5,750,000.00 as follows:

<b>Other Disbursements:</b>	\$5,750,000.00
\$5,750,000.00 SLOC-UNDISBURSED	\$5,750,000.00

<b>Note Principal:</b>	\$5,750,000.00
------------------------	----------------

**CHARGES PAID IN CASH.** Borrower has paid or will pay in cash as agreed the following charges:

<b>Prepaid Finance Charges Paid in Cash:</b>	\$43,125.00
\$43,125.00 Loan Fees	
<b>Other Charges Paid in Cash:</b>	\$7.00
\$4.00 UCC-1	
\$3.00 UCC-4	
<b>Total Charges Paid in Cash:</b>	\$43,132.00

**FINANCIAL CONDITION.** BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED DECEMBER 15, 2014.

**BORROWER:**

POCATELLO DEVELOPMENT AUTHORITY

By: MICHAEL L ORR, CHAIRMAN of POCATELLO DEVELOPMENT AUTHORITY

**CC FINANCING STATEMENT**

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. E-MAIL CONTACT AT FILER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

**CITIZENS COMMUNITY BANK, Division of Glacier**  
**P. O. BOX 1689**  
**280 S. ARTHUR**  
**POCATELLO, ID 83204**

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here  and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME <b>POCATELLO DEVELOPMENT AUTHORITY</b>				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS <b>P O BOX 4169</b>		CITY <b>POCATELLO</b>	STATE <b>ID</b>	POSTAL CODE <b>83205</b>
				COUNTRY <b>USA</b>

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here  and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME <b>CITIZENS COMMUNITY BANK, Division of Glacier Bank</b>				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS <b>P. O. BOX 1689, 280 S. ARTHUR</b>		CITY <b>POCATELLO</b>	STATE <b>ID</b>	POSTAL CODE <b>83204</b>
				COUNTRY <b>USA</b>

4. COLLATERAL: This financing statement covers the following collateral:

**All Accounts-Specifically Related to the Assignment of Tax Increment Revenue; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing.**

5. Check only if applicable and check only one box. Collateral is  held in a Trust (see UCC1Ad, item 17 and Instructions)  being administered by a Decedent's Personal Representative

Check only if applicable and check only one box:

Public-Finance Transaction  Manufactured-Home Transaction  A Debtor is a Transmitting Utility  Agricultural Lien  Non-UCC Filing

6b. Check only if applicable and check only one box:

Lessee/Lessor  Consignee/Consignor  Seller/Buyer  Bailee/Bailor  Licensee/Licensor

7. ALTERNATIVE DESIGNATION (if applicable):

8. OPTIONAL FILER REFERENCE DATA:



\*00000000180272932%0060%12152014%00000000000000\*

### AMORTIZATION SCHEDULE

<b>Principal</b> \$5,750,000.00	<b>Loan Date</b> 12-15-2014	<b>Maturity</b> 01-15-2034	<b>Loan No</b> 180272932	<b>Call / Coll</b> 8 / 215	<b>Account</b>	<b>Officer</b> 0105	<b>Initials</b>
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** POCATELLO DEVELOPMENT AUTHORITY  
P O BOX 4169  
POCATELLO, ID 83205

**Lender:** CITIZENS COMMUNITY BANK, Division of Glacier Bank  
S. ARTHUR BRANCH  
P. O. BOX 1689  
280 S. ARTHUR  
POCATELLO, ID 83204

**Disbursement Date:** December 15, 2014  
**Interest Rate:** 3.250

**Repayment Schedule:** Irregular  
**Calculation Method:** 365/365 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	01-15-2016	202,746.58	202,746.58	0.00	5,750,000.00
<b>2016 TOTALS:</b>		<b>202,746.58</b>	<b>202,746.58</b>	<b>0.00</b>	
2	01-15-2017	187,386.99	187,386.99	0.00	5,750,000.00
<b>2017 TOTALS:</b>		<b>187,386.99</b>	<b>187,386.99</b>	<b>0.00</b>	
3	01-15-2018	445,630.43	186,875.00	258,755.43	5,491,244.57
<b>2018 TOTALS:</b>		<b>445,630.43</b>	<b>186,875.00</b>	<b>258,755.43</b>	
4	01-15-2019	445,630.43	178,465.45	267,164.98	5,224,079.59
<b>2019 TOTALS:</b>		<b>445,630.43</b>	<b>178,465.45</b>	<b>267,164.98</b>	
5	01-15-2020	445,630.43	169,782.59	275,847.84	4,948,231.75
<b>2020 TOTALS:</b>		<b>445,630.43</b>	<b>169,782.59</b>	<b>275,847.84</b>	
6	01-15-2021	445,630.43	161,258.13	284,372.30	4,663,859.45
<b>2021 TOTALS:</b>		<b>445,630.43</b>	<b>161,258.13</b>	<b>284,372.30</b>	
7	01-15-2022	445,630.43	151,575.43	294,055.00	4,369,804.45
<b>2022 TOTALS:</b>		<b>445,630.43</b>	<b>151,575.43</b>	<b>294,055.00</b>	
8	01-15-2023	445,630.43	142,018.64	303,611.79	4,066,192.66
<b>2023 TOTALS:</b>		<b>445,630.43</b>	<b>142,018.64</b>	<b>303,611.79</b>	
9	01-15-2024	445,630.43	132,151.26	313,479.17	3,752,713.49
<b>2024 TOTALS:</b>		<b>445,630.43</b>	<b>132,151.26</b>	<b>313,479.17</b>	
10	01-15-2025	445,630.43	122,297.33	323,333.10	3,429,380.39
<b>2025 TOTALS:</b>		<b>445,630.43</b>	<b>122,297.33</b>	<b>323,333.10</b>	
11	01-15-2026	445,630.43	111,454.86	334,175.57	3,095,204.82
<b>2026 TOTALS:</b>		<b>445,630.43</b>	<b>111,454.86</b>	<b>334,175.57</b>	
12	01-15-2027	445,630.43	100,594.16	345,036.27	2,750,168.55
<b>2027 TOTALS:</b>		<b>445,630.43</b>	<b>100,594.16</b>	<b>345,036.27</b>	
13	01-15-2028	445,630.43	89,380.48	356,249.95	2,393,918.60
<b>2028 TOTALS:</b>		<b>445,630.43</b>	<b>89,380.48</b>	<b>356,249.95</b>	
14	01-15-2029	445,630.43	78,015.51	367,614.92	2,026,303.68
<b>2029 TOTALS:</b>		<b>445,630.43</b>	<b>78,015.51</b>	<b>367,614.92</b>	
15	01-15-2030	445,630.43	65,854.87	379,775.56	1,646,528.12
<b>2030 TOTALS:</b>		<b>445,630.43</b>	<b>65,854.87</b>	<b>379,775.56</b>	
16	01-15-2031	445,630.43	53,512.16	392,118.27	1,254,409.85

**AMORTIZATION SCHEDULE  
(Continued)**

Loan No: 180272932

Page 2

<b>2031 TOTALS:</b>		<b>445,630.43</b>	<b>53,512.16</b>	<b>392,118.27</b>	
17	01-15-2032	445,630.43	40,768.32	404,862.11	849,547.74
<b>2032 TOTALS:</b>		<b>445,630.43</b>	<b>40,768.32</b>	<b>404,862.11</b>	
18	01-15-2033	445,630.43	27,685.95	417,944.48	431,603.26
<b>2033 TOTALS:</b>		<b>445,630.43</b>	<b>27,685.95</b>	<b>417,944.48</b>	
19	01-15-2034	445,630.37	14,027.11	431,603.26	0.00
<b>2034 TOTALS:</b>		<b>445,630.37</b>	<b>14,027.11</b>	<b>431,603.26</b>	
<b>TOTALS:</b>		<b>7,965,850.82</b>	<b>2,215,850.82</b>	<b>5,750,000.00</b>	

**NOTICE:** This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

# MEMORANDUM

**TO:** Joyce Stroschein, PDA Treasurer

**FROM:** Tiffany Olsen, PDA Secretary *T Olsen*

**DATE:** December 31, 2014

**RE:** Reimbursement for PDA Beverages

Attached hereto is a receipt from Fred Meyers, for a purchase I made on my personal debit card on December 31, 2014, for PDA beverages in the amount of \$16.81. Please reimburse me \$16.81.

If you have any questions, please do not hesitate to contact me.

Thank you.

# Fred Meyer

Now Hiring!  
Apply @ [www.fredmeyer.com/careers](http://www.fredmeyer.com/careers)

800 Yellowstone Ave.  
208-239-4000  
YOUR CASHIER WAS Andiy

7478000006	PERRIER WTR	3.99	B
1111082748	FDMY WATER	2.59	B
7478000006	PERRIER WTR	3.99	B
4900002891	DIET COKE	5.29	B
REWARDS CARD		*****4642	
TAX		0.95	
**** BALANCE		16.81	

\*\*\*\*\*9732

REF#: 000000  
PURCHASE: 16.81  
CASHBACK: 0.00  
TOTAL: 16.81

DEBIT 16.81  
CHANGE 0.00  
TOTAL NUMBER OF ITEMS SOLD = 4  
12/31/14 11:02AM 260 8 75 1381718

\*\*\*\*\*

**Tell Us How We Are Doing!**  
**Earn 50 BONUS FUEL POINTS!**

Plus, enter our monthly Sweepstakes:  
for ONE OF 100 - \$100 gift cards and  
ONE \$5,000 gift card grand prize!

Go to [www.krogerfeedback.com](http://www.krogerfeedback.com)  
within 7 days.  
Enter the information below:

Date: 12/31/14  
Time: 11:02AM  
Entry ID: 701-332-75-260-8-83

Limit one 50 fuel pt bonus per 7 days.  
No purchase necessary to enter  
sweepstakes. See website for official  
sweepstakes rules.

\*\*\*\*\*  
\*\*\*\*\*  
You Just earned 15 Rewards Points!  
Total Rewards Points: 298  
Current Cycle Runs 10/1/14 - 12/31/14

\*\*\*\*\*

December Fuel  
Fuel Points Earned Today: 15

## **MEMORANDUM**

**TO:** Joyce Stroschein, PDA Treasurer  
**FROM:** Tiffany Olsen, PDA Secretary *TO*  
**DATE:** August 18, 2014  
**RE:** Reimbursement for PDA Beverages

Attached hereto is a receipt from Fred Meyers, for a purchase I made on my personal debit card on August 18, 2014, for PDA beverages in the amount of \$52.52. Please reimburse me \$52.52 at your convenience.

If you have any questions, please do not hesitate to contact me.

Thank you.

# Fred Meyer

THANK YOU FOR CHOOSING FREDDY'S!

800 Yellowstone Ave.  
208-239-4000  
YOUR CASHIER WAS TRINA

4900001938	SPRITE	7.99 B
1 @ 2/5.00		
1111089242	FDMY WATER	2.50 B
4900001278	COKE CLASSIC	7.99 B
7800008313	DR PEPPER DT	7.99 B
1200000088	MOUNTAIN DEW	7.99 B
1 @ 2/9.00		
7800005216	A&W ROOTBEER	4.50 B
4900002934	DIET COKE CF	5.29 B
4900002934	DIET COKE CF	5.29 B
REWARDS CARD	*****4642	
TAX		2.98
**** BALANCE		52.52

\*\*\*\*\*9732  
REF#: 000000  
PURCHASE: 52.52  
CASHBACK: 0.00  
TOTAL: 52.52

DEBIT	52.52
CHANGE	0.00

TOTAL NUMBER OF ITEMS SOLD = 8  
08/18/14 02:30PM 260 8 223 1317164  
\*\*\*\*\*  
You just earned 49 Rewards Points!  
Total Rewards Points: 87  
Current Cycle Runs 7/1/14 - 9/30/14

\*\*\*\*\*  
August Fuel  
Fuel Points Earned Today: 49  
Total August Fuel Points: 156  
\*\*\*\*\*  
Rewards or Fuel Program Questions?  
Details at [www.fredmeyer.com/rewards](http://www.fredmeyer.com/rewards)  
or Contact us at 1-866-518-2686  
Monday-Friday 5AM to 9PM PST  
\*\*\*\*\*

SAVE THIS RECEIPT FOR REFUNDS  
OR ADJUSTMENTS



9102026070100802231408181430

## **MEMORANDUM**

**TO:** Jerry Higgins, PDA Treasurer  
**FROM:** Tiffany Olsen, PDA Secretary *TO*  
**DATE:** January 15, 2014  
**RE:** Reimbursement for Beverages

Attached hereto is a receipt from Bi-Lo Market, for a purchase I made on my personal debit card on January 15, 2014, for PDA beverages in the amount of \$8.48. Please reimburse me \$8.48 at your convenience.

If you have any questions, please let me know.

Thank you.



(208) 232-5739

1/15/2014 TERM 2 8:47:21 AM

CF DT COKE 1		TF
>> YOU SAVED \$1.99		
1 @ 3/12.00	\$4.00	
DIET COKE 12		TF
>> YOU SAVED \$1.99		
1 @ 3/12.00	\$4.00	
SUBTOTAL	2	\$8.00
TAX		\$0.48
TOTAL		\$8.48

DUE==> \$8.48

\*DEBIT\* \$8.48

PURCHASE \$ 8.48 PIN USED  
DEBIT CARD #SXXXXXXXXXX9732  
AUTH # 864552 PAYMENT FROM PRIMARY  
LANE # 02 CASHIER # 702  
01/15/14 08:47 REF/SEQ # 020501  
MRCH=698302 TERM=001 IC=DC  
EPS SEQUENCE # 020501