

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2014-01

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA, ALASKA
AUTHORIZING A LOAN APPLICATION TO THE ALASKA ENERGY
AUTHORITY POWER PROJECT FUND FOR FUNDING
CONSTRUCTION OF THE BLUE LAKE HYDROELECTRIC
EXPANSION PROJECT**

WHEREAS, the lack of hydroelectric generation capacity limits economic development opportunities for the community of Sitka; and,

WHEREAS, the development of hydroelectric projects is inherently capital intensive and difficult for small communities to finance alone; and,

WHEREAS, completion of the financing and construction of the Project will validate a State-wide model for the development of renewable energy resources; and,

WHEREAS, the City and Borough of Sitka has increased consumer electric rates by an average of 30% to fund the project; and,

WHEREAS, approval of a reasonable low-interest loan would reduce the significant rate increases necessary to complete project funding through issuance of municipal bonds; and,

WHEREAS, Sitka's economic future and its ability to provide reasonable cost renewable energy for the community is contingent on the completion of the Blue Lake Expansion Project.


NOW THEREFORE BE IT RESOLVED, by the Assembly of the City and Borough of Sitka that Sitka is committed to a partnership with the State to provide innovative funding for developing its renewable energy resources; and,

BE IT FURTHER RESOLVED, that the Administrator is authorized to apply to the Alaska Energy Authority Power Project Fund to finalize funding for construction of the Blue Lake Hydroelectric Expansion Project on terms consistent with the obligations of the City and Borough on the bonds it has already issued for the project.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 28th day of January, 2014.



Mim McConnell, Mayor

ATTEST:


Sara Peterson, CMC
Acting Municipal Clerk