

RESOLUTION NO. 2017-016

**A RESOLUTION OF THE CITY OF BINGEN
AUTHORIZING INTERFUND LOAN TO THE WATER CAPITAL RESERVE FUND
FROM THE SEWER CAPITAL RESERVE FUND IN THE AMOUNT OF \$171,086 AND
SETTING REPAYMENT AND INTEREST CALCULATIONS**

WHEREAS, the City of Bingen is experienced a failure of the water SCADA system on August 22; and

WHEREAS, this failure caused a communications failure between the city's water sources and the city's "old reservoir" causing damage to the reservoir; and

WHEREAS, the City of Bingen has declared an emergency in relation to it's water system and finds that the replacement of the water SCADA system is necessary to be able to protect the city's reservoir and provide water to city; and

WHEREAS, the City has determined that an interfund loan from the Sewer Capital Reserve Fund in the amount of \$171,086 is the most appropriate method for supplying the Water Capital Reserve Fund short term funding for three years; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BINGEN,
WASHINGTON DO RESOLVE AS FOLLOWS:**

Section 1. Amount of Interfund Loans

The Sewer Capital Reserve Fund will loan the Water Capital Reserve Fund \$171,086.

Section 2. Repayment and interest calculations.

A. The Water Capital Reserve Fund will repay the principal of the interfund loan plus interest by December 31, 2020.

B. The Water Fund will pay 1.1182% interest, based on the State of Washington Local Government Investment Pool Anticipated Gross Earnings Rate as of August 31, 2017 to the lending fund.

C. The maximum repayment schedule shall be as follows:

Year	Principal Balance	Principal Payment	Interest Payment	Total Payment
2018	\$171,086.00	\$57,028.66	\$1,913.08	\$58,941.74
2019	\$114,057.34	\$57,028.67	\$1,275.39	\$58,304.06
2020	\$57,028.67	\$57,028.67	\$637.69	\$57,666.36
Total		\$171,086.00	\$3,826.16	\$174,912.16

ADOPTED by the City Council of the City of Bingen, Washington, and APPROVED by its Mayor, at a regularly scheduled open public meeting thereof this 19th day of September, 2017.



Mayor

Attest:



City Clerk – Treasurer

Approved as to Form:



Attorney