

CITY OF BLAINE
REQUEST FOR COUNCIL ACTION
MEETING DATE: April 14, 2008

SUBJECT: Authorizing the Finance Department/Utility Billing to pass through the Bonneville Power Administration Refund

SUBMITTING DEPT: Finance Department

PREPARED BY: Meredith Riley

AGENDA LOCATION: Comments/Communications; Consent; Committee Reports
 Unfinished Business; Council Action Items; Public Hearing; Standing Committees

ATTACHMENTS: None

ANALYSIS / SUMMARY: On March 17, 2008 the Blaine Council authorized the City Manager to sign an agreement with Bonneville Power Administration not to litigate terms, pending final settlement of a Court case against BPA. Under the terms of this agreement, BPA was to reimburse the City of Blaine Electrical Fund \$258,223 as part of the settlement. The Council determined that this money should be passed through to the City's electrical customers. After review and discussion with the Utility Billing Division, it is recommended that a reduction in the kwh rate during the month of May will be the most equitable way of distributing this reimbursement. The month of May is an "average" month for electrical usage, and reducing the kwh rate fairly distributes the reimbursement to our electrical customers by usage.

RECOMMENDATION: Waive 2nd Reading: Staff recommends that Council authorize the Utility Billing Division to reduce the electrical rate by approximately \$0.04 per kwh for our electrical customers for the month of May 2008.

FISCAL ANALYSIS: The Bonneville Power Administration distribution of \$258,233 to the City Electrical Fund will be passed through to our electrical customers in a reduction of kwh by approximately \$0.04 during the month of May.

REVIEWED BY:

City Manager _____ Finance Director _____ City Clerk _____
(Digital Signature) (Digital Signature) (Digital Signature)

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to: _____

COUNCIL ACTION: _____