

RESOLUTION NO. 769

A RESOLUTION OF THE CITY OF GIG HARBOR, RELATING TO THE CITY COUNCIL'S APPROVAL OF A TEMPORARY, INTERFUND LOAN, FROM THE CIVIC CENTER DEBT RESERVE FUND TO THE PARK DEVELOPMENT FUND, ESTABLISHING THE TERMS OF SUCH TEMPORARY LOAN, FOR THE PURPOSE OF PAYING FOR EDDON BOAT REMEDIATION EXPENDITURES

WHEREAS, the Washington State Auditor's Office's BARS Manual allows the City to make interfund loans under certain limited circumstances; and

WHEREAS, the contract for the Eddon Boat Remediation project is one million forty thousand and ninety eight dollars (\$1,040,098); and

WHEREAS, the City has received grants to cover a portion of the costs of the remediation project; and

WHEREAS, the grants may only be used to reimburse city expenditures for the remediation project; and

WHEREAS, the Civic Center Debt Reserve Fund, No. 110 has funds in excess of current needs and which are legally available for investment; and

WHEREAS, the City Council plans to allow an interfund loan between the Civic Center Debt Reserve fund and the Park Development fund, which will be retired from reimbursements from the grants, but only up to one million forty thousand and ninety eight dollars (\$1,040,098); Now, Therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The Gig Harbor City Council does hereby approve a temporary interfund loan from the Civic Center Debt Reserve Fund, No. 110 to the Park Development Fund, No. 109. The terms of this loan are as follows:

1. The amount shall be \$1,040,098.
2. The term shall be one year from the date of passage of this Resolution.
3. The interest shall be 3.35% per annum, which shall be paid to the Civic Center Debt Reserve Fund No. 110.
4. Repayment of loan principal shall be not later October 12, 2009, which is one year from the date of this loan.

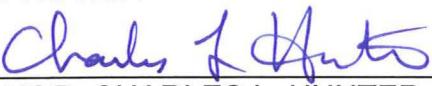
Section 2. The City Council hereby finds that the Park Development Fund anticipates sufficient revenues in order to make the specified principal and interest payments because the city was awarded grants totaling \$618,000 and the seller of Eddon Boat, Harbor Cove Group is contractually obligated to provide the balance.

Section 3. The City Council hereby directs the Finance Director to maintain appropriate accounting records to reflect the balances of loans in every fund affected by such transactions.

Effective Date. This resolution shall take effect immediately upon passage.

RESOLVED by the City Council this 13th day of October, 2008.

APPROVED:


MAYOR, CHARLES L. HUNTER

ATTEST/AUTHENTICATED:


CITY CLERK, MOLLY M. TOWSLEE

FILED WITH THE CITY CLERK: 10/9/08
PASSED BY THE CITY COUNCIL: 10/13/08
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