RESOLUTION NO. 6234

RESOLUTION RECOMMENDING RELICENSING OF HYDROELECTRIC PROJECT P-10489

WHEREAS, the City of River Falls has initiated the development of a corridor plan to help establish the long term-vision for the Kinnickinnic River corridor and to inform the licensing decision; and

WHEREAS, the City Council has established an 11-person Kinni Corridor Project Committee to guide the planning process and to recommend to the City Council an appropriate action regarding the relicensing decision on or before Feb. 27, 2018; and

WHEREAS, the Kinni Corridor Project Committee, City staff and consultants undertook a comprehensive analysis of existing conditions, public input and relevant studies; and

WHEREAS, the City of River Falls operates two hydroelectric facilities on the Kinnickinnic River known as Hydroelectric Project (P-10489); and

WHEREAS, the hydroelectric facilities are operated under license from the Federal Energy Regulatory Commission (FERC); and

WHEREAS, the current FERC license expires as of Aug. 31, 2023; and

WHEREAS, the City is required to notify FERC regarding its intentions for future licensing by Aug. 31, 2018; and

WHEREAS, the process for submitting sufficient notice and pre-application documents to FERC should begin by March 1, 2018; and

WHEREAS, the City Council has identified three licensing scenarios: (1) relicense both facilities, (2) surrender the license, and (3) relicense the Junction Falls facility; and
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WHEREAS, the Utility Advisory Board (UAB) of the City of River Falls has recommended scenario (3) that the City relicense the Junction Falls hydro facility, and remove the Powell Falls hydro facility and dam at some point in the future, and that any hydro- or dam-related expenditures over $5,000 will be brought to the UAB and City Council for review and approval; and

WHEREAS, the Kinni Corridor Project Committee recommends that the City relicense the hydroelectric project for the final time, with a settlement agreement that incorporates the provisions of this resolution, and take steps to pursue the long-term vision for the Kinnickinnic River Corridor within the following policy framework:

i. The City shall aggressively continue efforts to complete Phase 1 and Phase 2 of the Corridor Plan that will define implementation action plans and dates that achieve the long-term vision of the corridor.

ii. The corridor planning process shall establish a fiscally responsible financing plan to implement the recommendations of the final Corridor Plan including ultimate dam removal and stream restoration. It is understood that fiscally responsible financing means no use of local general property tax levy.

iii. The City will proceed immediately to define and complete necessary steps to remove the Powell hydroelectric facilities and complete associated stream restoration by the target date of 2026.

iv. The City shall document the Powell hydroelectric facility removal process to evaluate ecological restoration successes and failures and use those findings to enhance strategies for the ultimate removal of the Junction Falls hydroelectric facilities and associated river restoration.

v. The City will take necessary steps to remove the Junction Falls facilities and complete associated stream restoration targeting a time period from 2035 to 2040. If the trend of ecological conditions on the Kinnickinnic River has degraded to a point where the need for this project becomes more immediate, an earlier date may be chosen. The City and stakeholder organizations will form a public-private partnership to seek funds for this and other river corridor projects. The public-private partnership will address projected revenue loss from accelerated dam removal. Any future hydro or dam related expenditures over $5,000 shall be brought to the Utility Advisory Board and over $15,000 City Council for review and approval.
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vi. The City shall continue to pursue its renewable energy policies to create greater amounts of clean energy from other sources and identify strategies for reducing overall consumption compared to the current situation.

vii. The City shall develop and implement a Lake George Rehabilitation Plan including comprehensive stormwater strategies within the contributing subwatersheds, in accordance with the adopted Corridor Plan and dates related to future removal of the Junction Falls facilities.

viii. The City shall develop additional policies for increasing funding to support stormwater management best practices in order to minimize the thermal and pollutant impact on the river.

ix. The City shall aggressively pursue policies to address land use development impacts in the upper Kinnickinnic River Watershed that would diminish the quantity and quality of future groundwater sources that contribute to the Kinnickinnic River and its current thermal condition above the City.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds that the future of the Kinnickinnic River Corridor should be based on a long-term vision of a free flowing Kinnickinnic River, including associated ecological restoration to maintain the current classifications as a Class I trout stream, an Outstanding Resource Water above STH 35 and an Exceptional Resource Water below STH 35 as defined by the WDNR.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Common Council of the City of River Falls approves the relicense the hydroelectric project for the final time, with a settlement agreement that incorporates the provisions and policy framework of this resolution, and take steps to pursue the long-term vision for the Kinnickinnic River Corridor.

Dated this 27th day of February 2018.

Dan Toland, Mayor

Attest

Amy White, City Clerk