

Presented by: Mayor Botelho  
Introduced: 05/01/2008  
Drafted by: J.W. Hartle

## RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

### Serial No. 2442(am)

#### **An Emergency Appropriation Resolution Appropriating \$3,250,000 to the Manager For a Grant to the United Way of Southeast Alaska, and a Loan to the Juneau Economic Development Council, for Energy Assistance to Residents and Small Businesses, and For Energy Conservation Measures, Funding Provided by the Budget Reserve.**

WHEREAS, under Article IX of the Home Rule Charter of the City and Borough of Juneau, upon declaration by the Assembly that a public emergency exists and describing the emergency in clear and specific terms, the Assembly by resolution may make emergency appropriations; and

WHEREAS, on April 16, 2008, Alaska Electric Light and Power (AEL&P) experienced a catastrophic failure of its power line providing power from the Snettisham hydroelectric facility to the City and Borough of Juneau community; and

WHEREAS, the City Manager declared a public emergency, ratified by the Assembly in Resolution No. 2440, for the purposes of applying for State and Federal assistance; and

WHEREAS, electric ratepayers in Juneau will be experiencing a severe rate shock when the recently approved cost of power adjustment for diesel generation is added to their electrical bills; and

WHEREAS, protecting the most economically vulnerable residents and businesses from some of the adverse impacts of that rate shock is in the public interest; and

WHEREAS, failing to protect the most economically vulnerable residents and businesses from the severe rate shock would result in further adverse impacts to Juneau's economic and social network; and

WHEREAS, the United Way of Southeast Alaska, and the Juneau Economic Development Council, have generously offered their services to address the public emergency.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

**Section 1.** There is appropriated to the Manager the sum of \$3,000,000 to provide a grant to the United Way of Southeast Alaska and a loan to the Juneau Economic Development Council (JEDC). The first installment of these funds shall comprise \$1,000,000 to the United Way of Southeast Alaska, and \$500,000 to the JEDC. Further installments shall be added if the Manager finds it in the public interest.

**Section 2. Source of Funds:**

General Fund Fund Balance	\$3,250,000
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**Section 3. Purpose and Terms of Grant and Loan.** (a) The Manager is authorized to negotiate grant and loan terms with the United Way of Southeast Alaska and the JEDC, consistent with the public interest. The purpose of the funding is to provide the United Way of Southeast Alaska with working capital to provide immediate energy assistance loans and/or grants to economically vulnerable residents and non-profits to allow them to pay increased electricity bills resulting from the disaster. The purpose of the loan to JEDC is to provide it with working capital to provide loans to small businesses to allow them to pay increased electricity bills. The Manager is authorized to allocate an amount for administrative expenses to the two agencies not to exceed one percent of the grant and loan amounts. The Manager shall report the progress of his negotiations at the earliest Finance Committee or Assembly meeting following their completion.

(b) If the loan to JEDC does not exceed 12 months, it shall not bear interest. To the extent such loan exceeds 12 months, it shall bear interest at CBJ's cost of funds rate as calculated by the Finance Director. In no event shall any such loan extend beyond 24 months.

(c) All CBJ funds remaining in the United Way program, including interest earned by the United Way on any CBJ funded loan, after 24 months, will be returned to the CBJ.

**Section 4. Energy Conservation Measures.** The sum of \$250,000 is appropriated to the Manager for CBJ energy conservation measures.

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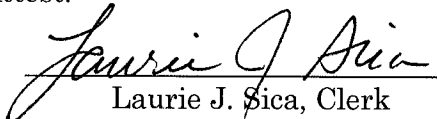
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**Section 5. Effective Date.** This resolution shall be effective immediately upon adoption.

Adopted this 1<sup>st</sup> day of May, 2008.

  
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Bruce Botelho, Mayor

Attest:

  
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Laurie J. Sica, Clerk