

**CITY AND BOROUGH OF SITKA**

**ORDINANCE NO. 2020-18**

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA  
ADOPTING THE BUDGET AND CAPITAL IMPROVEMENT PLAN FOR THE ELECTRIC  
FUND FOR THE FISCAL YEAR JULY 1, 2020 THROUGH JUNE 30, 2021**

**BE IT ENACTED** by the Assembly of the City and Borough of Sitka, Alaska as follows:

**1. CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

**2. SEVERABILITY.** If any portion of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.

**3. PURPOSE.** The purpose of this ordinance is to set forth budgetary requirements for the operation of the various divisions, departments and organizations of the City and Borough of Sitka for Fiscal Year 2021.

**4. ENACTMENT. NOW THEREFORE, BE IT ENACTED** by the Assembly of the City and Borough of Sitka, Alaska that the following expenditure budgets (see below) for the fiscal period beginning July 1, 2020 and ending June 30, 2021 and related capital improvement plan (included in the FY2021 Administrator’s Budget) are hereby adopted:

	<b>REVENUE</b>	<b>EXPENDITURE BUDGET</b>		
<b><u>ELECTRIC FUND</u></b>	REVENUE	OPERATIONS	CAPITAL/ TRANSFER	TOTAL
Electric Fund	\$ 19,360,717	\$ 26,374,299	\$ 855,507	\$ 27,229,806
Electric Capital Project Fund	\$ 730,000	\$ -0-	\$ 730,000	\$ 730,000
Electric Fund Contingent on State/Federal Funding	\$	\$	\$ 4,000,000	\$ 4,000,000
Authorization to apply for ADEC loan to fund Electric Fund capital projects in the amount of	\$ 4,000,000			

**EXPLANATION**

Details of individual budgets and capital improvement plans are contained in the FY2021 Administrator’s Budget. Budgeted amounts for all funds include revenue, operating expenditures and new capital outlays. This ordinance fulfills the requirements of Section 11.08 of the Home Rule Charter of the City and Borough of Sitka regarding annual adoption of a capital improvements program.

**CHAPTER 15.01.020  
ELECTRICAL RATES**

A. All electric rates are subject to sales tax if applicable. These rates are effective for all electricity billed after ~~November 1, 2019~~, July 1, 2020, regardless of when electricity was consumed.

The assembly shall consider annually an adjustment to the electric rates, based on the Consumer

45 Price Index, at a time when any adjustment could be made effective July 1<sup>st</sup> of the year applied.  
46 An adjustment, if any, shall be based on the prior year annual report for the municipality of  
47 Anchorage, Alaska, from the United States Department of Labor and Workforce Development,  
48 Consumer Price Index, and determined to be the percent change to the current year from the  
49 percent change of the prior year, and will be effective July 1<sup>st</sup> of any year applied. The first such  
50 adjustment date may be July 1, 2018.

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53 B. Residential Services.

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1. Applicable to all residential customers for all uses in the home or residence, subject to the  
56 rules and regulations and customer services policies of the city and utility.

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2. Energy Charges

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All kWh from the first billing cycle in November through the last billing cycle in April.	\$.12 .1224 per kWh
All kWh from the first billing cycle in May through the last billing cycle in October.	\$.192 .1958 per kWh
Customer charge is \$20.48 per month.	

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C. General Service – Small

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1. Applicable to all nonresidential customers for all uses, including lighting, heating and  
65 power, when the electricity consumed in the preceding twelve months is less than one  
66 hundred thousand kWh and has measured demand of less than fifty Kw, Subject to the rules,  
67 regulations and customer service policies of the utility and the city. Typical customers in this  
68 class could include: restaurants, retail vendors, churches, fueling stations, and service  
69 industries.

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2. Energy Charges.

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All kWh from the first billing cycle in November through the last billing cycle in April.	\$.1180 .1204 per kWh
All kWh from the first billing cycle in May through the last billing cycle in October.	\$.1880 .1918 per kWh
Customer charge is \$20.48 per month.	

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78 3. Demand Charges.  
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First 25 kW	No charge
Over 25kW	<del>\$5.88</del> 5.99 per kW

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81 D. General Service – Large.  
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83 1. Applicable to all nonresidential customers for all uses, including lighting, heating and  
84 power, when the electricity consumed in the preceding twelve months is equal or greater than  
85 one hundred thousand kWh or has a measured demand equal to or greater than fifty kW,  
86 subject to the rules, regulations and customer and customer service policies of the utility and  
87 the city. Typical customers in this class could include: grocery stores, industrial users, and  
88 seafood processing facilities.  
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90 2. Energy Charges.  
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All kWh	<del>\$.1450</del> .1479 per kWh
Customer charge is \$63.00 per month.	

94 3. Demand Charges.  
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First 25 kW	No charge
Over 25 kW	<del>\$5.88</del> 6.00 per kW

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99 E. General Service – Public Authority.  
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101 1. Applicable to all noncommercial and nonresidential customers for all uses, including  
102 lighting, heating and power, subject to the rules, regulations and customer service policies of  
103 the utility and the city. Typical customers in this class could include: schools, tribal  
104 governments, and other public government buildings.  
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106 2. Energy Charges.  
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All kWh	<del>\$.1470</del> .1499 per kWh
Customer charge is \$47.25 per month.	

108 3. Demand Charges  
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First 25 kW	No charge
Over 25 kW	<del>\$5.88</del> 6.00 per kW

111 F. Boat Service.  
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114 1. Applicable to separately metered boats, lights, heaters, pumps or other uses.  
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116 2. Energy Charges.  
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All kWh from the first billing cycle in November through the last billing cycle in April.	<del>\$.12</del> .1224 per kWh
All kWh from the first billing cycle in May through the last billing cycle in October.	<del>\$.192</del> .1958 per kWh
Customer charge is \$20.48 per month.	

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119 G. Street and Security Light Service.  
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- 121 1. The utility will only install, at the expense of the customer, yard or security lights which  
122 can be attached to existing poles which are the property of the utility.  
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124 2. Rate per Month. This fee is in addition to the actual installation charges required for  
125 installing the desired fixtures.  
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127 Monthly unmetered street or security light energy rate is calculated as follows:  
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(0.482 kWh per lamp watt) times (the wattage of the lamp)=kWh per month.	
Example: 0.482 kWh x 100 watt lamp = 48 kWh per month.	
Monthly energy rate is: kWh per month times \$0.2003 per kWh.	
48 kWh per month x \$0.2003/kWh = \$9.61 per month energy rate.	
Typical lamp energy rates:	
70 watt	<del>\$6.62</del> \$6.75 per month
100 watt	<del>\$9.42</del> \$9.61 per month
150 watt	<del>\$14.12</del> \$14.40 per month
175 watt	<del>\$16.50</del> \$16.83 per month
250 watt	<del>\$23.56</del> \$24.03 per month
400 watt	<del>\$37.88</del> \$38.64 per month
1,000 watt	<del>\$94.63</del> \$96.52 per month

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137 **5. EFFECTIVE DATE.** This ordinance shall become effective on July 1, 2020.

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139 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska  
140 this 12th day of May, 2020.

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Gary L. Paxton, Mayor

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145 ATTEST:

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148 Sara Peterson, MMC

149 Municipal Clerk

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151 1<sup>st</sup> reading 4/28/2020

152 2<sup>nd</sup> and final reading 5/12/2020

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154 Sponsor: Administrator

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