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Executive Assistant
Kennewick Irrigation District
12 West Kennewick Avenue
Kennewick, WA 99336

**KENNEWICK IRRIGATION DISTRICT
RESOLUTION 2016-40**

**TERMS FOR THE INTERFUND LOAN FROM THE INTERNAL REALTY
RESERVE FUND TO THE CAPITAL PROJECT FUND IN AN AMOUNT NOT TO
EXCEED \$2,250,000.**

WHEREAS, the Kennewick Irrigation District is one single legal fund, but has established internal funds for managing and tracking accounting for operations, reserves, and capital projects; and

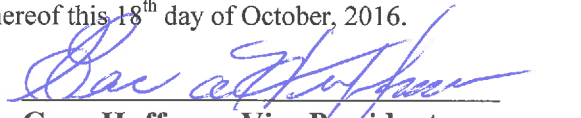
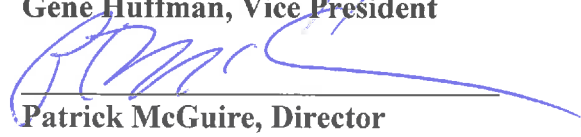
WHEREAS, the Southridge Master Plan Transmission Pipping Phase 1 is in construction tentatively scheduled to be completed by December 31st, 2016 with a tentative budget previously approved by the KID Board of Directors not to exceed \$2,250,000; and


WHEREAS, the KID has Realty Reserve funds that it can loan to the project at a rate comparable to what a bank would charge for a similar loan.

- (1) A loan in an amount not to exceed \$2,250,000 is hereby authorized from the (Internal) Realty Reserve Fund to the (Internal) Capital Project Fund. The Comptroller/Treasurer is authorized to advance funds as needed to the Capital Project Fund from the Realty Fund for the purposes of this loan;
- (2) The loan, including any accrued interest, shall be repaid from surcharge fees, bond proceeds or other authorized funds within 30 years of loan approval or sooner if the project is complete and permanent financing is available;
- (3) Effective April 19, 2016, interest shall accrue monthly on the 1st of each month at a rate of 4.0% per annum on the outstanding principle balance for the previous month.

Resolution 2016-40 is hereby adopted by the Board of Directors of Kennewick Irrigation District, Benton County, Washington, at an open public meeting thereof this 18th day of October, 2016.


David McKenzie, President
ABSENT


Gene Huffman, Vice President


Kirk Rathbun, Director

Dean Dennis, Director