

CITY COUNCIL AGENDA ITEM COVER SHEET

ITEM NO: C 6

DATE: May 28, 2009

SUBJECT: Establishment of New Fund – Stormwater Improvements

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is the first reading and adoption of Ordinance 1047-09 (Attachment A) to establish a Stormwater Improvement Fund.

SUMMARY:

In November 2007, the City under Ordinance 971-07 established a Stormwater Utility Fund. This is the operating fund for stormwater similar to the Water or Sewer operating funds. The purpose of the fund is to track expenditures directly related to the operation of the stormwater utility.

To effectively track capital projects, the City has established capital improvement for parks, streets, water, and sewer projects. Ordinance 1047-09 will establish a capital improvement fund for stormwater to track capital projects.

The budget for 2009 for Stormwater included \$50,000 for operations and \$50,000 for capital projects. The fund has a current balance of \$24,295. After the fund is established, 50% of the revenues will be transferred to the improvement fund.

ALTERNATIVES:

1. Do not adopt the ordinance. This will require the City to use the operating fund to track capital expenditures for stormwater improvements.
2. Adopt the ordinance to establish a separate fund for the Stormwater Capital projects. This will allow the City to more efficiently track and account for revenues and expenditures for those projects.

STAFF RECOMMENDATION:

Staff recommends the adoption of Ordinance 1047-09 to establish a Stormwater Improvement Fund on first reading.

MOTION:

1. Move to adopt Ordinance 1047-09 establishing a Stormwater Improvement Fund on first reading.

Attachments: A. Ordinance 1047-09 Stormwater Improvement Fund

**CITY OF SULTAN
SULTAN WASHINGTON
ORDINANCE 1047-09**

AN ORDINANCE OF THE CITY OF SULTAN ADDING CHAPTER 3.41
TO ESTABLISH A STORMWATER IMPROVEMENT FUND

THE CITY COUNCIL OF THE CITY OF SULTAN DO ORDAIN AS FOLLOWS:

Chapter 3.18 of the Sultan Municipal Code is hereby added to read as follows:

Chapter 3.41 Stormwater Improvement Fund

Sections:

3.41.010	Establishment and Purpose
3.41.020	Funding Sources
3.41.030	Expenditures - Policy and Procedures

3.41.010 Establishment and Purpose: There is hereby created a Stormwater Improvement Fund. This fund has been created for the purpose of accumulating funds for the expansion and construction of storm water facilities.

3.41.020 Funding Sources: Funds may be appropriated from the operating funds as a part of the annual budget process to provide reserve funds in the account.

3.41.030 Expenditures: Expenditures from the fund shall be made as appropriated and authorized in the City's annual budget.

Severability: This ordinance is severable and if any portion of it shall be declared invalid or unconstitutional, the remaining portion shall remain valid and enforceable.

Effective Date: This ordinance shall be in full force and effect five days after publication as required by law.

REGULARLY ADOPTED this 28th day of May 2009.

Carolyn Eslick, Mayor

Attest:

Laura J. Koenig, City Clerk

Approved as to form:

Margaret King, City Attorney