

ORDINANCE NO. 09-902

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, AUTHORIZING A SHORT TERM INTERFUND LOAN FROM THE WASTEWATER CAPITAL RESERVE FUND TO THE STORMWATER UTILITY FUND TO COVER THE START-UP OPERATING COSTS OF THE STORMWATER UTILITY UNTIL SUFFICIENT REVENUES HAVE BEEN RECEIVED THROUGH THE STORMWATER UTILITY FEE TO COVER OPERATING COSTS.

WHEREAS, the City Council of the City of Black Diamond authorized the creation of a Stormwater Utility to meet the city's legal obligations to effectively manage stormwater and surface water runoff; and

WHEREAS, creating this utility requires incurring start-up operating costs prior to generating sufficient revenue from the stormwater utility fees to cover these costs; and

WHEREAS, the City's Finance Director has determined that the Stormwater Utility needs a sum of \$50,000 to cover start-up operating costs and have sufficient reserves for unplanned expenses until the stormwater utility fees generate sufficient revenues; and

WHEREAS, it is more cost effective to cover these initial costs through a loan to the Stormwater Utility from the Wastewater Capital Fund as there are sufficient reserve monies in that fund to provide a loan of \$50,000 to the Stormwater Utility without jeopardizing the ability of the Wastewater Fund to meet the needs for which that fund was created; and

WHEREAS, the interfund loan shall be for a period of five years with five annual payments due on December 1st of each year, with the first payment due on December 1, 2010. Interest shall be calculated at the State Local Government Investment Pool interest rate.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1. The sum of fifty thousand dollars (\$50,000) is hereby authorized to be transferred from the Wastewater Capital Fund to the Stormwater Utility Fund as an interfund loan for funding the start-up operating costs of the stormwater utility, as well as provide a reserve for any unplanned expenses.

Section 2. The five year interfund loan will be paid back to the Wastewater Capital Fund General Government Capital Fund in five annual payments, with each payment due on December 1st. The first payment shall be due on December 1, 2010.


The loan may be paid off early if the City chooses to do so. Interest shall be calculated using the annual average State Local Government Investment Pool (LGIP) interest rate on the annual declining balance until the loan is fully paid.

Section 3. Each and every provision of this Ordinance shall be deemed severable. In the event that any portion of the Ordinance is determined by final order of a court of competent jurisdiction to be void or unenforceable, such determination shall not affect the validity of the remaining provisions thereof provided in the intent of this Ordinance can still be furthered without the invalid provision.

Section 4. This Ordinance shall be in full force and effect five (5) days after publication as required by law. A summary of this Ordinance may be published in lieu of the entire Ordinance, as authorized by State law.

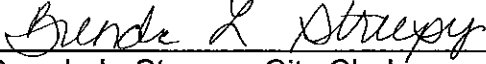
Introduced the 23rd day of April, 2009.

Passed by a majority of the City Council at a meeting held on the 23rd day of April, 2009.



Mayor Howard Botts

Attest:



Brenda L. Streepy, City Clerk

APPROVED AS TO FORM:

Loren D. Combs, City Attorney

Published: 4/28/09
Posted: 4/24/09
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