

**RESOLUTION NO. 1074**

**CITY OF LACEY**

A RESOLUTION OF THE CITY OF LACEY, WASHINGTON, AUTHORIZING SHORT-TERM LOANS FROM THE ARTERIAL STREET FUND TO THE TRANSPORTATION IMPROVEMENT FUND.

WHEREAS, the cash balance in the Transportation Improvement Fund may be insufficient to pay day-to-day operational expenditures during its first years; and,

WHEREAS, the City of Lacey was awarded a \$4.2 million National Highway Performance grant for the 2019 College Street and Yelm Highway Pavement Rehabilitation Project; and,

WHEREAS, the grant proceeds will be received on a reimbursement basis which requires the City of Lacey to incur the original project expenses; and,

WHEREAS, in the event program revenues do not provide adequate cashflow, a standby loan authorization would allow timely payment to vendors and employees and keep positive balances in the borrowing funds' cash.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, as follows:

1. Authorization is granted to lend Arterial Street Fund monies to the Transportation Improvement Fund as deemed necessary in the finance director's discretion with maximum loan amounts, term, and rate of interest as follows:

<u>Maximum Loan</u>	<u>Term</u>	<u>Interest Rate</u>
\$2,000,000	Less than one year	13-Week Treasury Bill

BE IT FURTHER RESOLVED that this standby loan authority is effective commencing upon City Council adoption and expires on December 31, 2019; and that the finance director is authorized and directed to make the necessary accounting transactions to make these temporary loans and collect the balances due from the respective grant reimbursement proceeds.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON,  
this 9<sup>th</sup> day of May, 2019.

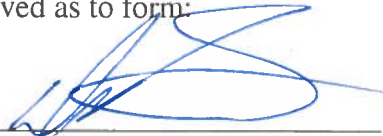
CITY COUNCIL

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

Approved as to form:

  
\_\_\_\_\_  
City Attorney