

RESOLUTION NO. 908

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, PROVIDING FOR AN EXTENSION OF AND AN INCREASE IN THE EXISTING INTERFUND LOAN FOR EXPENDITURES FOR PROPOSED LOCAL IMPROVEMENT DISTRICT NO. 91-OW-55 PENDING FORMATION OF SUCH LOCAL IMPROVEMENT DISTRICT AND RECEIPT OF ANY LOCAL IMPROVEMENT DISTRICT BONDS OR OTHER OBLIGATIONS AUTHORIZED TO BE ISSUED BY SUCH LOCAL IMPROVEMENT DISTRICT

WHEREAS, the City of Redmond (the "City") has undertaken a project commonly known as the S.E. Redmond Storage Tank Project (the "Project"), and intends to finance the Project through the formation of a local improvement district to be known as "L.I.D. No. 91-OW-55" and through the issuance of local improvement district bonds or other obligations authorized to be issued by such local improvement district, and

WHEREAS, the City Council on March 3, 1992 authorized an interim loan in the amount of five hundred thousand dollars (\$500,000) from the Water/Sewer General Construction Fund of the Waterworks Utility of the City to the L.I.D. 91-OW-55 Fund (the "L.I.D. Fund") for a period of one year commencing March 15, 1992, at an annual interest rate of 4.7% in order to provide funds with which to pay a part of the costs of carrying out the activities necessary or useful to the formation of the proposed local improvement district and carrying out improvements included in the Project, and

WHEREAS, the City Council has deemed it to be in the best interest of the City, that the City authorize an extension and an increase in the interim interfund loan from five hundred thousand dollars (\$500,000) to nine hundred thousand dollars (\$900,000)

from the Water/Sewer General Construction Funds of the City to the L.I.D. 91-OW-55 Fund (the "L.I.D. Fund") for a period of one year period commencing September 15, 1992, at an effective annual interest rate of 4.12% in order to provide funds with which to pay the costs of final design, benefit studies, formation of the L.I.D., and carrying out improvements included in the Project, and

WHEREAS, based upon information provided by the Finance Department, the City Council finds that the loans will not interfere with required current and anticipated expenditures from the Water/Sewer General Construction Fund, that the interest rate will result in earnings equal to that of other available investments and that the interfund loan will reduce the costs to the L.I.D. Fund as compared to an outside borrowing, now, therefore,


THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. An increase in the existing interfund loan from \$500,000 to \$900,000 from the Water/Sewer General Construction Fund to the L.I.D. Fund commencing September 15, 1992, to be repaid in full on or before the expiration of September 15, 1993, at an effective annual interest rate of 4.12%, is hereby authorized.

Section 2. The Finance Director is instructed to make the necessary transfer of funds and to maintain appropriate accounting records required to reflect the balance of the loan payable and receivable in the affected funds.

RESOLVED this 15th day of September, 1992.

APPROVED:



ROSEMARIE IVES, MAYOR

ATTEST/AUTHENTICATED:



CITY CLERK, DORIS A. SCHAIBLE

FILED WITH THE CITY CLERK: September 10, 1992
PASSED BY THE CITY COUNCIL: September 15, 1992
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