

RESOLUTION NO. 2019-001

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 \$103,000 AND SETTING REPAYMENT AND INTEREST CALCULATIONS

WHEREAS, the City of Bingen 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 finds that the replacement of the reservoir is necessary to be able to provide water to city; and

WHEREAS, the City of Bingen has been approved for a loan by the United States Department of Agriculture Rural Development in the amount of \$952,500; and

WHEREAS, the City of Bingen is required to fund an Applicant Contribution to the loan in the amount of \$103,000; and

WHEREAS, the City has determined that an interfund loan from the Sewer Capital Reserve Fund in the amount of \$103,000 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 \$103,000.

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, 2021.

B. The Water Fund will pay 2.4947% interest, based on the State of Washington Local Government Investment Pool Anticipated Gross Earnings Rate as of January 31, 2019 to the lending fund.

C. The maximum repayment schedule shall be as follows:

Year	Principal Balance	Principal Payment	Interest Payment	Total Payment
2019	\$103,000.00	\$34,333.33	\$2,569.54	\$36,902.87
2020	\$68,666.67	\$34,333.33	\$1,713.03	\$36,046.36
2021	\$34,333.34	\$34,333.34	\$856.52	\$35,189.86
Total		\$103,000.00	\$5,139.09	\$108,139.09

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 5th day of February, 2019.



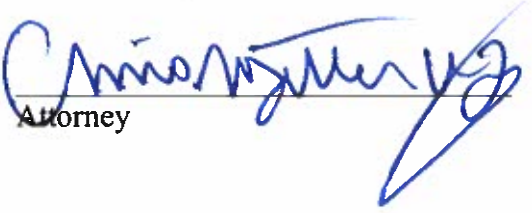
Mayor

Attest:



City Clerk – Treasurer

Approved as to Form:



Attorney