

ORDINANCE NO. 10-938

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 FUND TO THE PUBLIC WORKS CAPITAL FUND TO COVER THE CASH FLOW FOR GRANT REIMBURSEMENT FOR RAILROAD AVENUE AND MORGAN STREET SIDEWALK PROJECTS

WHEREAS, Black Diamond was awarded State Transportation Board (TIB) and Federal CBDG Grants for Railroad Avenue and Morgan Street Sidewalk Projects; and

WHEREAS, the City is required to pay the improvement and construction costs before remitting for grant reimbursement; and

WHEREAS, an interfund short-term loan is needed to cover cash flow while waiting for grant reimbursement; and

WHEREAS, there are sufficient reserve monies in the Wastewater Capital Fund to provide for a short-term interfund loan to the Public Works Capital Fund in the amount of up to \$600,000 and still meet the needs of the Wastewater Capital Fund; and

WHEREAS, the loan shall only be utilized during the monthly grant reimbursement cycles and will be immediately repaid as reimbursements are received, with completion expected by December 31st, 2010. Interest on this loan shall be paid at the State Pool interest rate for funds utilized.

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

Section 1. The sum of up to \$600,000 is hereby available to be utilized as a loan from the Wastewater Capital Fund to the Public Works Capital Fund as a short-term interfund loan for the purpose of cash flow while waiting from grant reimbursement.

Section 2. The interfund loan will be paid back to the Wastewater Capital Fund from the Public Works Capital Fund in full by December 31st, 2010. Interest shall be paid at the monthly State Pool interest rate on the utilized cash from the date of transfer 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.

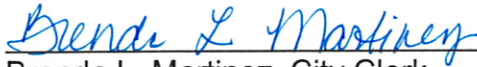
Section 4. This Ordinance shall be in full force and effect five (5) days after publication as required by law. A summary of this Ordinance may be published in lieu of the entire Ordinance, as authorized by State law.

Passed by the City Council at a meeting held on the 6th day of May, 2010.



Mayor Rebecca Olness

Attest:



Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

Chris Bacha, City Attorney

Published: 5/11/2010
Posted: 5/7/2010
Effective Date: 5/16/2010