

CITY OF NORTH BONNEVILLE

ORDINANCE NO. 984

**AN ORDINANCE OF THE CITY OF NORTH BONNEVILLE, WASHINGTON
AUTHORIZING AND DIRECTING THE CITY TREASURER TO ISSUE INTER-FUND
LOANS TO COVER EXPENDITURES FOR THE SEWER TREATMENT PLANT.**

WHEREAS, Fund 310, the sewer treatment plant construction fund, does not contain sufficient funds to cover expenses associated with completion of the sewer plant; and

WHEREAS, Fund 310 must cover both a temporary lag between payment of expenses and repayment by a state grant and additional expenses as part of the city's cash contribution to the sewer treatment plant project; and

WHEREAS, the total of these anticipated expenses may be as much as \$265,000, with \$131,684 reimbursable by state grant;

WHEREAS, the reserve fund transfers anticipated in the sewer rates established on February 22, 2011 are more than sufficient to repay a loan of this magnitude;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BONNEVILLE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Loan From Water Reserve Fund

The City Treasurer is hereby authorized and directed to execute an inter-fund loan of \$191,684 from the Water Reserve Fund to the Sewer Treatment Plant Fund, and shall be repaid upon receipt of the final payment from the state grant. This loan shall become due no later than December 31, 2011 and shall carry an interest rate of 0.2189%, which is the Local Government Investment Pool (LGIP) net earnings rate for February, 2011.

Section 3. Severability.

If any section, sentence, clause or phrase of this Ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 4. Effective Date and Publication.

A summary of this Ordinance consisting of its title shall be published in the official newspaper of the City. This Ordinance shall take effect five days after publication.

PASSED IN REGULAR SESSION this 8th day of March, 2011.

Mayor

ATTEST:

Administrator / Clerk / Treasurer