Presented by: The Manager Introduced: 02/05/81 Drafted by: J.R.C.

CITY AND BOROUGH OF JUNEAU, ALASKA

Resolution Serial No. 731

A RESOLUTION AUTHORIZING THE MANAGER TO NEGOTIATE AND ENTER INTO AN AGREEMENT WITH ALASKA ELECTRIC LIGHT AND POWER CONCERNING CONSTRUCTION OF A JOINT USE WATER CONDUIT FROM SALMON CREEK.

WHEREAS, Juneau's need for water will grow with the municipality, and

WHEREAS, Salmon Creek is a convenient source of good quality water, and

WHEREAS, Alaska Electric Light and Power Company plans to construct a headworks structure and conduit from its Upper Salmon Creek powerhouse tailrace to its lower powerhouse, and

WHEREAS, it appears that under certain conditions, municipal participation in such a project would reduce the construction and maintenance costs associated with independent municipal development, and would otherwise be in the public interest, and

WHEREAS, a preliminary agreement establishing the goals and methods of both parties would be useful at this time;

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

1. That the manager is authorized to negotiate and enter into an agreement with Alaska Electric Light and Power Company for the construction of a joint use water conduit on Salmon Creek.

2. That conditions precedent to such agreement shall be receipt and appropriation by the city and borough of a state grant of \$900,000 or such other amount as may be necessary as the city and borough's share of the cost of constructing a conduit sufficient in size and design to supply, as the city and borough's share of the output thereof, 4.64 cubic feet of water per second at the existing Alaska Electric Light and Power Company lower powerhouse. 3. That said agreement shall contain provisions whereby Alaska Electric Light and Power Company shall cooperate with the city and borough in obtaining required permits, licenses, or water rights from the state or federal agencies having jurisdiction.

4. That said agreement shall obligate Alaska Electric Light and Power Company to operate and maintain, at its sole expense, the conduit between the upper Salmon Creek tailrace and the lower powerhouse.

5. That said agreement shall contain provisions whereby Alaska Electric Light and Power Company shall, to the extent permitted by applicable government regulations, allow the city and borough to construct at its own expense a water conduit upon federal land licensed to Alaska Electric Light and Power Company, said conduit being for the purpose of delivering water from the lower powerhouse to a cityborough treatment facility. Said agreement shall also obligate Alaska Electric Light and Power Company to lease or sell at fair market value no more than 10,000 square feet of land on U. S. Survey 2133 to the city and borough for the purpose of constructing and operating the treatment facility and associated transmission lines.

6. That said agreement shall contain provisions whereby Alaska Electric Light and Power Company shall grant at no cost to the city and borough the right to take such additional amounts of water as it desires for domestic purposes from the lower powerhouse tailrace, if, for so long as such water is available, the city and borough shall refrain from taking from Salmon Creek Reservoir any water other than that carried by the joint use conduit.

7. That the manager is authorized to acquire, by lease or purchase, such lands as may be necessary for the purposes of this project.

Adopted this 5th day of February, 1981.

Attest: Elmy Emery

-2-