

**MIDWAY SEWER DISTRICT
RESOLUTION NO. 2018-05**

**RESOLUTION ESTABLISHING FUND WITH KING COUNTY TO HOLD EXCISE
TAX PAYMENTS PENDING RESOLUTION OF LITIGATION**

Background:

1. Midway Sewer District is a Plaintiff in a lawsuit challenging the City of Federal Way's recently enacted excise tax under King County Superior Court Cause No. 18-2-08785-6 KNT; and
2. Midway Sewer District has agreed, during the pendency of the lawsuit, to deposit the monthly excise tax payments claimed due by the City of Federal Way into a newly established Midway Sewer District fund with the King County Treasurer to be invested in the King County Investment Pool; and

Resolution: NOW THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Midway Sewer District that

1. Pursuant to RCW 57.20.140, District management staff are hereby authorized and directed to create with the King County Department of Finance a special fund to be known as the "**Federal Way Excise Tax Collections Fund**" (the "Fund"); the Fund number shall be as designated by King County.
2. The sole purpose of the Fund so created shall be to act as a repository account for all Excise Tax collected by the District from customers located within the City until the Excise Tax collected in such Fund are disbursed by court order or agreement with the City.

Adoption: ADOPTED at a regular meeting of the Board of Commissioners of Midway Sewer District on May 9, 2018 the following Commissioners being present and voting:

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner