

INTERGOVERNMENTAL AGREEMENT

For Two (2) Short Term Loans
Between
PACIFIC COUNTY, WASHINGTON
And
THE PORT OF CHINOOK

This Intergovernmental Agreement, ("AGREEMENT") is made between Pacific County ("COUNTY"), and the Port of Chinook, ("PORT").

WHEREAS; the COUNTY's Finance Committee reviewed the request made by the PORT for these loans, and has determined that this investment meets the "prudent person rule", and objectives of the Pacific County Investment Policy;

WHEREAS; due to delays in receipt of anticipated revenue, the PORT is experiencing an intermittent cash flow shortage; and

WHEREAS; the COUNTY has passed Resolution No. 2015-054 which authorized two (2) short term intergovernmental loans for the PORT from COUNTY'S Current Expense Fund 001 which includes 3% annual interest rate;

NOW THEREFORE IT IS HEREBY RESOLVED that the COUNTY authorizes two (2) short term intergovernmental loans from the COUNTY's Current Expense Fund 001 in the following amounts:

Loan #1

- An amount not to exceed \$100,000 to be paid in full (principal + interest) by July 31, 2016 will be paid to the PORT in a one-time transfer to be made by the Treasurer within five (5) business days following the execution of this AGREEMENT.

Loan #2

- An amount not to exceed \$50,000 that will be drawn down as needed by the PORT. The PORT Manager will notify the County Treasurer in writing of a need for a draw on this loan. The Treasurer will process the request and make the transfer within five (5) business days of the request. Accumulated principal + interest to be paid in full by the PORT on or before December 31, 2016.

These loans are made subject to the following conditions:

- ♦ The term of loans will be as indicated above. The terms of this AGREEMENT and the performance of the parties hereto shall be deemed to have commenced within five (5) business days following the execution of this AGREEMENT. It will continue in effect through the 31st day of December 2016 unless terms of loan are satisfied sooner.
- ♦ These loans are subject to the Port providing documentation to the County that a sale and/or lease of the Port's dock(s) has been secured and the terms of that sale and/or lease.

- ◆ PORT may elect to pay their loan repayment in one lump sum, or incrementally over the course of the loan. The Treasurer will make loan repayment transfers based on distribution instructions provided by the Manager of the PORT.
- ◆ Should the PORT not meet the terms of repayment of the first loan (\$100,000), any amount that has been loaned on the second loan (\$50,000) will be due in full within 30 days, and no further funds will be made available to the PORT.
- ◆ Interest will be applied at a rate of 3% per annum.
- ◆ The full faith, credit and resources of the PORT are pledged irrevocably for the full payment of the two (2) short term intergovernmental loans until such time that the loan amount is paid in full.

BE IT FURTHER RESOLVED that the Treasurer will provide an invoice to the PORT two months prior to the end date of each respective loan, and will receive these loan payments to be deposited in Fund 001 (Current Expense).

IN WITNESS WHEREOF, representatives of both the PORT and the COUNTY executed this CONTRACT the date(s) so noted below.

PORT OF CHINOOK

BOARD OF COUNTY COMMISSIONERS
PACIFIC COUNTY, WASHINGTON

(Name)

Date

Frank Wolfe, Chair

Title

Lisa Ayers, Commissioner

Steve Rogers, Commissioner

ATTEST:

Marie Guernsey
Clerk of the Board

Date