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Kennewick, WA 99337*

KENNEWICK IRRIGATION DISTRICT RESOLUTION 2021-16

Authorization for Final Draw from the Banner Bank Loan – May, 2021

A RESOLUTION of the Board of Directors of Kennewick Irrigation District (KID), Benton County, Washington, authorizing the final draw from the Banner Bank Loan (estimated to be \$8,932,048) to recover funds to purchase property for a central storage reservoir.

Section 1. RECITALS AND FINDINGS.

- 1.1 The KID Board of Directors has worked with staff for a number of years to develop a capital plan to address the short and long term capital needs of the District. Part of this plan included developing funding strategies and sources to cover the costs of these projects. The Board approved a \$10,000,000 loan from Banner Bank in June of 2020 to refund KID for land purchases related to the central storage project.
- 1.2 Since the Banner Loan allowed for the deferral of KID taking the loan proceeds by up to one year and KID did not need the funds immediately to pay for current capital projects, the draw on the bulk of the funds was delayed to save money on interest costs.
- 1.3 By approving resolution 2021-16, the Board approves KID taking the draw of the final available funds for the loan (estimated to be \$8,932,048), completing KID's receipt or use of all of the \$10,000,000 contracted for in the Banner Bank Loan.
- 1.4 The \$8,932,048 will be allocated to the following funds to repay these funds for monies used to purchase the Czebotar and Shaw properties for the Central Storage project:

Operations (411)	405,500
Realty (467)	6,415,278
New Water (470)	1,000,000
Risk Mitigation (472)	361,270
Conservation (476)	750,000
	8,932,048

- 1.5 Since it is the Board's intent that these funds be used for future Capital projects, most of these repayments will then be moved to the Capital Fund (431) where they will be available to pay for Board approved capital projects.

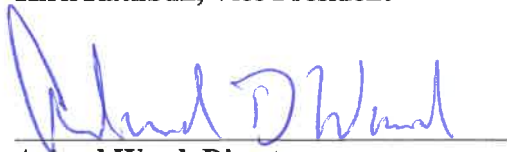
Realty (467)	6,415,278
New Water (470)	1,000,000
Risk Mitigation (472)	361,270
Conservation (476)	750,000
	<u>8,526,548</u>

RESOLUTION 2021-16 IS HEREBY ADOPTED by the Board of Directors of Kennewick Irrigation District, Benton County, Washington, authorizing the withdrawal of the balance of the loan (roughly \$8,932,048) from the KID Banner Bank Loan to repay as much as possible the funds that were used to purchase land for the central storage project and that the bulk of these funds be moved to the Capital Fund (431) to be available to pay for Board approved capital projects at an open public meeting with a quorum present thereof this 18th day of May, 2021.


Gene Huffman, President


Kirk Rathbun, Vice President


David McKenzie, Director


Arland Ward, Director


Dean Dennis, Director