

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, AUTHORIZING AN INTERFUND LOAN(S) FROM VARIOUS FUNDS IN THE INTERNAL INVESTMENT POOL OF THE CITY OF OLYMPIA FOR WATERWORKS UTILITY CAPITAL PROJECTS INCLUDING BUT NOT LIMITED TO THE FONES ROAD BOOSTER PUMP STATIONS, LOG CABIN ROAD RESERVOIR, AND MCALLISTER WELLFIELD CORROSION CONTROL FACILITY.

WHEREAS, the City was notified that the State has suspended the City's Drinking Water State Revolving Fund (DWSRF) Loans contracts on the three projects mentioned above and totaling more than \$13 million due to the State not passing a capital budget; and

WHEREAS, the State DWSRF Loans are drawn down as the City expends funds on the projects; and

WHEREAS, the City wishes to continue construction on the projects due to costs related to a stop work order; and

WHEREAS, the City has funds available in the City's internal investment pool that can be used to purchase the promissory note issued by the Waterworks Utility to allow for project continuation;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE AS FOLLOWS:

1. The Administrative Services Director is authorized to make an interfund, interest bearing loan from City Funds in the amount not to exceed \$10,000,000. Interest shall be paid at an annual rate of one and one half percent (1.5%). Interest shall be paid monthly, due on the last day of each month beginning the last day of the month of the first draw. Draws on the loan can be made on the loan on any business day, there is no limit on the number of draws, and the cumulative total of the draws cannot exceed the authorized loan amount. The loan shall be repaid in full on the last business day of the month three (3) years from the date of the first draw.

PASSED BY THE OLYMPIA CITY COUNCIL this _____ day of _____ 2017.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY