

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2020-04

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO APPLY FOR A LOAN WITH THE U.S. DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT FOR \$3,000,000 TO FUND THE SITKA GREEN LAKE HYDROELECTRIC REHABILITATION PHASE 1 PROJECT ("THE PROJECT") FOR THE COMPLETION OF THE DESIGN AND CONSTRUCTION OF THE PROJECT IN ACCORDANCE WITH THE FY2021 BUDGET

WHEREAS, the existing Sitka Green Lake hydroelectric plant is a critical facility and part of the City's core infrastructure built in 1982, where approximately half of the electricity for the entire City of Sitka is generated; and

WHEREAS, the facility's mechanical, electrical, and control systems, along with the water supply penstock, are due for major maintenance upgrades; and

WHEREAS, the estimated Project cost of approximately \$5,000,000 exceeds current available funding from Electric Fund Working Capital; and

WHEREAS, there is an urgency for completion of the rehabilitation of the Phase 1 project to ensure continued reliability of the electric system and to do investigative work for future Phase 2 and Phase 3.


NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka to authorize the CBS Municipal Administrator to apply for a loan with the U.S. Department of Agriculture Rural Development for the funding shortfall of \$3,000,000 for the design and construction of the Sitka Green Lake Hydroelectric Rehabilitation Project in accordance with the FY2021 budget.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 25th day of February, 2020.



Gary L. Paxton, Mayor

ATTEST:



Sara Peterson, MMC
Municipal Clerk

1st and final reading 02/25/2020

Sponsor: Interim Administrator