



## City of Ferndale

### CITY COUNCIL STAFF REPORT

**SUBJECT:** Resolution Relating to BPA and Reopening Intalco

**DATE:** May 2, 2022

**FROM:** Councilmember Paul Shuey

**PRESENTATION BY:** Riley Sweeney, Communication Officer

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**EXHIBITS:**

Draft Resolution

**RECOMMENDATIONS:** Staff recommends approval of resolution.

**BACKGROUND:** Currently, the shuttered Intalco facility is working to reopen with a new owner and operator, Blue Wolf Capital Partners. Thanks to an appropriation from the state, and negotiations with local labor unions, the facility is almost ready to resume operations; however, there is one remaining obstacle.

For the facility to resume operations, it needs a new contract with the Bonneville Power Administration (BPA), which is the public entity that manages hydroelectricity produced in the Columbia River Basin. This agency is charged with providing power across the Northwest; however, they have declined to negotiate a new contract with the Intalco facility.

Because of the strategic and economic impact the Intalco smelter holds in our community and for the nation as a whole, Councilmember Paul Shuey has proposed the council pass a resolution calling for the BPA to return to the bargaining table and hammer out a new contract.

**ALTERNATIVES CONSIDERED:** Council can always decline to take action.

**FISCAL REVIEW:** Passing this resolution does not have a fiscal impact on the city budget, however, the reactivation of the Intalco facility will have a positive impact on the Ferndale economy, and therefore on the city budget as well.

**EQUITY:** The reopening of the Intalco facility will provide hundreds of family wage jobs in our community, which will help reduce income inequality in our region.

**LEGAL REVIEW:** N/A

**CONCLUSION:** The Council, from time to time, has found the need to speak out on a specific issue and urge action. Due to the importance of the Intalco facility to our community and that the current roadblock is a public entity that should be responsive to the people they represent, passing a resolution of this kind is an appropriate and effective use of Council's effort.

## RESOLUTION #

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### **A RESOLUTION OF THE COUNCIL OF THE CITY OF FERNDALE, WASHINGTON, URGING THE BONNEVILLE POWER ADMINISTRATION TO APPROVE AGREEMENT FOR INTALCO SITE**

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**WHEREAS**, securing the future of the Intalco site is a top priority for the Ferndale City Council, Administration and the Community at-large; and

**WHEREAS**, manufacturing as a whole and Intalco facility specifically have a deep history in Ferndale and are an integral part of our local economy; and

**WHEREAS**, engaging and restarting this facility requires a new contract with the Bonneville Power Administration (BPA), a public entity charged with providing hydropower to communities across the Pacific Northwest; and

**WHEREAS**, letting this opportunity expire would mean the closure of the last aluminum smelter in entire western United States, a key strategic and national security resource; and

**WHEREAS**, talks between the new Intalco owners and the BPA have broken down; and

**WHEREAS**, economic damage to our community will continue if the Intalco facility is not restarted; and

**WHEREAS**, reaching an agreement for electrical power for the Intalco facility serves the best public interest of Ferndale, Washington State, the workers of our community and the nation at large;

### **NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF FERNDALE DO RESOLVE AS FOLLOWS:**

The Ferndale City Council, on behalf of the City of Ferndale, urges the Bonneville Power Administration to return to the bargaining table and negotiate a good faith deal that would ensure the Intalco facility can swiftly and safely resume operations.

**APPROVED AND ADOPTED** by the City Council of the City of Ferndale in regular session this 2<sup>nd</sup> day of May, 2022.

**ATTEST:**

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Greg Hansen, MAYOR

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Susan Duncan, MMC, CITY CLERK