

ORDINANCE NO. 2011-07

AN ORDINANCE of the City of Bainbridge Island, Washington, relating to maintenance of utility funds; repealing and restating Section 3.44.010 of the Bainbridge Island Municipal Code (“BIMC”), amending BIMC Section 3.45.010 and repealing BIMC Section 3.45.020; and authorizing the refunding of all outstanding limited tax general obligation bonds that are secured by a pledge of combined utility revenues.

WHEREAS, it is an important City objective to explore all options for providing service to the City’s utility customers in the most cost-effective and expedient manner, including enabling the City to proceed with the long-term financing of the nearly-completed upgrades to the Wastewater Treatment Plant; and

WHEREAS, this objective is served by having the BIMC better reflect the City’s existing practice of maintaining each of the City’s three utility systems as a separate utility fund;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. BIMC Section 3.44.010 is hereby repealed and replaced with the following:

3.44.010 Separate Utilities.

The city shall maintain a separate utility fund for each city utility. The funds shall be known as: the ‘Water Fund,’ the ‘Sewer Fund,’ and the ‘Storm and Surface Water Management Fund’. Each such utility shall be accounted for as a separate fund.

Section 2. BIMC Section 3.45.010 is hereby amended to read as follows:

3.45.010 Established.

There shall be established within each utility fund maintained by the city, a ~~utilities~~ capital improvement fund to better identify and to provide segregated accounting and control for expenditure of moneys identified for the purpose of making capital improvements connected with each of the city’s utilities, and as contained ~~in either the city’s capital improvements plan or its successor,~~ the capital facilities element of the city’s comprehensive plan ~~now under development.~~

Section 3. BIMC Section 3.45.020 is hereby repealed.

Section 4. The Finance Director is authorized and directed to establish a separate fund for each utility. Each such fund shall be a special fund held separate and apart from any and all other funds of the City. All revenues and expenditures previously budgeted for

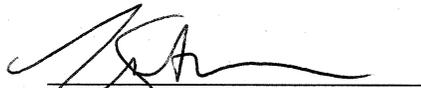
and all amounts held by or for the water system shall be transferred to the Water Fund; all revenues and expenditures previously budgeted for and all amounts held by or for the sewer system shall be transferred to the Sewer Fund; and all revenues and expenditures previously budgeted for and all amounts held by or for the storm and surface water management system shall be transferred to the Storm and Surface Water Management Fund.

Section 5. In order to accomplish a change in covenants and effect the segregation of the utility systems and to carry out the purposes of this ordinance, the City Council authorizes the refunding of all outstanding limited tax general obligation bonds that are secured by a pledge of combined utility revenues pursuant to the terms of such sale, to be established as directed in Ordinance Nos. 2009-02 and 2009-07, without regard to any savings that may be generated by such refunding.

Section 6. This ordinance shall take effect and be in force as of the date on which all of the City's outstanding limited tax general obligation bonds that are secured by a pledge of combined utility revenues are no longer deemed to be outstanding, but no earlier than five (5) days following the passage and publication of this ordinance, as required by law.

PASSED BY THE CITY COUNCIL this 8th day of June, 2011.

APPROVED BY THE MAYOR this 8th day of June, 2011.


Kirsten Hytopoulos, Mayor

ATTEST/AUTHENTICATE:


Rosalind D. Lassoff, City Clerk

FILED WITH THE CITY CLERK:	May 27, 2011
PASSED BY THE CITY COUNCIL:	June 8, 2011
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