



City and Borough of Wrangell
Borough Assembly Meeting
AGENDA

Tuesday, January 25, 2022

Location: ZOOM Teleconference

Work Session from 6:00-7:00 PM / Regular Assembly Meeting at 7:00 PM

If you would like to call into the meeting to speak under Persons to be Heard, please contact the Borough Clerk at 907-874-2381 or email: clerk@wrangell.com no later than Tuesday, January 25, 2022 at 4:00 p.m.

To Join by Computer:

<https://zoom.us/j/9078742381?pwd=MTNqSEdnciRvakh2UCtMVUNxMndYUT09>

And Enter the Meeting ID: 907 874 2381

Then Enter Password: 99929

WORK SESSION (6:00 - 7:00 PM)

- a. Financial Position & Information (Finance Director)

1. CALL TO ORDER

- a. PLEDGE OF ALLEGIANCE led by Assembly Member Bob Dalrymple
b. CEREMONIAL MATTERS

2. ROLL CALL

- 3. PERSONS TO BE HEARD** - *Section WMC 3.05.040 (C) states that: The chair may call to order any person who is breaching the peace or being disorderly by speaking without recognition, engaging in booing or catcalls, speaking vulgarities, name calling, personal attacks, or engaging in other conduct which is determined by the chair to be disruptive of the meeting. Any person so disrupting a meeting of the assembly may be removed and barred from further attendance at the meeting unless permission to return or remain is granted by a majority vote of the assembly.*

4. AMENDMENTS TO THE AGENDA

5. CONFLICT OF INTEREST

- 6. CONSENT AGENDA** - *Matters listed under the consent agenda are considered to be routine and will be enacted by one motion and one vote. there will be no separate discussion of these items. **If the borough mayor, assembly member, manager, or clerk requests discussion on any item, that item will be removed from the consent agenda and will be considered under unfinished business (no motion is necessary to move an item from the Consent Agenda).***

MOTION ONLY: *Move to Approve the Consent Agenda, as submitted.*

- a. RESOLUTION No. 01-22-1660** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET IN THE GENERAL FUND TRANSFERRING UP TO \$4925 FROM GENERAL FUND RESERVES TO THE ASSEMBLY & CLERK MATERIALS & SUPPLIES ACCOUNT TO PURCHASE A PRECINCT SCANNER

- b. **RESOLUTION No. 01-22-1661** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET TRANSFERRING \$1,107,269 FROM MULTIPLE ACCOUNTS TO THE WATER TREATMENT PLANT CAPITAL EXPENSES ACCOUNT IN THE WATER FUND AND APPROPRIATING AMERICAN RESCUE PLAN ACT FUNDS
- c. **RESOLUTION No. 01-22-1662** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF PUBLIC LANDS, LOT 6A, BLOCK 61, AMENDED INDUSTRIAL PARK SUBDIVISION III (PLAT NO. 2001-7), AS REPLATTED PER WOODBURY-INDUSTRIAL REPLAT, ZONED INDUSTRIAL, TO BRETT WOODBURY AND MIKE MATNEY
- d. **RESOLUTION No. 01-22-1663** OF THE ASSEMBLY OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2022 BUDGET BY TRANSFERRING \$39,156 FROM THE MUNICIPAL LIGHT & POWER FUND RESERVES TO THE GENERATOR UNIT 5 IMPROVEMENTS CAPITAL PROJECT ACCOUNT AND AUTHORIZING ITS EXPENDITURES
- e. Minutes from the January 11, 2022 Regular Assembly Meeting
- f. Minutes from the January 12 (13), 2022 Special Assembly Meeting
- g. CORRESPONDENCE: School Board Action from the January 17, 2022 Regular Meeting

7. BOROUGH MANAGER'S REPORT

- a. Police Department Report
- b. Harbormaster Report
- c. Economic Development Department Report

8. BOROUGH CLERK'S FILE

- a. Borough Clerk's Report

9. MAYOR AND ASSEMBLY BUSINESS

10. MAYOR AND ASSEMBLY APPOINTMENTS

11. PUBLIC HEARING

12. UNFINISHED BUSINESS

13. NEW BUSINESS

- a. Approval to hire Jeffrey Good as the new Borough Manager and to approve the Borough Manager's Contract, as presented
- b. Approval of the Professional Services Agreement with DOWL for the Design Services for the Water Treatment Plant in the amount of \$1,107,269

14. ATTORNEY'S FILE – Available for Assembly review in the Borough Clerk's office

15. EXECUTIVE SESSION

- a. **EXECUTIVE SESSION:** Discussion on the Proposed Borough Manager's Contract

- b. EXECUTIVE SESSION:** Meet with the Borough Attorney to receive advice about how the Assembly and its members might avoid legal liability by not violating the Separations of Powers Doctrine and to discuss goal setting with the Borough Manager

16. ADJOURNMENT

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	January 25, 2022
	<u>Agenda Section</u>	6

RESOLUTION No. 01-22-1660 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET IN THE GENERAL FUND TRANSFERRING UP TO \$4925 FROM GENERAL FUND RESERVES TO THE ASSEMBLY & CLERK MATERIALS & SUPPLIES ACCOUNT TO PURCHASE A PRECINCT SCANNER

SUBMITTED BY:

Kim Lane, Borough Clerk

FISCAL NOTE:

Expenditure Required: \$XXX Total

FY 21: \$	FY 22: \$4925	FY23: \$
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Amount Budgeted:

FY22 \$0

Account Number(s):

11000 002 7001

Account Name(s):

Materials & Supplies

Unencumbered Balance(s) (prior to expenditure):

\$XXX

Reviews/Approvals/Recommendations

<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Resolution No. 01-22-1660

This item is being considered under the Consent Agenda. Matters listed under the consent agenda are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion on these items. If the Mayor, and Assembly Member, the Manager or Clerk requests discussion and/or consideration on an item under the Consent Agenda, that item will be removed from the Consent Agenda and will be considered under Unfinished Business.

RECOMMENDATION MOTION:

Move to approve Resolution No. 01-22-1660.

SUMMARY STATEMENT:

In the past, the State of Alaska, Division of Elections has purchased the Election precinct scanning unit from Dominion Voting Systems and most municipalities (Wrangell included) has borrowed the precinct scanning unit for our elections in October.

The State of Alaska, Division of Elections contacted me this month to let me know that due to security concerns, they will no longer be loaning out the precinct scanning unit to any of the Alaska municipalities.

The State will, however, still be sending the precinct scanning unit to the municipalities for the State and Federal Elections. Sarah Merritt conducts those elections.

For us to be able to conduct elections, we must purchase our own precinct scanning unit from Dominion Voting Systems.

Since the Clerk's budget did not account for this purchase, a budget amendment is required.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 01-22-1660

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET IN THE GENERAL FUND TRANSFERRING UP TO \$4925 FROM GENERAL FUND RESERVES TO THE ASSEMBLY & CLERK MATERIALS & SUPPLIES ACCOUNT TO PURCHASE A PRECINCT SCANNER

WHEREAS, the State of Alaska, Division of Elections, in the past, has loaned their precinct scanners to the municipalities that chose not to purchase their own election scanners; and

WHEREAS, Wrangell has always borrowed and used the State's precinct scanner; and

WHEREAS, when Wrangell borrowed the State's precinct scanners, the State mails the precinct scanner to us and then when we have conducted our Certification Meeting, the Clerk would mail the precinct scanner back to the State, in Juneau; and

WHEREAS, in 2020, the State of Alaska purchased new precinct scanning equipment from Dominion Voting Systems; and

WHEREAS, due to concerns about election system security, the Division of Elections will no longer loan precinct scanners to local municipalities; and

WHEREAS, the Clerk's office chooses to continue using the Dominion Voting Precinct Scanner and therefore, must purchase this equipment; and

WHEREAS, since this was an unexpected expense, a budget amendment is necessary.

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

Section 1. The FY 2022 Budget in the General Fund is amended to reflect and increase in the transfer of funds, in the amount of \$4,925 from General Fund Reserves into the Assembly & Clerk Materials & Supplies Account (11000 002 7001) and authorize its expenditure.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA THIS 25th DAY OF JANUARY 2022.

CITY & BOROUGH OF WRANGELL

Stephen Prysunka, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk



Wrangell City & Borough, AK

Prepared by:
Dana LaTour
dana.latour@dominionvoting.com

Q00007335

Budgetary Quote

Product/Service	Description	Qty	Unit Price	Extension
In-Person Voting: Polling Location Hardware				
ImageCast Precinct 2 Tabulator (330A)		1	\$4,500.00	\$4,500.00
Power Supply - ICP2 (90W)		1	\$31.00	\$31.00
ICE / ICP Power Cord - 15'		1	\$11.00	\$11.00
			Sub-Total	\$4,542.00
Accessories				
ICP Plastic Ballot Box Adapter Kit		1	\$13.50	\$13.50
ImageCast Precinct Transport Bag		1	\$75.00	\$75.00
			Sub-Total	\$88.50
Consumables/Parts				
ICP Cleaning Sheet		1	\$11.00	\$11.00
I-Button Administrator Key - Black		1	\$25.00	\$25.00
ICP Paper Roll (98')		2	\$4.00	\$8.00
			Sub-Total	\$44.00

Total Purchase Sub-Total	\$4,674.50
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Year 1 Purchase Total	\$4,674.50
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Election Support Services				
Election Setup / Ballot Setup	AK pricing	1	\$1,500.00	\$1,500.00
			Sub-Total	\$1,500.00

Annual Licenses				
ImageCast Precinct Annual Firmware License - 321C		1	\$228.00	\$228.00
			Sub-Total	\$228.00

Annual Warranties				
ImageCast Precinct 321C Annual Hardware Warranty		1	\$135.00	\$135.00
			Sub-Total	\$135.00

Annual Fees	\$363.00
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Terms and Conditions

This quote is valid for 90 days and subject to change for scope and configuration updates.
All Shipping costs to be invoiced separately to customer. All pricing is subject to standard terms and conditions.
Amounts due in years 2 and thereafter are subject to annual increases reflective of inflation.
Annual warranties are optional.

Signatures

Customer Name (printed)	Title	Signature	Date (MM/DD/YYYY)

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	1/25/2022
	<u>Agenda Section</u>	6

RESOLUTION No. 01-22-1661 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET TRANSFERRING \$1,107,269 FROM MULTIPLE ACCOUNTS TO THE WATER TREATMENT PLANT CAPITAL EXPENSES ACCOUNT IN THE WATER FUND AND APPROPRIATING AMERICAN RESCUE PLAN ACT FUNDS

SUBMITTED BY:

Tom Wetor, Public Works Director

FISCAL NOTE:

Expenditure Required: \$

FY 21: \$	FY 22: 1,107,269	FY23: \$
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Amount Budgeted:

FY21\$0

Account Number(s):

Account Name(s):

Professional and contractual services

Unencumbered Balance(s) (prior to expenditure):

Reviews/Approvals/Recommendations

<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Resolution No. 01-22-1661 2) WTP Funding Summary

This item is being considered under the Consent Agenda. Matters listed under the consent agenda are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion on these items. If the Mayor, and Assembly Member, the Manager or Clerk requests discussion and/or consideration on an item under the Consent Agenda, that item will be removed from the Consent Agenda and will be considered under Unfinished Business.

RECOMMENDATION MOTION: Move to approve Resolution No. 01-22-1661.**SUMMARY STATEMENT:**

The construction of a new water treatment plant facility is a top priority for Borough Administration. As such, the Borough has moved forward to achieve a comprehensive funding package for construction of the new facility. Per a revised engineering estimate provided by DOWL Engineering Firm, engineering and design costs for the facility are proposed at \$1,107,269.

To address this initial phase of the project, the Borough is proposing a spending package that does the following:

- Authorizes expenditure of \$1,107,269 on design and engineering costs in the Water Treatment Capital Expenditures account (72300-302-9999-00-72001)
- Authorizes \$119,000 of Water Fund Reserves to be used to address Water Treatment Plant design and engineering costs.
- Authorizes the transfer of \$385,000 from the General Fund to the Water Fund in the form of an interfund loan. The loan is proposed to be a term of 10-years at zero interest.
- \$603,963.39 in ARPA funds is to be formally appropriated for Water Treatment Plant design and engineering costs.

The above spending package is to address design and engineering costs for the new facility. The remainder of the project, including construction and administrative costs is estimated at \$14,000,000 and will be funded through a combination of EDA and USDA grants and loans. A Water Treatment Funding Summary can be found attached to this item.

CITY AND BOROUGH OF WRANGELL

RESOLUTION No. 01-22-1661

RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET TRANSFERRING \$1,107,269 FROM MULTIPLE ACCOUNTS TO THE WATER TREATMENT PLANT CAPITAL EXPENSES ACCOUNT IN THE WATER FUND AND APPROPRIATING AMERICAN RESCUE PLAN ACT FUNDS

WHEREAS, the City and Borough of Wrangell is pursuing the construction of a new water treatment plant; and

WHEREAS, DOWL Engineering has issued cost estimates for engineering and design in the amount of \$1,107,269; and

WHEREAS, Borough administration has assembled a spending package to address the engineering and design costs through a combination of the water fund reserve account, an interfund loan through the General Fund and American Rescue Plan Act (ARPA) funds; and

WHEREAS, it is Borough norm to appropriate state and federal grant funds to address eligible expenditures in the future; and

WHEREAS, the Coronavirus Local Fiscal Recovery ARPA funds are eligible for reimbursement if applied to the Water Treatment Plant project.

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

Section 1: The FY 2022 Budget in the Water Fund is amended to authorize an increase of expenditure in the Water Treatment Plant Capital Expenses Account (72300-302-9999-00-72001), in the amount of \$1,107,269.

Section 2: The FY 2022 Budget in the Water Fund is amended transfer \$119,000 from Water Fund Reserves to the Water Treatment Capital Expenses Account.

Section 3: The FY 2022 Budget is amended to reflect a transfer of \$385,000 from the General Fund to the Water Fund as an interfund loan to be made payable over a term of 10 years at zero interest.

Section 4: Federal ARPA funds in the amount of \$603,963.39 are hereby authorized for expenditure on Water Treatment Plant engineering and design costs.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA THIS 25th DAY OF JANUARY.

CITY & BOROUGH OF WRANGELL

Stephen Prysunka, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

Water Treatment Plant Funding Overview <i>City and Borough of Wrangell, Alaska</i>														
Engineering and Design Cost Estimate: \$1,107,269	Borough Funds/ARPA													
	Water Fund Reserve	\$119,000												
	American Rescue Plan Act (ARPA)	\$603,963												
	Interfund Loan <A>	\$384,306												
Construction and Administrative Costs Estimate: \$14,000,000	Economic Development Administration (EDA)													
	EDA Water Treatment Plant Grant	\$2,900,000												
	EDA Water Treatment Plant Loan	\$4,000,000												
	United States Department of Agriculture (USDA)													
	USDA Water Treatment Plant Grant	\$6,975,000												
	USDA Water Treatment Plant Loan 	\$3,800,000												
Total Project Cost: Estimated: \$15,107,269	Funding Summary:													
	Borough Funds	\$828,306												
	Grants	\$10,478,963												
	Loan/Financing	\$3,800,000												
	Total Funding Package***	\$15,107,269												
Tickmark Legend: <A> An interfund loan can be issued by the General Fund that is paid back using a predetermined percentage of water sales The USDA loan with a \$200,000 contribution from the Borough will be used to extinguish the EDA loan. Interim financing for the USDA loan will be provided by the DEC's Drinking Water Loan program funded by the State Revolving Fund (SRF) *** As a source of contingency funds, the Borough hopes to use grant funds obtained through the DCCED-DCRA Local Government Lost Revenue Program assuming the Borough achieves those funds. Issuance of a Revenue Bond through the AMBBA is another option to cover any shortfall in funding due to any overage incurred.														
		WTP Funding By Source <table border="1"> <caption>WTP Funding By Source Data</caption> <thead> <tr> <th>Source</th> <th>Amount</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Grants</td> <td>\$10,478,963</td> <td>69%</td> </tr> <tr> <td>Loan/Financing</td> <td>\$3,800,000</td> <td>25%</td> </tr> <tr> <td>Borough Funds</td> <td>\$828,306</td> <td>6%</td> </tr> </tbody> </table>	Source	Amount	Percentage	Grants	\$10,478,963	69%	Loan/Financing	\$3,800,000	25%	Borough Funds	\$828,306	6%
Source	Amount	Percentage												
Grants	\$10,478,963	69%												
Loan/Financing	\$3,800,000	25%												
Borough Funds	\$828,306	6%												

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	January 25, 2022
	<u>Agenda Section</u>	6

RESOLUTION No. 01-22-1662 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF PUBLIC LANDS, LOT 6A, BLOCK 61, AMENDED INDUSTRIAL PARK SUBDIVISION III (PLAT NO. 2001-7), AS REPLATTED PER WOODBURY-INDUSTRIAL REPLAT, ZONED INDUSTRIAL, TO BRETT WOODBURY AND MIKE MATNEY

SUBMITTED BY:

Carol Rushmore, Economic Development
Director

FISCAL NOTE:

Expenditure Required: \$XXX Total

FY 20: \$	FY 21: \$	FY22: \$
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Amount Budgeted:

	FY20 \$XXX
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Account Number(s):

	XXXXX XXX XXXX
--	----------------

Account Name(s):

	Enter Text Here
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Unencumbered Balance(s) (prior to expenditure):

	\$XXX
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Reviews/Approvals/Recommendations

<input checked="" type="checkbox"/>	Planning & Zoning Comm.
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Res 01-22-1662 2. Woodbury-Industrial Replat; 3. Appraisal

This item is being considered under the Consent Agenda. Matters listed under the consent agenda are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion on these items. If the Mayor, and Assembly Member, the Manager or Clerk requests discussion and/or consideration on an item under the Consent Agenda, that item will be removed from the Consent Agenda and will be considered under Unfinished Business.

RECOMMENDATION MOTION (*Consent Agenda Item*):

Move to approve Resolution No. 01-22-1662.

SUMMARY STATEMENT:

The subject parcel of 26,000 sq. ft is an inaccessible lot without utilities. To put the lot out for bid would require the Borough to construct a road for access as well as utilities. The two landowners adjacent to the parcel are both interested purchasing the lot to expand their existing operations and opportunities and thus would eliminate the cost of a road access and utilities to the Borough.

The Planning and Zoning Commission reviewed the original request to purchase by Mr. Woodbury. Prior to the Commission meeting, Mr. Matney spoke to staff and to Mr. Woodbury and voiced an interest in that portion of the lot directly behind his lot. Both individuals agreed to working together to purchase the lot.

The lot needed to be subdivided and combined with the existing and adjacent lots owned and developed by Mr. Matney and Mr. Woodbury because no access or utilities are planned for 5th Avenue. The Planning and Zoning Commission recommended to sell the lot to Mr. Woodbury and Mr. Matney at their regular meeting of August 13, 2020.

The Assembly at their August 25, 2020 meeting approved moving forward with the process. The final plat of the Woodbury-Industrial Replat was approved by the Assembly at the January 26, 2021 meeting and was being held from recording until completion of the appraisal and approval to dispose of the public lands by the Assembly. The appraisal of Lot 6A, Block 61, Amended Industrial Park Subdivision III was received in June 2021 with an appraisal valuation of \$49,000.

As this is a negotiated sale, the Assembly is waiving the bidding requirements outlined in code. Per the request of applicants and final Replat, Mr. Woodbury will purchase 17,333 square feet for \$32,667.71 and Mr. Matney will purchase 8,667 square feet for \$16,332.29.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 01-22-1662

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF PUBLIC LANDS, LOT 6A, BLOCK 61, AMENDED INDUSTRIAL PARK SUBDIVISION III (PLAT NO. 2001-7), AS REPLATTED PER WOODBURY-INDUSTRIAL REPLAT, ZONED INDUSTRIAL, TO BRETT WOODBURY AND MIKE MATNEY

WHEREAS, the Borough Assembly, at their meeting held August 25, 2020, approved the sale of a Borough-owned parcel that is adjacent to Mr. Woodbury and Mr. Matney's properties, Lot 6A, Block 61, Industrial Park Subdivision III (Plat No. 2001-7), Zoned Industrial; and

WHEREAS, the Woodbury-Industrial Replat Subdivision, a subdivision and replat of Lots 2A and 6A, Block 61, Amended Industrial Park Subdivision III; and Lots 7 and 8 within Industrial Park Subdivision (Plat No. 92-9) is completed and is awaiting final recording, creating Lots A and Lot B, Woodbury-Industrial Replat; and

WHEREAS, an appraisal was completed for Lot 6A, Block 61 with a valuation of \$49,000; and

WHEREAS, the Borough Assembly is approving the sale of the above described parcel to Brett Woodbury, P.O. Box 2121, Wrangell, Alaska 99929, consisting of 17,333 square feet for the amount of \$32,667.71 and to Mike Matney, P.O. Box 2095, Wrangell, Alaska 99929, consisting of 8,667 square feet for the amount of \$16,332.29; and

WHEREAS, as outlined in the Agenda Statement on August 25, 2020, the conditions of the sale of public lands are considered as stated, and waiver of the Wrangell Municipal Code Section 16.12.015 and Section 16.12.040 (B) and (C) was authorized.

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

Section 1. The Mayor and Borough Clerk are authorized to execute a quit claim deed to Brett Woodbury to convey the following public lands when payment in full of \$32,667.71 is received for:

A portion of Lot 6A Block 61, consisting of 17,333 square feet per the Woodbury-Industrial Replat Subdivision, Wrangell Recording District.

Section 2. The Mayor and Borough Clerk are authorized to execute a quit claim deed to Mike Matney to convey the following public lands when payment in full of \$16,332.29 is received for:

A portion of Lot 6A Block 61, consisting of 8,667 square feet per the Woodbury-Industrial Replat Subdivision, Wrangell Recording District.

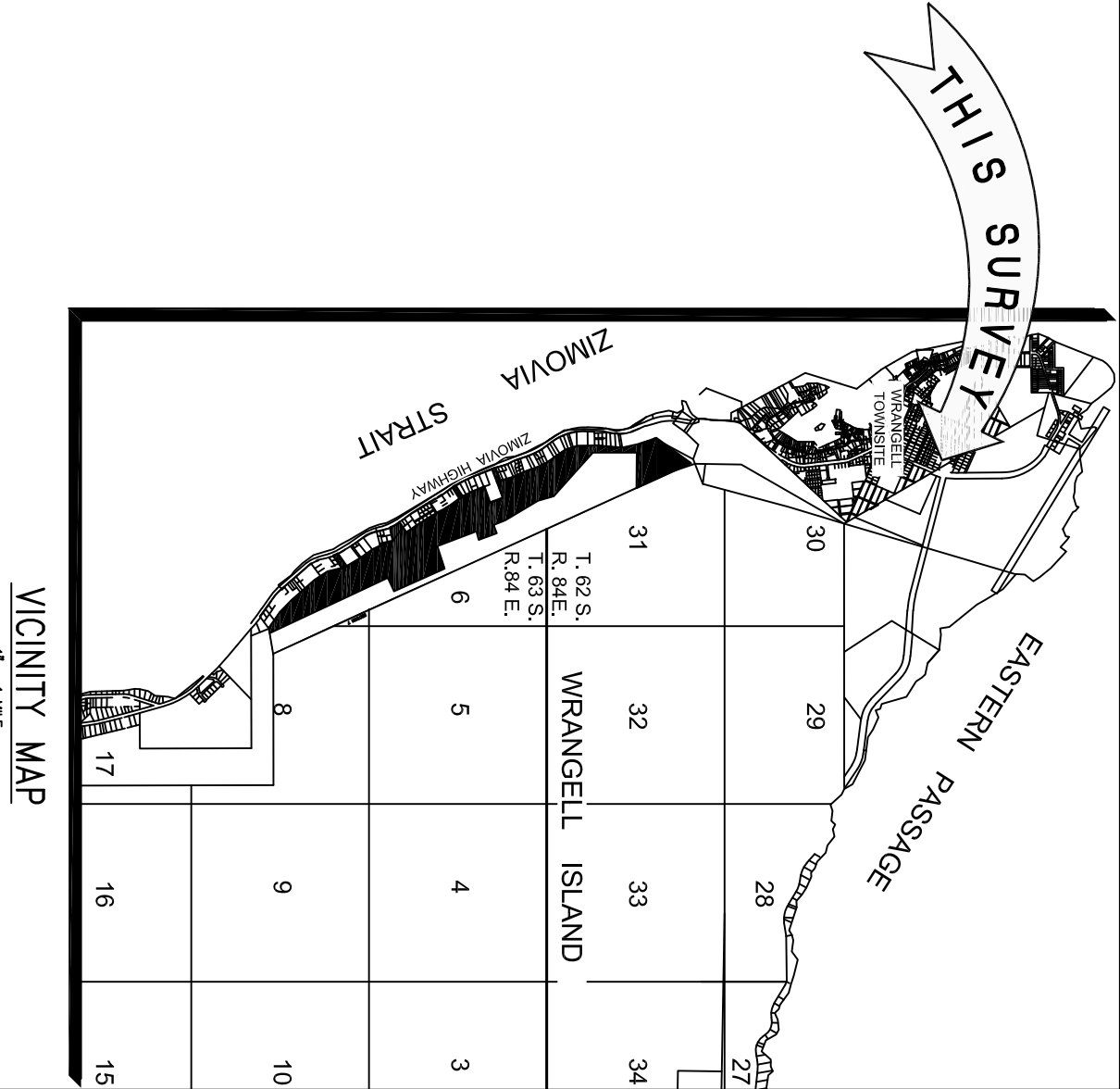
PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA THIS 25th DAY OF JANUARY 2022.

CITY & BOROUGH OF WRANGELL

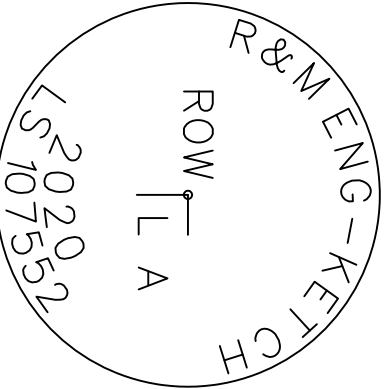
Stephen Prysunka, Borough Mayor

ATTEST:

Kim Lane, MMC, Borough Clerk



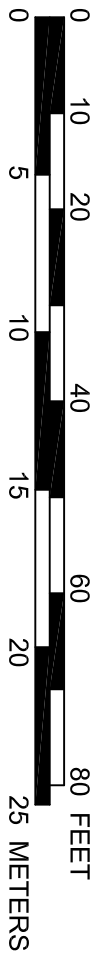
TYPICAL SECONDARY MONUMENT
SET THIS SURVEY



SET 5/8" X 30" LONG REBAR
(UNLESS OTHERWISE NOTED) AND
2" ALUMINUM CAP WITH PLASTIC
INSERT

SCALE 1"=20'

THIS DRAWING MAY BE REDUCED. VERIFY SCALE BEFORE USING



1 METER = 3.2808333 U.S. SURVEY FEET
1 U.S. ACRE = 0.4047 HECTARES

SHEET 1 OF 2



R&M ENGINEERING-KETCHIKAN, INC.
7180 REVILLA ROAD, SUITE 300
KETCHIKAN, AK 99901
WRANGELL OFFICE
P.O. BOX 2286
WRANGELL, AK 99929
Phone: (907) 725-2917
Fax: (907) 225-3441
Phone: (907) 305-0820

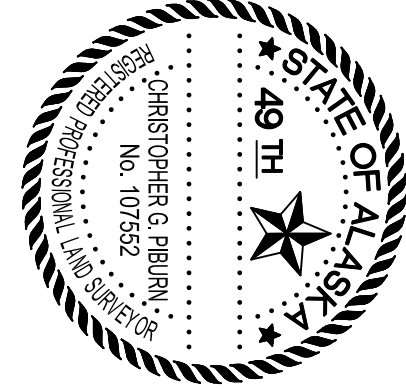
CERTIFICATE OF AUTHORIZATION #: C576

WOODBURY - INDUSTRIAL REPLAT

A SUBDIVISION AND REPLAT OF:
LOTS 2A AND 6A, WITHIN BLOCK 61, OF AMENDED INDUSTRIAL PARK SUBD.
III (PLAT 2001-7), AND LOTS 7 AND 8, WITHIN BLOCK 61, OF WRANGELL
INDUSTRIAL PARK EXPANSION SUBD. (PLAT 92-9),
CREATING
LOTS A AND B,
WOODBURY / INDUSTRIAL REPLAT
WRANGELL RECORDING DISTRICT, ALASKA

LOCATED WITHIN
SECTION 30, TOWNSHIP 62 SOUTH, RANGE 84 EAST
COPPER RIVER MERIDIAN, ALASKA
WRANGELL RECORDING DISTRICT

SURVEYED BY: MCH	DRAWN BY: MCH
DATE: SEPTEMBER 2020	DATE: NOVEMBER 2020
SCALE: 1"=20'	CHECKED: CGP
	R&M PROJECT NO: 202766



LEGEND	
●	SECONDARY MONUMENT SET THIS SURVEY
○	SECONDARY MONUMENT RECOVERED
⊙	PRIMARY MONUMENT RECOVERED
⬢	GEO ROCK MONUMENT RECOVERED
■	4" X 4" WOOD POST RECOVERED
---	UNSURVEYED
---	SURVEYED
---	RECORD BOUNDARY LINE VACATED THIS PLAT
---	CENTERLINE
(M)	RECORD DATA
XX	MEASURED DATA

NOTES

- THE ERROR OF CLOSURE OF THIS SURVEY DOES NOT EXCEED 1:5000.
- ALL BEARINGS SHOWN ARE TRUE BEARINGS AS ORIENTED TO THE BASIS OF BEARING AND DISTANCES SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES.
- THE BASIS OF BEARING FOR THIS PLAT IS THE RECORD BEARING OF S30°01'00"W AND MEASURED DISTANCE OF 2497.43 FEET BETWEEN CORNER NUMBER 36 OF U.S. 125 AND A POINT ON LINE ALONG THE WRANGELL TOWNSITE BOUNDARY ADJACENT TO LOT 6 OF BLOCK 61 ACCORDING TO AMENDED PLAT INDUSTRIAL SUBDIVISION (PLAT 85-8).
- REFERENCE THE FOLLOWING WITHIN THE WRANGELL RECORDING DISTRICT:
 - U.S. No. 1119 (WRANGELL TOWNSITE)
 - PLAT 82-1 (INDUSTRIAL SUBDIVISION)
 - PLAT 82-8 (AMENDED INDUSTRIAL SUBDIVISION)
 - PLAT 92-9 (AMENDED INDUSTRIAL PARK EXPANSION SUBDIVISION)
 - PLAT 2001-7 (AMENDED INDUSTRIAL PARK SUBD. III)
 - PLAT 2001-7 (AMENDED INDUSTRIAL PARK SUBDIVISION III)
 - DEED 2007-000416-0
 - DEED 2008-000292-0
 - DEED 2013-000131-0

OWNERSHIP STATUS

- LOT 2A, AMENDED INDUSTRIAL PARK SUBD. III (MAYE L. MATNEY)
- LOT 6A, AMENDED INDUSTRIAL PARK SUBD. III (MAYE L. MATNEY)
- LOTS 7 AND 8, WRANGELL INDUSTRIAL PARK SUBD. (BRETT WOODBURY)
- LOTS 8, WRANGELL INDUSTRIAL PARK SUBD. (BRETT WOODBURY)

PROPOSED OWNERSHIP

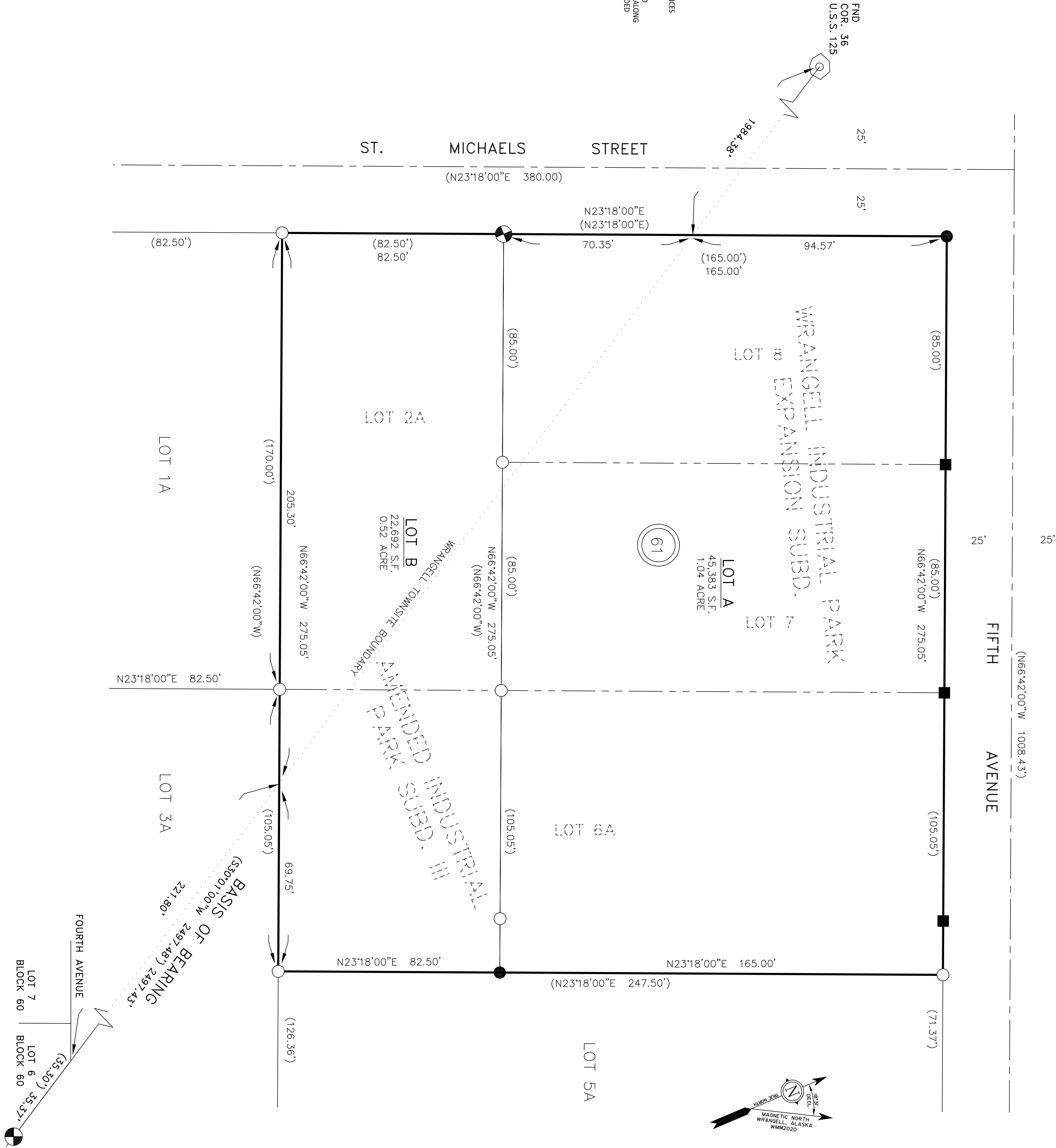
- LOT A, WOODBURY - INDUSTRIAL REPLAT (BRETT WOODBURY)
- LOT B, WOODBURY - INDUSTRIAL REPLAT (MAYE L. MATNEY)

PREVIOUS LOT AREAS

- LOT 2A, AMENDED INDUSTRIAL PARK SUBD. III (14,025 SQ. FT.)
- LOT 6A, AMENDED INDUSTRIAL PARK SUBD. III (28,000 SQ. FT.)
- LOTS 7 AND 8, WRANGELL INDUSTRIAL PARK SUBD. (14,025 SQ. FT.)
- LOTS 8, WRANGELL INDUSTRIAL PARK SUBD. (14,025 SQ. FT.)

NEW LOT AREAS

- LOT A, WOODBURY - INDUSTRIAL REPLAT (45,383 SQ. FT.) (1.04 ACRES)
- LOT B, WOODBURY - INDUSTRIAL REPLAT (22,692 SQ. FT.) (0.52 ACRES)



LEGEND

●	SECONDARY MONUMENT SET THIS SURVEY
○	SECONDARY MONUMENT RECOVERED
⊙	PRIMARY MONUMENT RECOVERED
⬢	GEO ROCK MONUMENT RECOVERED
■	4" X 4" WOOD POST RECOVERED
---	UNSURVEYED
---	SURVEYED
---	RECORD BOUNDARY LINE VACATED THIS PLAT
---	CENTERLINE
(M)	RECORD DATA
XX	MEASURED DATA

CERTIFICATE OF OWNERSHIP AND DEDICATION
I HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT I HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH MY FREE CONSENT AND WITHOUT RESERVATION OF ANY RIGHTS, EASES, WALLS, FENCES, OR OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ BRETT WOODBURY

NOTARY'S ACKNOWLEDGMENT

U.S. OF AMERICA
STATE OF ALASKA
CITY AND BOROUGH OF WRANGELL

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____, 20____, BEFORE ME, THE UNDERSIGNED A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED _____ TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND _____ ACKNOWLEDGED TO ME THAT _____ SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

MY COMMISSION EXPIRES _____.

CERTIFICATE OF OWNERSHIP AND DEDICATION

I HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT I HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH MY FREE CONSENT AND WITHOUT RESERVATION OF ANY RIGHTS, EASES, WALLS, FENCES, OR OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ MIKE L. MATNEY

NOTARY'S ACKNOWLEDGMENT

U.S. OF AMERICA
STATE OF ALASKA
CITY AND BOROUGH OF WRANGELL

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____, 20____, BEFORE ME, THE UNDERSIGNED A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED _____ TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND _____ ACKNOWLEDGED TO ME THAT _____ SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

MY COMMISSION EXPIRES _____.

CERTIFICATE OF OWNERSHIP AND DEDICATION

WE HEREBY CERTIFY THAT WE ARE THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND WITHOUT RESERVATION OF ANY RIGHTS, EASES, WALLS, FENCES, OR OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ CITY & BOROUGH OF WRANGELL

PRINTED NAME AND TITLE _____

NOTARY'S ACKNOWLEDGMENT

U.S. OF AMERICA
STATE OF ALASKA
CITY AND BOROUGH OF WRANGELL

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____, 20____, BEFORE ME, THE UNDERSIGNED A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED _____ TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND _____ ACKNOWLEDGED TO ME THAT _____ SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

MY COMMISSION EXPIRES _____.

CERTIFICATE OF APPROVAL BY THE ASSEMBLY

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY AND BOROUGH OF WRANGELL ASSEMBLY AS RECORDED IN WRITING BOOK _____ PAGE _____ DATED _____, 20____, AND THAT THE SAID PLAT HAS BEEN APPROVED BY THE CITY AND BOROUGH OF WRANGELL ASSEMBLY AS RECORDED IN THE OFFICE OF THE DISTRICT COURT, EX-OFFICIO RECORDER, WRANGELL, ALASKA.

DATE _____ MAYOR, CITY AND BOROUGH OF WRANGELL

ATTEST:

CITY CLERK _____

**CERTIFICATE STATE OF ALASKA
(FIRST JUDICIAL DISTRICT)s**

I THE UNDERSIGNED AS THE PROPERTY TAX CLERK FOR THE CITY AND BOROUGH OF WRANGELL, ALASKA, HEREBY CERTIFY THAT THE RECORD OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY AND BOROUGH OF WRANGELL, IN THE NAME OF _____

AND THAT ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS ARE PAID IN FULL; THAT CURRENT TAXES FOR THE YEAR 20____ WILL BE DUE ON OR BEFORE OCTOBER 15, 20____ DATED THIS _____ DAY OF _____.

ASSESSOR, CITY AND BOROUGH OF WRANGELL _____

CERTIFICATE OF APPROVAL BY THE PLANNING COMMISSION

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY AND BOROUGH OF WRANGELL PLANNING COMMISSION, AND THAT SAID PLAT HAS BEEN APPROVED BY THE COMMISSION BY PLAN RESOLUTION NO. _____ DATED _____, 20____, AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, WRANGELL, ALASKA.

DATE _____ CHAIRMAN, PLANNING COMMISSION _____

SECRETARY _____

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I AM PROPERLY REGISTERED AND LICENSED TO PRACTICE LAND SURVEYING IN THE STATE OF ALASKA, THAT THIS PLAT REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, THAT THE MONUMENTS SHOWN HEREON ACTUALLY EXIST AS DESCRIBED, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT.

DATE _____

CHRISTOPHER G. PIBURN, PLS # 107552



SHEET 2 OF 2

PRSM
PETER R. SMITH, INC.
7180 REVILLA ROAD, SUITE 100
KETCHIKAN, AK 99901
Phone: (907) 725-2917
Fax: (907) 725-3441

WRANGELL OFFICE
P.O. BOX 2286
WRANGELL, AK 99229
Phone: (907) 305-0820
CERTIFICATE OF AUTHORIZATION #: C576

WOODBURY - INDUSTRIAL REPLAT

A SUBDIVISION AND REPLAT OF
LOTS 2A AND 6A, WITHIN BLOCK 61, OF AMENDED INDUSTRIAL PARK SUBD.
III (PLAT 2001-7), AND LOTS 7 AND 8, WITHIN BLOCK 61, OF WRANGELL
INDUSTRIAL PARK EXPANSION SUBD. (PLAT 92-9),
CREATING
LOTS A AND B,
WOODBURY / INDUSTRIAL REPLAT
WRANGELL RECORDING DISTRICT, ALASKA

LOCATED WITHIN
SECTION 30, TOWNSHIP 62 SOUTH, RANGE 84 EAST
COPPER RIVER MERIDIAN, ALASKA
WRANGELL RECORDING DISTRICT

SURVEYED BY: MCH
DATE: SEPTEMBER 2020
DRAWN BY: MCH
DATE: NOVEMBER 2020

SCALE: 1"=20'
CHECKED: CGP
R&M PROJECT NO: 202766

**APPRAISAL REPORT
REAL ESTATE APPRAISAL**

Of
Lot 6A, Block 61, Plat 2001-7



NHN Fifth Avenue,
Wrangell, AK, 99929

As of
April 27, 2021

Prepared For
Ms. Carol Rushmore
City and Borough of Wrangell
PO Box 531
Wrangell, AK, 99929

Prepared by
RAMSEY APPRAISAL RESOURCE
Roger Ramsey, Alaska-AA 570

File Name:
21-016-P1

RAMSEY APPRAISAL RESOURCE

10615 Horizon Drive
Juneau,
AK, 99801

907-723-2936
Fax: 866-404-7117
rogerramsey@mac.com
--

June 9, 2021

Ms. Carol Rushmore
City and Borough of Wrangell
PO Box 531
Wrangell, AK 99929

Re: Appraisal Report, Real Estate Appraisal
Lot 6A, Block 61, Plat 2001-7
NHN Fifth Avenue,
Wrangell, AK, 99929

File Name: 21-016-P1

Dear Ms. Rushmore:

At your request, I have prepared an appraisal for the above referenced property, which may be briefly described as follows:

The subject is an undeveloped industrially zoned lot, with access undeveloped to its frontage. It adjoins to developed industrial lots.

Please reference page 9 of this report for important information regarding the scope of research and analysis for this appraisal, including property identification, inspection, highest and best use analysis and valuation methodology.

I certify that I have no present or contemplated future interest in the property beyond this estimate of value. The appraiser has not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.

Your attention is directed to the Limiting Conditions and Assumptions section of this report (page 7). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- There are no Extraordinary Assumptions for this appraisal.

Based on the appraisal described in the accompanying report, subject to the Limiting Conditions and Assumptions, Extraordinary Assumptions and Hypothetical Conditions (if any), I have made the following value conclusion(s):

Current As Is Market Value:

The “As Is” market value of the Fee Simple estate of the property, as of April 27, 2021, is

Forty Nine Thousand Dollars (\$49,000)

The market exposure time preceding April 27, 2021 would have been 6 months and the estimated marketing period as of April 27, 2021 is 3 months.

Respectfully submitted,
Ramsey Appraisal Resource



Roger Ramsey
Alaska-AA 570

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Summary of Important Facts and Conclusions

GENERAL

Subject: Lot 6A, Block 61, Plat 2001-7
NHN Fifth Avenue,
Wrangell, AK, 99929

Owner: City and Borough of Wrangell

Legal Description: Lot 6A, Block 61, Plat 2001-7, Wrangell Recording District

Date of Report: June 9, 2021

Intended Use: The intended use is for portfolio management and negotiation of potential sales.

Intended User(s): The client, property owner and potential purchasers..

Assessment:

Real Estate Assessment and Taxes					
Tax ID	Land	Improvements	Total Assessment	Tax Rate	Taxes
02-028-206	\$19,500	\$0	\$19,500	\$12.75	\$249

Notes: The subject is an exempt property

Sale History: The subject has not sold in the last three years, according to public records.

Current Listing/Contract(s): The subject is not currently listed for sale, or under contract.

Land:

Land Summary				
Parcel ID	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Topography	Shape
02-028-206	0.60	26,000	mostly level with one rock knoll on the east end	Rectangular

Notes:

Zoning: Industrial**Highest and Best Use of the Site:** Industrial uses**Type of Value:** Market Value

VALUE INDICATIONS	
Sales Comparison Approach:	\$49,000

Reconciled Value(s):	As Is
Value Conclusion(s)	\$49,000
Effective Date(s)	April 27, 2021
Property Rights	Fee Simple

Limiting Conditions and Assumptions

Acceptance of and/or use of this report constitutes acceptance of the following limiting conditions and assumptions; these can only be modified by written documents executed by both parties.

This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the client, individual sections shall not be distributed; this report is intended to be used in whole and not in part.

No part of this appraisal, its value estimates or the identity of the firm or the appraiser(s) may be communicated to the public through advertising, public relations, media sales, or other media.

All files, work papers and documents developed in connection with this assignment are the property of Ramsey Appraisal Resource. Information, estimates and opinions are verified where possible, but cannot be guaranteed. Plans provided are intended to assist the client in visualizing the property; no other use of these plans is intended or permitted.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser(s) or made known to the appraiser(s). No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, was not called to the attention of the appraiser nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the value of the property. The value opinion developed herein is predicated on the assumption that no such hazardous substances exist on or in the property or in such proximity thereto, which would cause a loss in value. No responsibility is assumed for any such hazardous substances, nor for any expertise or knowledge required to discover them.

Unless stated herein, the property is assumed to be outside of areas where flood hazard insurance is mandatory. Maps used by public and private agencies to determine these areas are limited with respect to accuracy. Due diligence has been exercised in interpreting these maps, but no responsibility is assumed for misinterpretation.

Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature.

Necessary licenses, permits, consents, legislative or administrative authority from any local, state or Federal government or private entity are assumed to be in place or reasonably obtainable.

It is assumed there are no zoning violations, encroachments, easements or other restrictions which would affect the subject property, unless otherwise stated.

The appraiser(s) are not required to give testimony in Court in connection with this appraisal. If the appraisers are subpoenaed pursuant to a court order, the client agrees to pay the appraiser(s) Ramsey Appraisal Resource's regular per diem rate plus expenses.

Appraisals are based on the data available at the time the assignment is completed. Amendments/modifications to appraisals based on new information made available after the appraisal was completed will be made, as soon as reasonably possible, for an additional fee.

Americans with Disabilities Act (ADA) of 1990

A civil rights act passed by Congress guaranteeing individuals with disabilities equal opportunity in public accommodations, employment, transportation, government services, and telecommunications. Statutory deadlines become effective on various dates between 1990 and 1997. Ramsey Appraisal Resource has not made a determination regarding the subject's ADA compliance or non-compliance. **Non-compliance could have a negative impact on value, however this has not been considered or analyzed in this appraisal.**

Scope of Work

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

This appraisal is prepared for Ms. Carol Rushmore, City and Borough of Wrangell. The problem to be solved is to estimate the current 'As Is' market value. The intended use is for portfolio management and negotiation of potential sales. This appraisal is intended for the use of client, property owner and potential purchasers..

SCOPE OF WORK	
Report Type:	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.
Property Identification:	The subject has been identified by the legal description and the assessors' parcel number.
Inspection:	I visited the property on 4/27/2021. I walked the undeveloped right of way to get to it and proceeded to walk the property lines and through its body. I took photographs of its different features.
Market Area and Analysis of Market Conditions:	A complete analysis of market conditions has been made.
Highest and Best Use Analysis:	A complete as vacant highest and best use analysis for the subject has been made. Physically possible, legally permissible and financially feasible uses were considered, and the maximally productive use was concluded.
Type of Value:	Market Value
<u>Valuation Analyses</u>	
Cost Approach:	A cost approach was not applied as the subject is

vacant land and this approach does not apply

Sales Comparison Approach: A sales approach was applied as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.

Income Approach: An income approach was not applied as while the subject could generate an income stream, the most probable buyer is an owner-occupant.

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- There are no Extraordinary Assumptions for this appraisal.

Comments

In the course of doing this valuation the appraiser collected the most recent market data in the subject neighborhood.

I spoke with local contractor Todd White, to get estimates of cost to develop utilities to the subject.

I spoke with Carol Rushmore to determine who would encumber the cost of developing the right of way and utilities in it.

I determined the location of the existing utilities by using the CBW GIS layers and discussions with Tom Weter.

CBW provided a preliminary plat showing how the subject will be absorbed by the adjacent properties if purchased by them. An excerpt of this plat is in the addendum.

Market Area Analysis

The following is are excerpts from <http://www.seconference.org/wrangell>, appraiser analysis follows this.

Wrangell City and Borough*

Wrangell is one of the oldest non-Native settlements in Alaska. In 1811 the Russians began fur trading with area Tlingits and built a stockade named Redoubt St. Dionysius in 1834. The island was named for Ferdinand Von Wrangel, manager of the Russian-American Co. around 1830. The British Hudson Bay Co. leased the fort in 1840 and named the stockade Fort Stikine. A large Stikine Indian village, known as Kotzlitna, was located 13 miles south of the fort. The Tlingits claimed their own ancient trade rights to the Stikine River and protested when the Hudson Bay Co. began to use their trade routes, but two epidemics of smallpox, in 1836 and 1840, reduced the Tlingit population by half. The fort was abandoned in 1849 when furs were depleted. The fort remained under the British flag until Alaska's purchase by the U.S. in 1867. In 1868 a U.S. military post called Fort Wrangell was established and named for the island. The community continued to grow as an outfitter for gold prospectors, especially in 1861, 1874-77, and 1897. Riotous activity filled gambling halls, dance halls, and the streets. Thousands of miners traveled up the Stikine River into the Cassiar District of British Columbia during 1874 and to the Klondike in 1897. Glacier Packing Co. began operating in Wrangell in 1889. The Wilson & Sylvester Sawmill provided packing boxes for canneries and lumber for construction. The city was incorporated in 1903. By 1916, fishing and forest products had become the primary industries -- four canneries and a cold storage plant were constructed by the late 1920s. In the 1930s, cold packing of crab and shrimp was occurring. Abundant spruce and hemlock resources have helped to expand the lumber and wood products industry. The Alaska Pulp sawmill, Wrangell's largest employer, closed in late 1994 but was reopened on a smaller scale in 1998 by Silver Bay Logging. The city was dissolved and reincorporated as the City and Borough of Wrangell on May 1, 2008.

Location & Climate

The City and Borough of Wrangell is located on the northwest tip of Wrangell Island, 155 miles south of Juneau and 89 miles northwest of Ketchikan. It is near the mouth of the Stikine River, a historic trade route to the Canadian Interior. It lies at approximately 56.470830 North Latitude and -132.376670 West Longitude. (Sec. 25, T062S, R083E, Copper River Meridian.) Wrangell is located in the Wrangell Recording District. The area encompasses 2,582.0 sq. miles of land and 883.0 sq. miles of water. Wrangell is in the maritime climatic zone and experiences cool summers, mild winters, and year-round rainfall. Summer temperatures typically range from 42 to 64 °F; winter temperatures range from 21 to 44 °F. Average annual precipitation is 82 inches, with 64 inches of snowfall. Fog is common from September through December. *State of AK, DOT AMHS.

2019 Population

2,479 (1990 Census)
 2,659 (Alaska Department of Community and Regional Affairs, as of August 1994)
 2,758 (Alaska DCRA, as of August 1995)
 2,595 (Alaska DCRA, as of August 1996)
 2,543 (Alaska DCRA, as of August 1997)
 2,589 (Alaska DCRA, as of August 1998)
 2,549 (Alaska Department of Community and Economic Development, as of August 1999)
 2,569 (Alaska DCED, as of August 2000)
 2,308 (2000 Census)
 2,308 (Alaska DCED, Jan 2002)
 2,144 (Alaska DCED, Jan 2003)
 2,113 (Alaska DCED, Jan 2004)
 2,023 (Alaska DCED, Jan 2005)
 1,974 (Alaska DCCED, Jan 2006)
 1,911 (Alaska DCCED, Jan 2007)
 1,947 (Alaska DCCED, Jan 2008)
 2,072 (Alaska DCCED, Jan 2009) Borough population
 2,112 (Alaska DCCED, Mar 2009 revised 2008 Borough population)
 2,058 (Alaska DCCED, Jan 2010) Borough population
 2,369 (2010 Census, as of Mar 2012)
 2,144 (Alaska DCCED, Jan 2012)
 2,448 (Alaska DCCED, Jan 2013)
 2,456 (Alaska DCCED, Jan 2014)

Above information is found on the Wrangell Borough Website. Current DCCED population estimates are 2426 in 2019.

Following are some of the key industries, and the utility services as identified on the wrangell.com website

Marine Industry: The Marine Service Center is a thriving boat works facility for commercial and recreational vessels. Two lifts, 150-ton and 300-ton, and a 40 ton trailer provide haul out capabilities and local vendors provide the necessary services.

Timber: Wrangell has a long history in timber harvesting and processing. Once the primary economic driver for Wrangell, it is now a small contributor. While the industry is changing from an old growth harvesting model to a young growth harvesting program, there are still a few local businesses that provide a variety of timber products. The Economic Development Committee, with approval by the Assembly, developed a local Timber Products Plan to help guide community participation in State and Federal timber programs to provide incentive for industry investment.

Tourism: Visitor opportunities abound in Wrangell with the scenery and activities rivaling larger destinations! But we don't have the numbers of daily visitors which

mean you can fish alone on a stream, hikes can be quietly enjoyed by you and your friends, and scenic vistas are just that.. nothing but spectacular scenes.

Wrangell receives a few small cruiseships throughout the summer, but most visitors come via the Alaska Marine Highway and Alaska Airlines. Front Street hosts a variety of locally owned retail stores from gifts to hardware! The Wrangell Convention and Visitor Bureau recently did a [baseline analysis of the industry](#) and the draft report is available below. A list of the Cruise Calendar is also available.

[Seafood Processing](#): There are three commercial processors in Wrangell: Trident Seafoods, Sealevel Seafoods, and Alaska Seafoods, processing salmon, crab, shrimp, halibut and bottom fish.

Utilities and Services

The City and Borough of Wrangell provides drinking water, solid waste, waste water treatment and road maintenance for residents within the town proper, although public sewer and water service stops at 6 Mile Zimovia Highway . All municipal services have recently had new state of the art facilities constructed to address new environmental regulations meet community needs. Alaska State Department of Transportation administers the Wrangell Airport and provides road maintenance for Zimovia State Highway.

Electrical

Wrangell Municipal Light and Power supplies power to residents and businesses. In today's power market, Wrangell has very inexpensive power. The primary wholesale power source is Lake Tyee Hydro Electric Project. Tyee can provide 21 megawatts of power and serves Wrangell and Petersburg. Tyee is connected to Swan Lake Hydro in Ketchikan. Wrangell also has an 8+ megawatt diesel generating facility as a secondary backup source of power. Heavy industrial power users may be able to obtain a lower interruptible power rate through the Southeast Alaska Power Agency whom oversees the Tyee-Swan Lake hydro power projects.

RATES:

Residential: Base monthly rate \$8.00
0-300 KWH \$.126 per KWH
300 -1200 KWH \$.102 per KWH
>1200 KWH \$.08 per KWH

Small Commercial: Base monthly rate \$9.00
all KWH \$.116 per KWH

Large Commercial: Base monthly rate \$13.50
0-70,000 KWH \$.107 per KWH
> 70,000 \$.103 per KWH

Industrial: negotiated per KWH

Drinking Water

Drinking water is filtered through a state of the art sand filtration and ozonation plant. The community's current average daily water consumption is approximately 600,000 gallons per day. The water is not metered, thus residential and commercial uses pay different monthly base fees. Residential rate is \$32.28 and the commercial rate is defined by the Municipal Code based on type of business. Please contact the Utility Clerk for the most current commercial rates. That information can also be found on this website in our Ordinance in Chapter 15.08.

Solid Waste and Recycling

City and Borough of Wrangell provides weekly curbside garbage service. Solid waste is processed in a material recovery handling facility and currently shipped south to an approved landfill in eastern Washington. A volunteer recycling program is available for aluminum cans. The Wrangell Lion's Club promotes the "Cans for Kids" program, reinvesting proceeds from recycling the cans back into youth programs in the community. Residential rate is based on the garbage can size. Please contact the Utility Clerk for the most current commercial rates. That information can also be found on this website in our Ordinance in Chapter 9.04

Residential Rates

48 gallon can is \$24/mo

64 gallon can is \$39.90/mo

96 gallon can is \$43.98/mo

Commercial Rate: based on commercial can size and number of weekly pick-ups.

Waste Water Treatment

The City's new state of the art waste water treatment plant provides primary treatment to almost 85% of households. The remainder households use a state approved on-site treatment facility. Rates for residential customers is \$27.04 a month. Commercial rate is defined by the City Code base on type of business. Please contact the City's Utility Clerk for the most current commercial rates. That information can also be found on this website in our Ordinance in Chapter 15.08

Communications

Wrangell has excellent telecommunications for your business. Telecommunications is based on microwave and earth station links to a fiber optic network provided by GCI. Our local telecommunication providers offer a total package for your business requirements. Alaska Power and Telephone provides local phone service, and broadband internet/data services including wireless, DSL or 56K dial up connections. Long Distance service is provided by AP&T Long Distance, GCI Communication Inc., and AT&T. Local cellular service is provided by GCI Communication Inc.

GCI also provides cable television service.

Wrangell Sentinel publishes a weekly newspaper. The Sentinel is the oldest continually published newspaper in Alaska. Wrangell's local Public Radio Station KSTK 101.7FM provides music, news and community service announcements.

The Borough has been good about maintaining their infrastructure. Following are projects in the hopper approved by the assembly this year.

<u>Priority</u>	<u>Project Name</u>
1.	Public Safety Building Renovation
2.	High School and Middle School Life and Health Safety Upgrades <ul style="list-style-type: none"> • Fire Alarm System Upgrades • Elevator Replacement
3.	Upper Reservoir Bypass (Connection to Treatment Plant)
4.	Solid Waste Transfer Station Upgrades
5.	Diesel Generation Power Plant Replacement
6.	Ash Street Water Main Replacement
7.	Nolan Center Standby Generator Upgrades
8.	Inner Harbor Replacement
9.	Water Main Replacement Phase II, Zimovia Highway
10.	Drinking Water Dams Stabilization and Improvements
11.	Cemetery Expansion Development

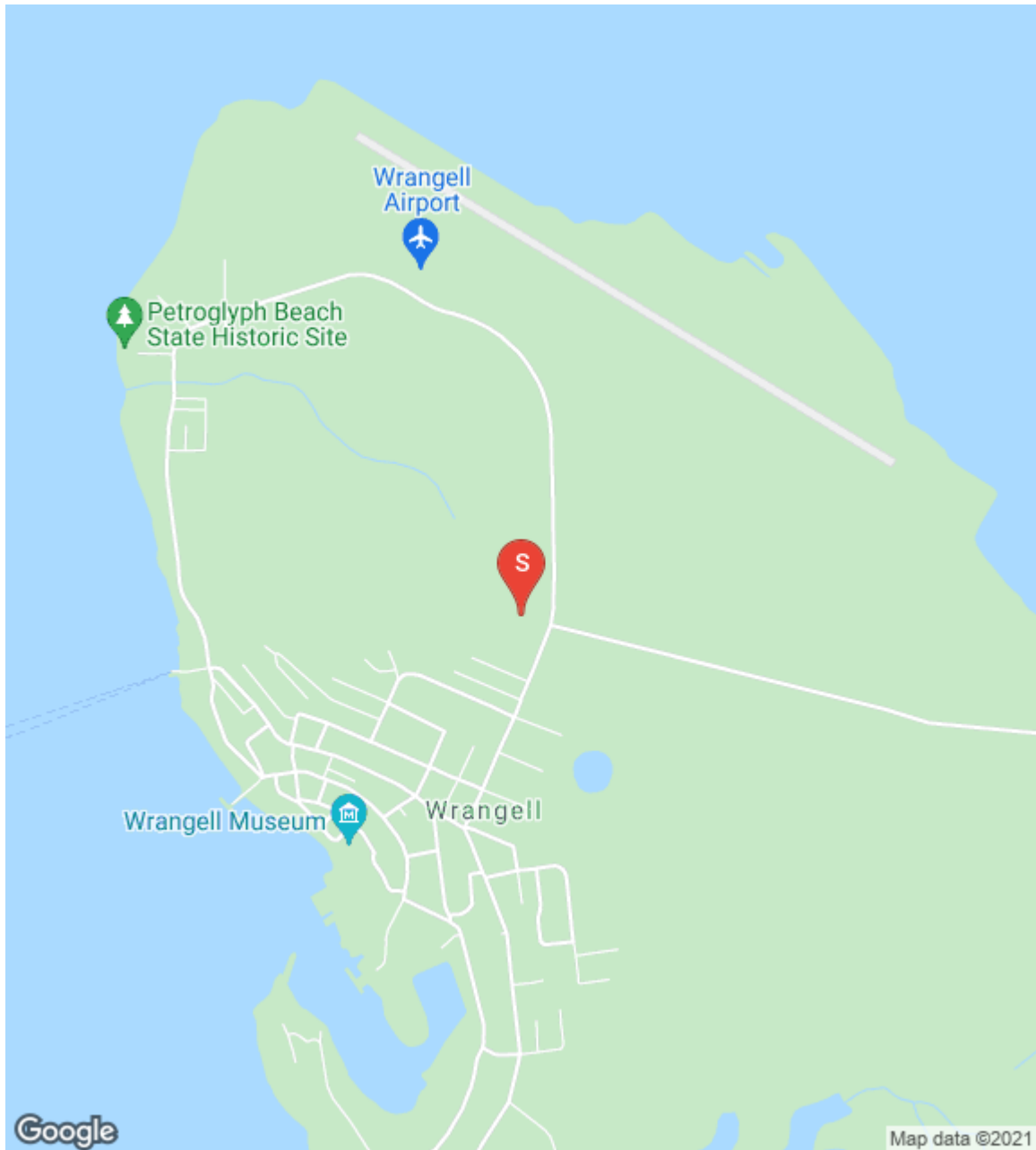
Appraiser's Analysis:

Wrangell is a community that has been on the rise. They have many significant projects in the hopper and have seen explosive growth in their ship haul out facility. While their population shows a decline from the timber days it now appears to be growing slightly. Based on what I saw in the community, and the general attitude of market participants, I think Wrangell is generally a stable community with potential for moderate growth into the future. The new hospital which was recently completed, will be a boost for the economy, adding a good resource to the community that allows for broader health care and makes it possible for a wider range of people to reside in Wrangell.

As of the date of this valuation, there is a Novel Coronavirus that has been spreading through the world for the last year+. Most people in SE AK have had the opportunity to be vaccinated, which should go a long way towards stabilizing the economy. At the time and date of this valuation it is uncertain how this will affect values of real estate in Wrangell off into the future. No price drops were noted as of the date of value and demand seems to be strong in the market for residential real estate.

In talking with market participants involved in tours, they are expecting to have another down year, but better than 2020 in this coming 2021 season and expecting to be back to normal by the season of 2022.

Location Map



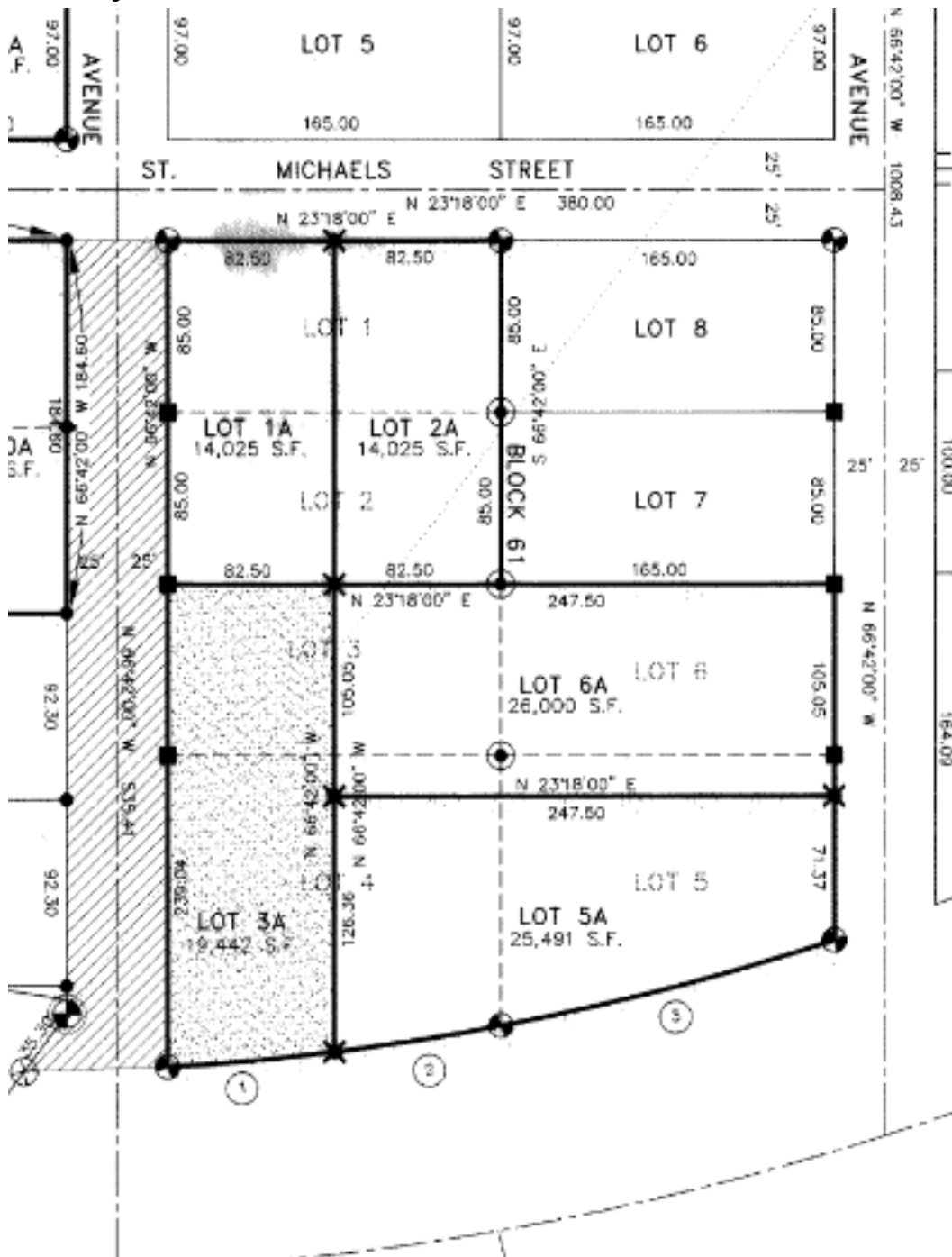
Property Description

The subject is an undeveloped industrially zoned lot, with access undeveloped to its frontage. It adjoins to developed industrial lots.

SITE	
Location:	One lot off of Airport Road on the undeveloped Fifth St
Current Use of the Property:	Vacant
Site Size:	Total: 0.60 acres; 26,000 square feet
Shape:	Rectangular
Frontage/Access:	<p>The subject property has access to this site off of 5th avenue. This portion of 5th avenue is undeveloped. The subject has frontage as follows:</p> <ul style="list-style-type: none"> • 5th Avenue: 105 feet <p>The site has an average depth of 247 feet. It is not a corner lot.</p>
Topography:	The subject has a knoll about 6 feet above the grade of the rest of the site, on its east end that indicates a rock or solid sub straight in that area. Westerly in the lot it turns to muskeg.
Soil Conditions:	Muskeg/supportive subsoil(knoll area)
Utilities:	Water, Sewer and Electricity are located in the Michaels Street right of way approximately 170 feet to the north.
Site Improvements:	<ul style="list-style-type: none"> • none
Wetlands/Watershed:	The subject has muskeg and is considered a type of wetlands. Mitigations in the plat allow for the site to be fully developed.
Environmental Issues:	There are no known adverse environmental conditions on the subject site. Please reference Limiting Conditions and Assumptions.
Encumbrance / Easements:	There no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.
Site Comments:	This site needs approximately 180 feet of road developed to

have access to the public road system from Michaels Street and 150 feet from Airport Rd. A portion of this right of way which must be developed has a supportive sub straight as witnessed by its knoll topography. The lots sub straight for a portion of its area is also supportive as noted by a knoll and this could be used in the development of the site and will significantly decrease the amount of excavation and fill required.

Survey



The subject is lot 6A in the above excerpt from Plat 2001-7. Lot 3A to the west and the 4th Avenue right of way is in a mitigated set aside, no development area per the 2001-7 Plat.



Above is a fairly recent aerial photo taken from On X Hunt showing the adjoining property owners, how their sites are developed and a rough projection of the subject property in yellow.

Americans with Disabilities Act

Please reference the Limiting Conditions and Assumptions section of this report on page 8.

Hazardous Substances

Please reference the Limiting Conditions and Assumptions section of this report on page 8.

Subject Photographs

The picture left above is the undeveloped right of way near to Michaels Street. As can be scene this is a muskeg area with small trees. Pictured right is looking down the right of way towards the subject. As you get closer to the subject the ground changes from muskeg to an elevated knoll which supports larger trees and has a more solid sub straight.



Pictured above left is the knoll that is on the north eastern portion of the subject and in the undeveloped right of way. Pictured right is the back of Woodbury's lot looking down the property line.



Above is the more western end of the subject and a look at the neighboring property of Mike Matney. This portion of the property appears to have a deeper layer of muskeg as it only supports smaller trees.



Pictured left is an area more easterly on the site, which supports slightly larger trees and right is a more westerly portion for side by side comparison.

Assessment and Taxes

Taxing Authority Wrangell Borough

Assessment Year 2020

CURRENT OWNER		PROPERTY IDENTIFICATION				
CITY AND BOROUGH OF WRANGELL CITY AND BOROUGH OF WRANGELL		Parcel	02-028-206	Us	V - Vacant Land	
		City	1177	Building		
		Mobile Home		Service	S	
PROPERTY INFORMATION						
Improvement		Year Built		Land	26,000 SF	
Basement		Effective Age		Zone	IND	
Garage		Taxable Interest	Non-Taxable			
LEGAL DESCRIPTION						
Plat #	2001-7	Lot #	6A	Block	61	
		Tract		Serial #		
				Rec. District	Wrangell - 104	
Describe					Date recorded	
EXEMPTION DETAIL						
	Land	Improvement	Total			
Fee Value	\$19,500		\$19,500			
Exempt Amount			-\$19,500			
Taxable Value	\$19,500		\$19,500			
PROPERTY HISTORY						
Year	Taxable Interest	Land	Improvement	Assessed	Exempt Value	Taxable Value
2021	Non-Taxable	\$19,500		\$19,500	-\$19,500	\$0
2020	Non-Taxable	\$19,500		\$19,500	-\$19,500	\$0
2019	Non-Taxable	\$19,500		\$19,500	-\$19,500	\$0
2018	Non-Taxable	\$19,500		\$19,500	-\$19,500	\$0

Comments

Above is the current assessment card for the subject property. It is currently exempt as it is owned by Wrangell

Assessment Analysis

We have analyzed the assessment and corresponding taxation of competitive properties in the marketplace as a test of reasonableness compared to the subject's current assessment and taxation.

Zoning

LAND USE CONTROLS

Zoning Code

Industrial

20.48.020 Principal uses permitted.

SHARE

The following are principal permitted uses in this district:

- A. Transportation and transshipment facilities;
- B. Warehouses and outside storage areas;
- C. Lumber mills and log storage;
- D. Manufacturing, fabricating and assembling;
- E. Automobile repair shops;
- F. Quarters for caretaker, guard or owner-operators whose presence on the property is required for operational or protective safety, and includes manufactured homes, trailers or quarters in a part of any industrial building, each limited to 600 square feet;
- G. Sand, gravel and rock extraction and processing; and
- H. Public utility uses. [Ord. 867 § 1, 2013; Ord. 632 § 4, 1997; Ord. 462 § 6, 1984.]

Highest and Best Use

Highest and best use may be defined as the reasonably probable and legal use of vacant land or improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

1. **Legally Permissible:** What uses are permitted by zoning and other legal restrictions?
2. **Physically Possible:** To what use is the site physically adaptable?
3. **Financially Feasible:** Which possible and permissible use will produce any net return to the owner of the site?

4. **Maximally Productive.** Among the feasible uses which use will produce the highest net return, (i.e., the highest present worth)?

Highest and Best Use of the Site

The highest and best use of the site, as vacant, is for Industrial uses.

The subject is adjoining properties used for industrial uses and is zoned industrial. Access to the subject is undeveloped and developing access would be costly. Therefore, the highest and best use would be to adjoin the subject to the adjoining industrial developed properties and develop the subject through them. This would be an interim use. When access is developed from Airport Rd the site visibility will be pretty decent and a use of the site that requires good visibility to the market would be in order.



As can be seen in the aerial photo above there is a knoll in the center of the undeveloped right of way. I confirmed this on my site visit. This will make the right of way development much less expensive than if it were all muskeg.

Valuation Methodology

Three basic approaches may be used to arrive at an estimate of market value. They are:

1. The Cost Approach
2. The Income Approach
3. The Sales Comparison Approach

Cost Approach

The Cost Approach is summarized as follows:

$$\begin{array}{l} \text{Cost New} \\ - \text{Depreciation} \\ + \text{Land Value} \\ = \text{Value} \end{array}$$

Income Approach

The Income Approach converts the anticipated flow of future benefits (income) to a present value estimate through a capitalization and or a discounting process.

Sales Comparison Approach

The Sales Comparison Approach compares sales of similar properties with the subject property. Each comparable sale is adjusted for its inferior or superior characteristics. The values derived from the adjusted comparable sales form a range of value for the subject. By process of correlation and analysis, a final indicated value is derived.

Final Reconciliation

The appraisal process concludes with the Final Reconciliation of the values derived from the approaches applied for a single estimate of market value. Different properties require different means of analysis and lend themselves to one approach over the others.

Analyses Applied

A **cost analysis** was considered and was not developed because the subject is vacant land and this approach does not apply

A **sales comparison analysis** was considered and was developed because there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.

An **income analysis** was considered and was not developed because while the subject could generate an income stream, the most probable buyer is an owner-occupant.

Sales Comparison Approach – Land Valuation

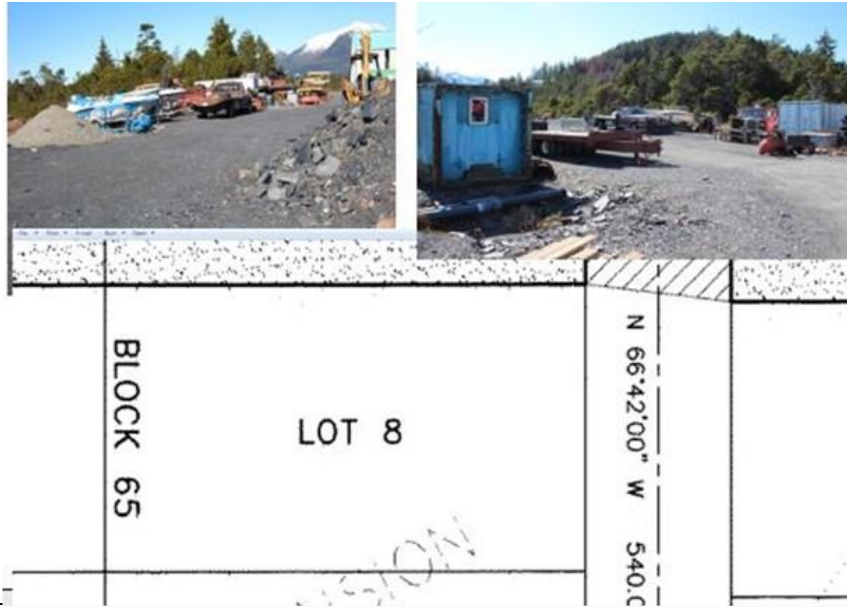
The Sales Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The following steps describe the applied process of the Sales Comparison Approach.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed and the data reconciled for a final indication of value via the Sales Comparison Approach.

Land Comparables

I have researched six comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources, inspected and verified by a party to the transaction.

Land Comparable 1



Transaction

ID	1005	Date	12/7/2017
Address	5th avenue	Price	\$45,000
City	Wrangell	Price Per SF	\$1.25
State	AK	Financing	Cash
Tax ID	02-028-309	Property Rights	Fee Simple
Grantor	FRANK DAVID	Improvement Value	--
Grantee	Bailey, Jim	Verification	Broker
Legal Description	Lot: 8, Block: 65, Plat:		

Site

Acres	--	Topography	Level
Land SF	16,005	Zoning	Industrial
Road Frontage	100	Flood Zone	No
Shape	Rectangular	Encumbrance or	None
Utilities	City water & sewer	Environmental Issues	none known

Comments

This site was filled and reasonably level. The property was listed for \$65000.

Land Comparable 2



Transaction

ID	1225	Date	11/1/2018
Address	Bennet ST	Price	\$87,000
City	Wrangell	Price Per SF	--
State	AK	Financing	cash
Tax ID	--	Property Rights	Fee Simple
Grantor	Massin, Bernard	Improvement Value	--
Grantee	Alaska Power and	Verification	Broker/ Mssin
Legal Description	Lot 6A, Block 59-B		

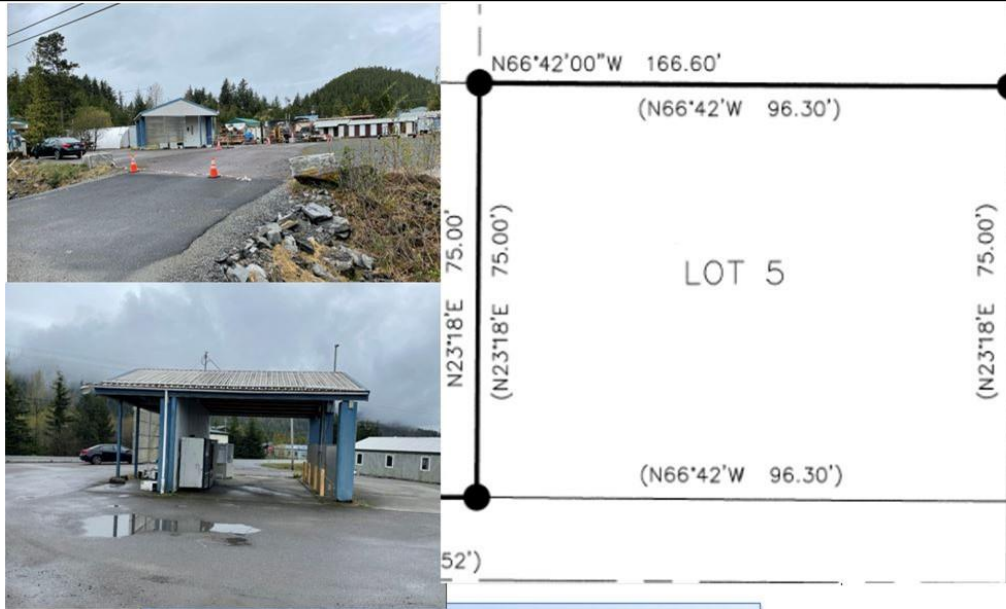
Site

Acres	--	Topography	Level
Land SF	12,495	Zoning	Industrial
Road Frontage	230	Flood Zone	--
Shape	rectangular	Encumbrance or	none
Utilities	City water & sewer	Environmental Issues	none known

Comments

This property was cleared and filled. The buyer purchased it and excavated a large section and refilled it, to make sure the subbstraight was sound for building. Brett Woodbury did the excavation and filling of the site for a cost of around \$40K, according to Brett there was a lot of mud excavated. Acoording to the seller it was fine for building on though. The indicated value per SF was \$6.96.

Land Comparable 3



Transaction

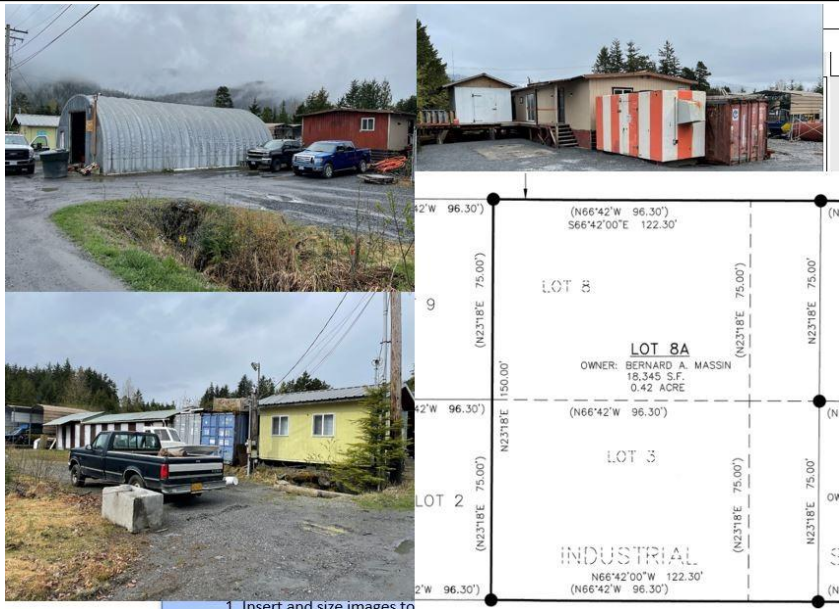
ID	1223	Date	7/30/2020
Address	Bennet Street	Price	\$85,000
City	Wrangell	Price Per SF	\$11.76
State	AK	Financing	\$60,000 seller financed
Tax ID	02-029-208	Property Rights	Fee simple
Grantor	Massen, Bernard	Improvement Value	30000
Grantee	Gadd, Sara	Verification	Buyer/seller
Legal Description	Lot 5, Block 59-B,		

Site

Acres	--	Topography	Level
Land SF	7,222	Zoning	Industrial
Road Frontage	171	Flood Zone	no
Shape	rectangular	Encumbrance or	none
Utilities	City water & sewer	Environmental Issues	none known

Comments

The car wash has 720 SF under its roof. Its functionality as a car wash was unknown by the buyer. she bought it thinking it could be converted to a coffee food drive through or brought back and used as a carwash and use a mobile unit for the coffee and food dispensing. The whole lot is pretty much paved or has concrete. estimating 7000 SF at \$2.5 per SF for the depreciated value indicates a allocated value for the paving at \$17,500. The carwash structure contributed an allocated value at \$12,500. This indicates a land value of \$55,000 or \$7.6 per SF for the land under the pavement.

Land Comparable 4

1. Insert and size images to

Transaction

ID	1224	Date	4/12/2021
Address	Howell Ave and Third	Price	\$195,000
City	Wrangell	Price Per SF	\$10.62
State	AK	Financing	Cash to seller
Tax ID	--	Property Rights	Fee Simple
Grantor	Massin, Bernard	Improvement Value	95000
Grantee	Yeager, John and Brenda	Verification	Buyer/Seller
Legal Description	Lot 8A, Block 59-B,		

Site

Acres	--	Topography	Level
Land SF	18,345	Zoning	Industrial
Road Frontage	180	Flood Zone	--
Shape	rectangular	Encumbrance or	--
Utilities	City water & sewer	Environmental Issues	--

Comments

According to Bernard the quonsit hut rented for \$700, the modular rented for \$450 and the Storage units and outside covered storage brought in \$400 per month, for gross income per month at \$1550 and \$18600 annually. this gives us a gross income multiplier of 10.48 According to Brenda, the buyer, she felt half the value was in the land and the other half was in the buildings. She thought that roughly half the building value was in the modular and half was in the quonset hut. Though she did say she thought the land was worth about \$100,000. That would mean the buildings were worth \$95K and half of that value would be for the modular at \$47,500. The modular was not on a permanent foundation and the bank was not keen on loaning any money on it.

Land Comparable 5



Transaction

ID	1235	Date	4/7/2014
Address	4th Ave	Price	\$22,300
City	Wrangell	Price Per SF	--
State	AK	Financing	Cash
Tax ID	02-019-105	Property Rights	Fee Simple
Grantor	Wrangell Borough	Improvement Value	--
Grantee	Woodbury, Brett	Verification	CBW
Legal Description	Lot 3A Block 65,		

Site

Acres	--	Topography	flat
Land SF	17,805	Zoning	Industrial
Road Frontage	100	Flood Zone	No
Shape	--	Encumbrance or	Utility easement
Utilities	City water & sewer	Environmental Issues	None known

Comments

This lot was unfilled muskeg. Cost to fill is estimated at around \$25,000. This was the lot that was purchased by Brett Woodbury and then traded back for the lot which was adjoining one he already had.

Land Comparable 6



Transaction

ID	1234	Date	5/23/2013
Address	5Th Avenue	Price	\$22,300
City	Wrangell	Price Per SF	\$1.59
State	AK	Financing	Cash
Tax ID	02-028-208	Property Rights	Fee Simple
Grantor	CBW	Improvement Value	--
Grantee	Woodbury, Brett	Verification	Woodbury, CBW
Legal Description	Lot 7, Block 61,		

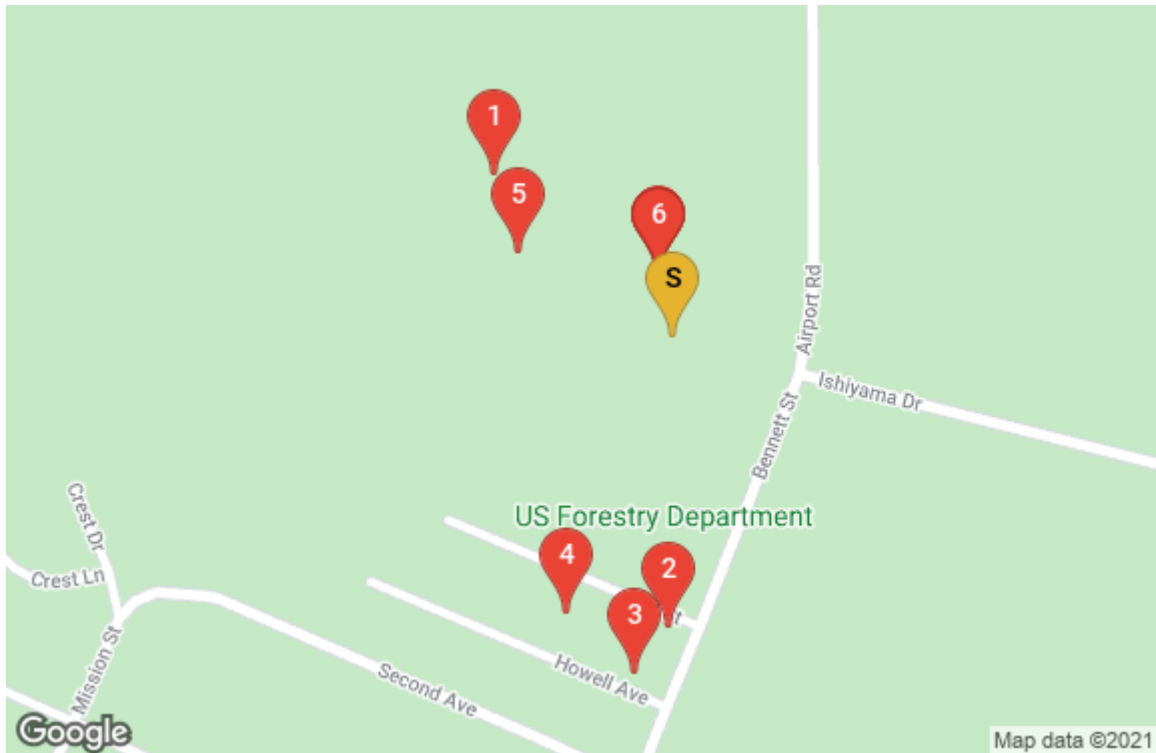
Site

Acres	--	Topography	Level
Land SF	14,025	Zoning	Industrial
Road Frontage	85	Flood Zone	--
Shape	--	Encumbrance or	None
Utilities	City water & sewer in	Environmental Issues	None

Comments

The buyer had purchased another property from CBW on an over the counter sale, which had water sewer and a road to the property line. He was able to get them to trade that lot for this one which was adjoining his, for the same price.

Comparables Map



Analysis Grid

The above sales have been analyzed and compared with the subject property. I have considered adjustments in the areas of:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

On the following page is a sales comparison grid displaying the subject property, the comparables and the adjustments applied.

Land Analysis Grid		Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
Address	NHN Fifth Avenue	5th avenue	Bennet ST	Bennet Street	Howell Ave and Third	4th Ave	5Th Avenue
City	Wrangell	Wrangell	Wrangell	Wrangell	Wrangell	Wrangell	Wrangell
State	AK	AK	AK	AK	AK	AK	AK
Date	1/21/2015	12/7/2017	11/1/2018	7/30/2020	4/12/2021	4/7/2014	5/23/2013
Price	--	\$45,000	\$87,000	\$85,000	\$195,000	\$22,300	\$22,300
Price Adjustment	\$0	\$0	\$0	-\$30,000	-\$95,000		\$0
Adjusted Price	#VALUE!	\$45,000	\$87,000	\$55,000	\$100,000	\$22,300	\$22,300
		0.0%	0.0%	-35.3%	-48.7%	0.0%	0.0%
Land SF	26,000	16,005	12,495	7,222	18,345	17,805	14,025
Land SF Unit Price	\$0.00	\$2.81	\$6.96	\$7.62	\$5.45	\$1.25	\$1.59
Adjusted Land SF Unit Price		\$2.81	\$6.96	\$7.62	\$5.45	\$1.25	\$1.59
Net Adjustments		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Gross Adjustments		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Narrative discussion comparing the above sales to the subject and each other to come up with adjustments for the subject and develop a conclusion of value.

Location

Sale 1 is a filled lot more distant from Airport Loop Rd, then Sales 2, 3 and 4. Sale 3 is the best for visibility and access with a location right on Airport Road and it has the highest per SF value of the comparables after adjusting for its improvements. Sale 2 also has frontage on Airport Rd, but the buyers perceived that excavation and fill was required, though the seller did not, bringing its value down a bit. Sale 4 is close to Airport Rd, but it does not have frontage. This is the most similar to the subject and it has an indicated value of **\$5.45 per SF** for a filled lot with developed access. This is what the subject would bring if it were filled and had developed access.

Filled VS Unfilled

Sale 1 was a filled lot and sale 5 is an unfilled lot, fairly similar in size and location. The only difference is that one was filled and the other was not. The difference in value is \$1.56 per SF. All of lot 5 was muskeg and would require more fill and more excavation than the subject which only has about half its area muskeg and the remainder is a raised knoll that will reduce the cost of making the subject lot into a flat usable lot. For adjustment purposes I will use half the adjustment found between Comparables 1 and 5, for an adjustment of **\$.78 per SF** to bring the subject to a usable flat lot.

Undeveloped Access Adjustment

The subject has undeveloped access similar to Comparable 6. Comparable 6 showed no sign of diminished value for this aspect when purchased by an adjoining lot owner who had developed access. This would be the case for the subject as well. In this case the buyer would want to pay a rate that is similar to a rate commensurate to its location, which does not have proximate access to the Airport Rd. The fact that the subject lot does have proximate access, if it were to be developed, would not be lost on a knowledgeable seller, and a knowledgeable buyer would also, in the end, pay more for this attribute. Because if it were developed, access to all their property would be significantly enhanced.

In speaking with Carol Rushmore, at this time development of this right of way, which would give access to the subject, is not on the list of capital improvements, development

of the right of way and its cost would fall on whoever petitioned to develop it. One way to develop this that would be beneficial can be seen in the following map.



If the buyer has access to the utilities from Michael Street, the access shown above could be developed without developing utilities in the right of way. This would significantly reduce the cost associated with right of way development. For greatest utility 250 feet of right of way 60 feet wide should be developed. Which totals 15,000 SF. As shown earlier an adjustment for taking muskeg to a filled lot is \$1.56 per SF. The subject has a knoll which will significantly reduce cost to excavate and fill. But since this is a road it would be expected to have higher cost per SF than filling a lot and this would be ballanced out in the comparison due to the superior substraigh of this right of way area and for this reason it is reasonable to conclude to \$1.50 per SF, to fill this righto of way. Using this number it appears a reasonable cost to develop the right of way without utilities would be \$22,500.

Putting it all together

The value of a filled lot with proximate access to Airport Road similar to the subject has a value of \$5.45 per SF. A deduction for the subject being unfilled can be calculated at \$.78 per SF. Bringing the value down to \$4.67 and multiplying this by the subject square

footage of 26,000 indicates a value at \$121,420. Developing access to Airport Road is estimated at cost of \$22,500. Therefore reducing the lot value by this amount would indicate a value of \$98,920 or \$3.80 per SF. For market value without consideration of the purchase being by the adjoining lot owner, water and sewer would need to be developed. I spoke with Todd White who is currently busy putting in water and sewer lines for the City into Right of Way, with the thought that the water and sewer lines installed would need to be able to service 4 lots, he said costs could be estimated at \$75 per lineal foot for water and \$100 per lineal foot for sewer. Sewer would come from Michael Street 240 feet away and water would come from Airport Rd 180 feet away. Using Todd Whites numbers this totals \$37,500. Therefore reducing the figure found earlier of \$98,920 by \$37,500 indicates a lot value of \$61,420,

The person taking on this purchase would want to be rewarded for the time and expense involved with developing this right of way and utilities. This entrepreneurial incentive can reasonably be estimated at 20% of the cost to do the work. So at \$37,500 for the water and sewer and \$22,500 for the right of way road way, the total cost is \$60,000. 20% of this amount is \$12,000. Subtracting that from the lot value found above indicates a value of \$49,420, which could be reasonably rounded to \$49,000 to indicate the subject as is market value. This is a SF value of \$1.88 per SF.

Sales Comparison Approach Conclusion – Land Valuation

The above analysis is the best estimate using nearby recent comparable sales and interviewing contractors and other market participants to determine a market value for the subject. This is the value the lot would achieve if it were put on the open market and made available to all.

Final Reconciliation

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior and defensibility of each approach are considered and weighed. Finally, each is considered separately and comparatively with each other.

Value Indication

Sales Comparison Approach – Land Value: \$49,000

Sales Comparison Approach

The market data found for this approach is fairly good. There was only one sale of a similar property which did not have developed access (Sale 6), the rest of the sales needed significant adjusting. The adjustments made are reasonable and market based. I believe this approach leads to a creditable conclusion to the subject market value.

Value Conclusion

Based on the data and analyses developed in this appraisal, I have reconciled to the following value conclusion(s), as of April 27, 2021, subject to the Limiting Conditions and Assumptions of this appraisal.

Reconciled Value(s): Premise: As Is
 Interest: Fee Simple
 Value Conclusion: \$49,000
 Forty Nine Thousand Dollars

Certification Statement

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective future interest in the property that is the subject of this report, and have no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).
- No one provided significant real property appraisal assistance to the person(s) signing this certification.
- I certify sufficient competence to appraise this property through education and experience, in addition to the internal resources of the appraisal firm.
- The appraiser has not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.
- Roger Ramsey made an inspection of the subject property.



Roger Ramsey
Alaska-AA 570

Addenda

Qualification of Roger Ramsey

Since starting Ramsey Appraisal Resource in 2006, I have had the pleasure of providing high quality appraisal services to a diverse client base, on many complex appraisal assignments throughout S.E. Alaska.

A partial client list includes; AKDOT&PF, for which I have performed numerous valuations of partial and whole acquisitions, for eminent domain actions. Other State agencies which have used my services are AKDNR and Alaska Mental Health Trust Land Office. I have performed appraisals for the Cities and or Boroughs of Haines, Juneau, Petersburg, Ketchikan and Klawock. I am on the approved appraiser list of numerous lenders operating in SE Alaska and enjoy good working relationships with their review appraisers. I have been hired by attorneys and private parties for estate valuations and divorce proceedings. I have valued properties for conservation groups who are negotiating with property owners.

I am proud of my appraisal accomplishments and credit my success to good education, good mentors, helpful reviewers, persistence and hard work.

Professional Experience	Dates	Contact
Ramsey Appraisal Resource	2006-Present	Roger Ramsey
Horan and Company	4 months 2006	Charles Horan, 907-747-6666
AKDOT&PF	24 months 2004-2005	Ray Preston, 907-465-4519
Henricksen Appraisal	24 months 2002-2003	Bob Henricksen 907-723-3590
AKDOT&PF	8 months 2000-2001	Rob Murphy 907-465-4541

Education University of Alaska, BBA, 2001

Appraisal Education - Associate member of the Appraisal Institute # 401410

2019	USPAP update, HP-12C, Appraisal Statistics and financing Appraisal Institute, Seattle
2017	Income Capitalization, Appraisal Institute – San Diego and USPAP update online
2015	Appraisal of Conservation Easements and other Partial interest – Sacramento CA
2013	USPAP update, -/- Uniform Appraisal Standards for Federal Land Acquisitions, -/- Business Practices and Ethics, Anchorage, AK
2011	USPAP update, Tigard OR, -/- Real Estate Industry Perspectives on Lease Accounting, online, -/- Basic building science, Air Sealing, ventilation & Ice Dam, Juneau, AK
2010	Advance Sales Comparison and Cost Approach, Seattle WA
2009	Advanced income Approach, Tigard OR, -/- Commercial Appraisal Engagement and Review, Tigard OR, -/- 15-Hour USPAP, Tigard OR
2008	Sustainable Mixed use, Seattle, WA
2007	General Demonstration Appraisal Report Writing, Tigard, OR, -/- USPAP update Tualatin, -/- Appraisal & Appraisal Review for Federal-Aid Highway Programs, Anchorage, AK --
2006	General Applications, Online, -/- Apartment Appraisal, Concepts and Applications, Long Beach, CA
2005	Basic Income Capitalization, Tualatin, OR, -/- USPAP update Juneau, AK, -/- Best practices for Residential Report Writing, Juneau, AK
2004	Appraising Special Purpose properties, -/- Appraisal of Nonconforming Uses, -/- Partial Interest Valuation/Divided, -/- Subdivision Analysis, Anchorage, AK
2003	(USPAP) Standards of Professional Practice, Lake Oswego, OR, -/- Residential Case Study, Dublin, CA,
2002	Appraisal Procedures, Appraisal Institute, Diamond Bar, CA
1998	Appraisal Principles, Appraisal Institute, Chicago, IL

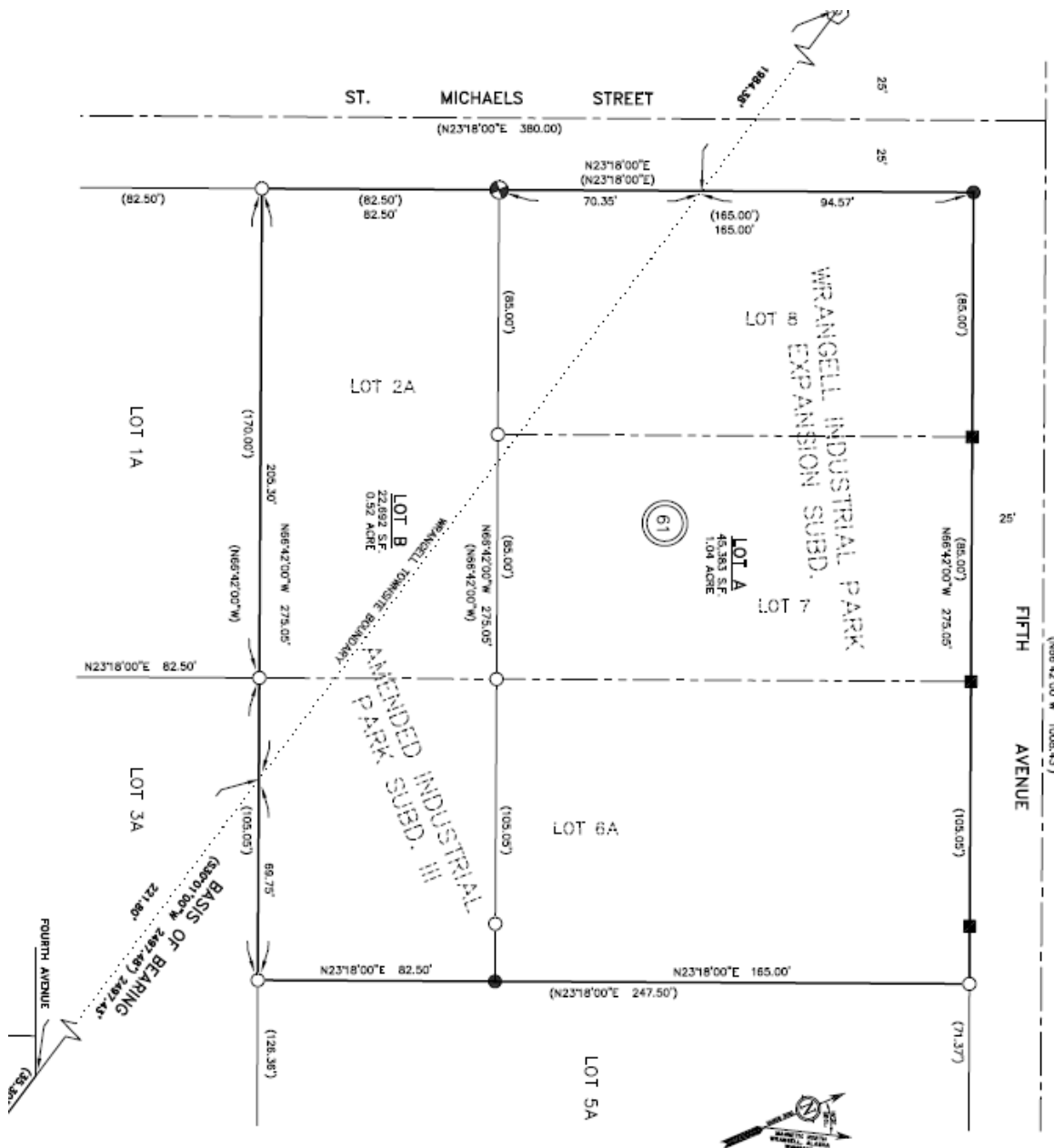
Types of Property Appraised

Commercial– I have appraised office buildings, apartments, marine facilities, restaurants, mixed use, convenience stores with gas, industrial and commercial shops. I have valued partial interest of remote recreational, industrial, commercial and residential properties for eminent domain. I have valued industrial, commercial, and residential tidelands. I have appraised large tracts of land with timber value, “special use properties (churches, armory, and funeral homes)”, and remote commercial properties (lodges).

Residential – I have appraised single family residences, duplexes, triplexes, four-plex’s, remote improved and vacant residential properties throughout SE AK.

Markets Appraised:

I have appraised both Town and remote locations in all of the following areas: Haines, Skagway, Gustavus, Hoonah, Tenakee springs, Juneau, Sitka, Petersburg, Wrangell, Ketchikan, Prince of Whales and Hyder



Abobove is an excerpt from a preliminar plat showing an idea of how the subject will be resubdivided if purchased by the adjoining lot owners. The appraiser took this into account but the value determination is based on the subject market value as is. The delineation of value between the adjoining property owners and the area they are to acquire, was not a part of my scope of work.

Glossary

This glossary contains the definitions of common words and phrases, used throughout the appraisal industry, as applied within this document. Please refer to the publications listed in the **Works Cited** section below for more information.

Works Cited:

- Appraisal Institute. *The Appraisal of Real Estate*. 13th ed. Chicago: Appraisal Institute, 2008. Print.

- Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 5th ed. 2010. Print.

Effective Date

1. The date on which the analyses, opinion, and advice in an appraisal, review, or consulting service apply.
2. In a lease document, the date upon which the lease goes into effect. (Dictionary, 5th Edition)

Exposure Time

1. The time a property remains on the market.
2. The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based on an analysis of past events assuming a competitive and open market. (Dictionary, 5th Edition)

Extraordinary Assumption

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary, 5th Edition)

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinion or conclusions. (USPAP, 2020-2021 ed.)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only

to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary, 5th Edition)

Highest & Best Use

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value. (Dictionary, 5th Edition)

Highest and Best Use of Land or a Site as Though Vacant

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. (Dictionary, 5th Edition)

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the

existing building and constructing a new one. (Dictionary, 5th Edition)

Hypothetical Condition

That which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (Dictionary, 5th Edition)

Leased Fee Interest

A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship (i.e., a lease). (Dictionary, 5th Edition)

Market Area

The area associated with a subject property that contains its direct competition. (Dictionary, 5th Edition)

Market Value

The major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined.

1. The most widely accepted components of market value are incorporated in the following definition: The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest,

and assuming that neither is under duress.

2. Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the value definition that is identified by the appraiser as applicable in an appraisal. (USPAP, 2020-2021 ed.) USPAP also requires that certain items be included in every appraisal report. Among these items, the following are directly related to the definition of market value:

- Identification of the specific property rights to be appraised.
- Statement of the effective date of the value opinion.
- Specification as to whether cash, terms equivalent to cash, or other precisely described financing terms are assumed as the basis of the appraisal.
- If the appraisal is conditioned upon financing or other terms, specification as to whether the financing or terms are at, below, or above market interest rates and/or contain unusual conditions or incentives. The terms of above—or below—

market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, value must be described and estimated; and the market data supporting the opinion of value must be described and explained.

3. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and the seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for

the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

4. The International Valuation Standards Council defines market value for the purpose of international standards as follows: The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion. (International Valuation Standards, 8th ed., 2007)

5. Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure of time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal. (Uniform Standards for

Federal Land Acquisitions)
(Dictionary, 5th Edition)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of the appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time).
(Dictionary, 5th Edition)

Scope of Work

The type and extent of research and analyses in an assignment. (Dictionary, 5th Edition)

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	January 25, 2022
	<u>Agenda Section</u>	6

RESOLUTION No. 01-22-1663 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2022 BUDGET BY TRANSFERRING \$39,156 FROM THE MUNICIPAL LIGHT & POWER FUND RESERVES TO THE GENERATOR UNIT 5 IMPROVEMENTS CAPITAL PROJECT ACCOUNT AND AUTHORIZING ITS EXPENDITURES

SUBMITTED BY:

Amber Al-Haddad, Capital Facilities Director
Rod Rhoades, WML&P Director

FISCAL NOTE:

Expenditure Required: \$39,155.60

FY 20:	FY 22: \$39,155.60	FY23:
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Amount Budgeted:

\$269,083.44

Account Number(s):

70300-202-9999-00-70006

Account Name(s):

Generator Unit 5 Improvements
Capital Project

Unencumbered Balance(s) (prior to expenditure):

\$2,793,133.00

Reviews/Approvals/Recommendations

<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Resolution No. 01-22-1663

This item is being considered under the Consent Agenda. Matters listed under the consent agenda are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion on these items. **If the Mayor, and Assembly Member, the Manager or Clerk requests discussion and/or consideration on an item under the Consent Agenda, that item will be removed from the Consent Agenda and will be considered under Unfinished Business.**

RECOMMENDATION MOTION (*Consent Agenda Item*):

Move to approve Resolution No. 01-22-1663.

SUMMARY STATEMENT:

In November 2021, the Wrangell Borough Assembly approved Resolution 11-21-1633 and Resolution 11-21-1634, for a combined total \$422,168.44 budget amendment and two sole source construction contracts with MSI and EPS related to the Generator Unit 5 Improvements project due to overheating damage and the need to restore sound operation to this unit for standby power for the community; and

MSI reviewed certain contractual requirements for individual construction contracts over \$25,000 according to State of Alaska, Title 36 for Public Projects, which were provided to them after their initial proposals were developed. Considering the additional of performance and payment bonds, as well as prevailing wage (i.e. davis bacon) requirements, additional costs have been added for them to be able to accommodate these requirements. The additional costs submitted by MSI are:

MSI	\$39,155.60
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Resolution 01-22-1663 amends the FY22 Budget in the Municipal Light & Power Fund Reserves for the Generator Unit 5 Improvements project and authorize project funding and its expenditures.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 01-22-1663

A RESOLUTION OF THE ASSEMBLY OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2022 BUDGET BY TRANSFERRING \$39,156 FROM THE MUNICIPAL LIGHT & POWER FUND RESERVES TO THE GENERATOR UNIT 5 IMPROVEMENTS CAPITAL PROJECT ACCOUNT AND AUTHORIZING ITS EXPENDITURES

WHEREAS, Resolution 11-21-1634 approved a \$269,083.44 budget amendment and a sole source construction contract with MSI related to the Generator Unit 5 Improvements project due to overheating damage and the need to restore sound operation to this unit for standby power for the community; and

WHEREAS, additional project funding in the amount of \$39,156 is necessary to accommodate costs associated with the Borough's standard contractual requirements for individual construction contracts over \$25,000 as implemented with each of the MSI contract for the overhaul of the Generator Unit 5.

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

Section 1: The FY 2022 Budget in Fund is amended by transferring \$39,156 from the Municipal Light & Power Fund Reserves to the Generator Unit 5 Improvements project account and authorizing its expenditures.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 25th day of January, 2022.

CITY & BOROUGH OF WRANGELL, ALASKA

Stephen Prysunka, Mayor

ATTEST: _____
Kim Lane, Borough Clerk

Minutes of Regular Assembly Meeting

Held on January 11, 2022

Mayor Prysunka called the Regular Assembly meeting to order at 6:00 p.m., January 11, 2021, by Zoom Teleconference. Assembly Member DeBord led the pledge of allegiance, and the roll was called.

PRESENT: PRYSUNKA, MORRISON, DEBORD, POWELL, HOWE, DALRYMPLE, GILBERT

ABSENT:

Interim Borough Manager Jeff Good and Borough Clerk Lane were also present.

CEREMONIAL MATTERS

Prysunka presented a Certificate of Service to Laura Ballou for her service on the School Board.

PERSONS TO BE HEARD / PUBLIC CORRESPONDENCE

Zachary Taylor submitted written correspondence regarding Public Hearing item 11b (Ordinance No. 1016).

AMENDMENTS TO THE AGENDA

CONFLICT OF INTEREST

CONSENT AGENDA

Minutes of the

- a. Minutes of the December 14, 2021, Regular Assembly Meeting
- b. Minutes of the December 21, 2021, Special Assembly Meeting
- c. CORRESPONDENCE: School Board Action from the December 13, 2021, Regular Meeting

M/S: Gilbert/Morrison to approve the Consent Agenda, as presented. Motion approved unanimously by polled vote.

BOROUGH MANAGER'S REPORT

Interim Manager Good provided a Manager's report.

BOROUGH CLERK'S REPORT

Clerk Lane's report was provided.

MAYOR AND ASSEMBLY BUSINESS – None.

MAYOR AND ASSEMBLY APPOINTMENTS – None.

PUBLIC HEARING

11a ORDINANCE No. 1015 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 3.05.020, ORDER OF BUSINESS AND TO REPEAL AND REENACT SECTION 3.05.100 RECONSIDERATION OF THE WRANGELL MUNICIPAL CODE

Mayor Prysunka declared the Public Hearing open for Ordinance No. 1015 and asked if there was an administrative report on this item.

Clerk Lane stated that this item was being brought forward so that the first reading of Ordinances and Resolutions for adoption could be placed under the Consent Agenda. Lane stated that this was common in other communities; also, that Resolutions that required a Public Hearing, such as rate changes, would always be placed under the Public Hearing section of the Agenda.

Lane said that if the Assembly wanted to discuss or consider an item that was under the Consent Agenda, they could make a motion to remove the item from the Consent Agenda where it would be placed under Unfinished Business for consideration.

Lane stated that this Ordinance also addresses the Reconsideration section of the Code; this Ordinance cleans up how reconsiderations are done and makes it easier for the Assembly Member who wants to reconsider an item to do so.

Prysunka asked if there were any Persons who wanted to speak on this item.

Hearing none, Prysunka declared the Public Hearing closed on this item and entertained a motion.

M/S: Morrison/Gilbert to approve Ordinance No. 1015. Motion approved unanimously by polled vote.

11a ORDINANCE No. 1016 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 15.12.192, 15.12.200, 15.12.210, AND 15.12.215 IN CHAPTER 15.12, ELECTRICITY, IN THE WRANGELL MUNICIPAL CODE

Mayor Prysunka declared the Public Hearing open for Ordinance No. 1016 and asked if there were any Persons who wanted to speak on this item.

Hearing none, Prysunka declared the Public Hearing closed on this item and entertained a motion.

M/S: Morrison/Gilbert to approve Ordinance No. 1016. Motion approved unanimously by polled vote.

UNFINISHED BUSINESS – NONE.

NEW BUSINESS

13a RESOLUTION No. 01-22-1655 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, DESIGNATING SIGNATORIES ON BEHALF OF THE BOROUGH IN TRANSACTIONS WITH WELLS FARGO BANK, FIRST BANK, AND OTHER FINANCIAL INSTITUTIONS AND ESTABLISHING RULES FOR ENDORSEMENTS

M/S: Powell/Morrison to approve Resolution No. 01-22-1655. Motion approved unanimously by polled vote.

13b RESOLUTION No. 01-22-1656 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

M/S: Gilbert/Morrison to approve Resolution No. 01-22-1656. Motion approved unanimously by polled vote.

13c RESOLUTION No. 01-22-1657 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING CERTAIN SECTIONS OF THE PERSONNEL POLICY AND PROVIDING FOR AN EFFECTIVE DATE

M/S: Powell/Gilbert to approve Resolution No. 01-22-1657. Motion approved unanimously by polled vote.

13d RESOLUTION No. 01-22-1658 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET IN THE STREETS FUND BY TRANSFERRING \$15,000 FROM THE GENERAL FUND TO THE STEET FUND AND AUTHORIZING ITS EXPENDITURE FOR CONTRACTED SERVICES

M/S: Powell/Gilbert to approve Resolution No. 01-22-1658. Motion approved unanimously by polled vote.

13e RESOLUTION No. 01-22-1659 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2022 BUDGET BY TRANSFERRING \$22,464 FROM THE MUNICIPAL LIGHT & POWER FUND RESERVES TO THE GENERATOR UNIT 5 IMPROVEMENTS CAPITAL PROJECT ACCOUNT AND AUTHORIZING ITS EXPENDITURES

M/S: Gilbert/Powell to approve Resolution No. 01-22-1659.

Good explained that the numbers for the controls that we will get from EPS would come from this amendment; MPI still needs to submit to us, their numbers; we will come back to the Assembly to ask for a budget amendment for that amount, when we have it.

M/S: Gilbert/Morrison to amend the Resolution to remove MSI and deduct \$1,346 from the amount, making the approved amount \$21,118. Amendment approved unanimously by polled vote.

Main Motion, as amended was approved unanimously by polled vote.

ATTORNEY'S FILE

14 Available for Assembly review in the Borough Clerk's office.

EXECUTIVE SESSION

- a. To discuss the possible Acquisition of Land

M/S: Gilbert/Powell moved, pursuant to AS 44.62.310 (c)(1), that we recess into executive session and invite the Borough Manager into the Session, to discuss matters in which the immediate knowledge would clearly have an adverse effect upon the finances of the borough, specifically to discuss the possible acquisition of land. Motion approved unanimously by polled vote.

Regular meeting recessed into Executive Session at 6:48 p.m.

Regular meeting reconvened back into Regular Session at 7:34 p.m.

Assembly is moving forward and getting closer to putting a land purchase in the community. It is our intention to move quickly and deliberately.

Regular Assembly meeting adjourned at 7:35 p.m.

Stephen Prysunka, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

Minutes of Special Assembly Meeting

Held on January 12, 2022

Mayor Stephen Prysunka called the Special Assembly meeting to order at 1:00 p.m., January 12, 2022, held by Zoom Teleconference.

PRESENT: GILBERT, POWELL, DALRYMPLE, PRYSUNKA, MORRISON

ABSENT: HOWE, DEBORD

PERSONS TO BE HEARD / PUBLIC CORRESPONDENCE – None.

CONFLICT OF INTEREST – None.

EXECUTIVE SESSION

6a Executive Session: to conduct interviews for the candidates for the Borough Manager Position

M/S: Gilbert/Morrison pursuant to 44.62.310 (c)(2), that we recess into executive session to discuss matters that may tend to prejudice the reputation and character of any person, specifically: conducting interviews for the Borough Manager Candidates. Motion approved unanimously by polled vote.

Recessed into Executive Session at 1:01 p.m.

Reconvened back into Special Session at 3:04 p.m.

Mayor Prysunka stated the Assembly would recess this meeting until tomorrow, January 13, 2022, at 2:00 p.m. so that they could complete the Borough Manager interviews.

Mayor Prysunka recessed the meeting at 3:04 p.m.

Mayor Stephen Prysunka called the Special Assembly Meeting from January 12, 2022, back into session at 2:00 p.m.

PRESENT: GILBERT, POWELL, DALRYMPLE, PRYSUNKA, MORRISON

ABSENT: HOWE, DEBORD

Executive Session: to conduct interviews for the candidates for the Borough Manager Position

Recessing into Executive Session at 2:02 p.m.

Reconvened back into Special Session at 3.17 p.m.

Prysunka stated that the Assembly has decided and will make an offer to one of the applicants. If that applicant accepts, the announcement will be made as to who that person is.

Prysunka stated that Morrison and Gilbert will enter into negotiations with the individual.

Special Assembly meeting adjourned at 3:19 p.m.

Stephen Prysunka, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

BOARD ACTION

**WRANGELL PUBLIC SCHOOL BOARD
REGULAR MEETING (PAGE 1)
JANUARY 17, 2022**

FOR DETAILS, CONTACT:

BILL BURR
SUPERINTENDENT
DIRECT PHONE: 907-874-2347

- Approved the agenda as written
- Discussed the revised Covid-19 Mitigation Plan
- Approved the minutes of the December 13, 2021, Regular School Board Meeting
- Approved the consent agenda as presented
 - Offered Winston Davies a contract addendum to serve as the Carl Perkins Grant Coordinator
 - Offered Winston Davies a contract addendum to serve as the IEA Director
 - Offered Heather Howe an extracurricular contract for the position of Middle School advisor, prorated for the remainder of the school year
 - Approve the hire of:
 - Tom Jenkins, Paraprofessional
 - Amanda Patten, High School Secretary
 - Cori Robinson, Middle School Secretary
 - Reviewed the resignation of:
 - Adelina Esco, School Counselor
 - Lindsey McConachie, Paraprofessional
 - Olivia Stead, Paraprofessional
 - Lindsey Pomeroy, Paraprofessional
- Approved the early graduation request from Student #22-01 as presented
- Accepted the second reading of:
 - Board Policy 6020, Parent Involvement
 - Board Policy 6175, Migrant Children Program
- Reviewed Board Policy 7271, Board Member Code of Ethics
- Adjourned

December 2021 Stats Page 2			
TRAFFIC OFFENSES			
Abandoned Vehicle	2	Funeral Escort	
Citation Equipment/Registration	3	Health & Safety	3
Citation License Violations	1	Illegal Entry	
Citation Parking	1	Inmate Booking	6
Citation Speeding		Inmate Incident	
Complaint ATV	2	Juvenile Contacts	
Complaint Parking	6	Lost Property	1
Complaint Reckless Driving	4	Miscellaneous Paper Service	
Complaint Speeding		Missing Person	
Failure to Yield to Pedestrian	1	911 Wrong Number/No One There	15
Failure to Yield to School Bus		NFS Checks	
Hit & Run		Order to Show Cause	
Traffic Accident/Fatal		Officer Injury	
Traffic Accident/Injury		Oversized Load Permit	
Traffic Accident/No Injury	1	Prisoner Transport	
Traffic Accident/Property Damage		Possible Fugitive	
Traffic Hazard		Probation Referral (juvenile)	
Unauthorized Use of Vehicle		Prowler Report	
Vehicle Impound		Reckless Endangerment	
Verbal Warning	11	Recovered Firearm	
		Runaway	
MISCELLANEOUS ENTRIES			
		Search Warrant	
		Security Check	
Agency Assist	44	SOR Registration	
Arrest Warrant (other Agency's)		Shoplifting	
Background Check		Subpoena Service	5
Bench Warrant (our Agency)	1	Summons Service	1
Brady Law		Suspicious Circumstance	1
Burglar Alarm		Stolen Property	
Citizen Assist	9	Title 47	
Civil Matter	7	Unattended Death	1
Controlled Burn		Unsecured Premises	1
Courtesy Transport		Vacation Check	
Dance Permit		Watercraft Accident	
Death Investigation		Welfare Check	9
Death Notification			
DMV Items Issued	6178.00	124	UCR INFO
DVO Service			
Drug Information		Physical Arrests	4
Drug Interdiction		Theft \$ Amount	
86'd Letter		Vehicle Theft \$ Amount	
EDP	1		
Extra Patrol		JUVENILE INFO	
Fire	1	Arrests	
Found Property	2	Contacts	
		Crime	
		Traffic Stops or Citations	

December 2021 Stats			
ALCOHOL OFFENSES		ANIMAL VIOLATIONS	
Citizen Report DWI		Animal Citations	
DWI	1	Bear Complaints	
Contributing to Delinquency of Minor		Bird Complaints	
Furnishing Alcohol to Minor		Cat Complaints	
Intoxicated Person	1	Cruelty to Animals	
Minor on Licensed Premises		Dog Complaints	1
MIPC		Dog Bites	
Refuse Chemical Test		Other Animal Complaints	1
CRIMES AGAINST PERSON		CITY OFFENSES	
Assault non-family-strong-arm		Curfew Violation	
Assault 1		Fireworks Prohibited	
Assault 2		Littering	
Assault 3		Truancy	
Assault 4	1		
Assault with Weapon		MISCELLANEOUS OFFENSES	
Child In Need			
Indecent Exposure		Conditions of Release Violation	
Misconduct Involving Weapons		DVO Violation	1
Sexual Abuse of Minor		MISC 3	
Sexual Assault		MISC 4	
Sexual Harassment		MISC 6	
Suicide Threat		Minor with Tobacco	
Stalking		Probation Revocation	
		Probation Violation	1
CRIMES AGAINST PROPERTY		Restraining Order Violation	
		SOR Violation	
Arson			
Attempted Theft		OFFENSES AGAINST PUBLIC ORDER	
Burglary			
Criminal Trespass	1	Discharge Firearms	
Forgery		Disturbance	
Fraud		Disorderly Conduct	
Larceny from Business		Domestic Disturbance	1
Larceny from Others	1	Failure to Obey Police Officer	
Larceny from Residence		Fight	
Malicious Mischief		Harassment	1
Malicious Mischief Business		Interfering with Arrest	
Malicious Mischief Private Property		Interfering with Report of Crime	
Theft of Services		Loitering	
Theft from Watercraft		Peeping Tom	
Vehicle Theft		Report of Gunshots	
		Resisting Arrest	
		Soliciting	
		Vagrancy	

Police Department Report for the Month of December 2021

During the month of December 2021, the Correctional Staff had 34 days of leave time which resulted in 8 days of overtime and Police staff had 17 days of leave and 40 hours of on-call time which resulted in 36 hour of overtime. The number of people housed at the jail were:

6 in January, with 32 days served between them

3 in February with 34 days served between them

4 in March with 14 days served between them

3 in April with 43 days served between them.

8 in May with 55 days served between them

5 in June with 37 days served between them

8 in July with 54 days served between them

6 in August with 23 days served between them

7 in September with 21 days served between them

5 in October with 25 days served between them

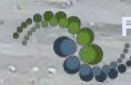
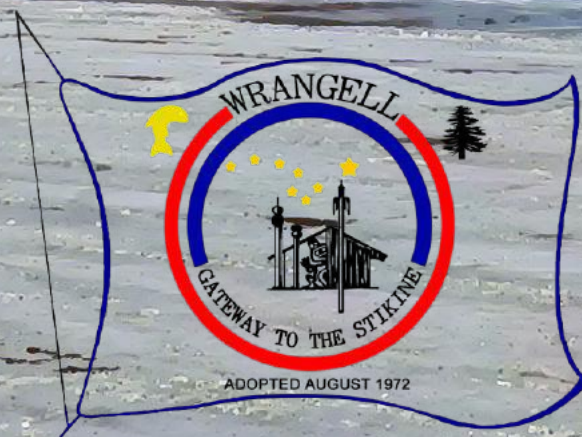
0 in November

6 in December with a total of 29 days served between them

Attached is a summary of all the calls for service that the Police Department received in the month of December 2021. We had 126 calls for service. We had 124 DMV transactions in the amount \$6178.00 of total revenue.

Wrangell Marine Service Center 30-Year Cost-Benefit Analysis

January 2022



Prepared by
Rain Coast Data

Rain Coast Data Technical Memo for the City and Borough of Wrangell

January 2022

Wrangell Marine Service Center 30-Year Cost-Benefit Analysis

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Summary of Findings

Project Description

Wrangell's Marine Service Center is a 7-acre area with 150-ton and 300-ton haul-out lifts and a 40-ton hydraulic trailer operated and managed by the City and Borough of Wrangell. It includes a wash down area and upland storage for over 85 boats.



Private businesses that lease space in the area provide repair, maintenance, fabrication, and marine industry skills to serve vessel owner needs. The Marine Service Center primarily caters to commercial fishing boats but also accommodates recreation and other commercial vessels.

The purpose of this technical memo is to assist the City and Borough of Wrangell in understanding the long-term costs and revenues associated with the Marine Service Center.

The Rain Coast Data team developed a Marine Service Center 30-year cost analysis which analyzes the long-term costs of the Wrangell shipyard including maintenance costs, life of infrastructure assessments, replacement costs, operating costs, and income analysis. This includes return-on-investment projections, long-term City and Borough of Wrangell staffing costs, and revenue projections based on user fees and lease rates. The analysis also includes summaries of 5- and 15-year ROI assessments.

Accompanying this document is a dynamic excel-based tool. Because the Marine Service Center includes many differing variables, choices, and lease elements, the tool allows these variables to be changed so that the City and Borough of Wrangell can see how future costs change based on differing input selections.

This study also includes a competitive pricing analysis. Executive interviews were conducted with representatives from shipyards in nine Alaska and Washington communities were conducted to understand comparative cost structures for various services such as boat storage, haul out fees, lease costs by square foot, and other services as directed by Wrangell Ports and Harbors.

Marine Service Center Return on Investment Analysis Summary

Based on the current rate structure, Wrangell's Marine Service Center will operate at a loss over the next 5, 15, and 30 years.

Return on Investment (ROI) is equal to the sum of revenue divided by the sum of costs. If ROI is greater than 1, the operation is profitable. If ROI is less than 1, the operation is unprofitable. Another way of thinking of ROI is it shows how many dollars will be earned by the City and Borough of Wrangell for each dollar of public investment. Based on the assumptions programmed into model below, in the next five years the CBW will earn 78 cents for each dollar invested in the Marine Service Center, while by year 30 the CBW will see a return of just 66 cents for each dollar invested.

Since there are so many variables and choices involved in these calculations, this deliverable includes a dynamic excel-based tool in which variables, such as vessel storage fees, lease agreement elements, capacity used, and annual inflation can be changed and new ROIs calculated. For example, increased utilization of the short-term and longer-term vessel storage yards would result in a ROI greater than 1.

Return on Investment Analysis Summary Results (No rate increases version)

Measure	5 years	15 years	30 years
Vessel Storage Revenue	\$901,584	\$2,885,069	\$5,589,821
Haulout Revenue	\$911,250	\$2,916,000	\$5,649,750
Business Lease Revenue	\$286,008	\$915,226	\$1,773,250
Other Revenue	\$70,000	\$224,000	\$434,000
Total Revenue	\$2,168,842	\$6,940,294	\$13,446,820
Labor Costs	\$1,148,943	\$4,115,163	\$9,356,491
Capital and Maintenance Costs	\$1,256,823	\$4,021,833	\$7,792,302
Other Costs	\$389,002	\$1,393,287	\$3,167,863
Total Costs	\$2,794,768	\$9,530,283	\$20,316,656
Return on Investment Ratio	0.78	0.73	0.66

The assumptions that went into the model presented above are detailed in Cost Benefit Analysis section of this report.

Wrangell Marine Service Center Rate Comparison Summary

An analysis of 14 rate structures for shipyards across nine Alaska and Washington communities were analyzed and compared to Wrangell's rates. A summary key of fee comparisons is below:

Short-term vessel storage: Short-term storage areas are generally for vessels that are being actively worked on. In the Wrangell Marine Service Center there are 30 spaces for vessels in this work area. While there are conceptually 34,290 square feet of billable short-term work space in Wrangell, the maximum functional utilization is approximately 21,000 square feet with a fee of \$0.59 per square foot per month. The work yard is full 9 months per year and at a lower capacity during the summer months. The average **short-term** cost of leasing shipyard space to work on a vessel in Wrangell is \$637 for a 60-foot boat. Wrangell's rate is 47% below the study average of \$1,208 per month for a 60-foot vessel. Wrangell's short-term space rate for a 40-foot vessel is 60% below the study average.

Wrangell's Rate
47%
below average
for a 60-ft
vessel

Long-term vessel storage: Long-term storage is for vessels that need to be stored on land for longer periods. Wrangell's Marine Service Center charges \$0.37 per square foot per month for this type of vessel storage, with 34,200 square feet available if the vessels are stacked as efficiently as possible. Winter capacity is 95% to 100%, while in summer the lot is 30% full. The average **long-term** cost of renting shipyard space to store a 60-foot vessel in Wrangell is \$400 per month, which is 52% below the average study rate of \$829 per month. Wrangell's longer-term storage rate for a 40-foot vessel is 61% below the study average. Wrangell's storage rates double after a year, so these comparisons relate only to year one.

Wrangell's Rate
52%
below average for
a 60-ft vessel

Marine Lift Fee: The Wrangell Marine Service Center has 150-ton and 300-ton boat lifts, and hauls out 250 vessels annually, on average. Wrangell's average rate falls 41% below the average rate for comparable shipyards. The overall average haul out rate for the 11 boat lifts in this analysis is \$13.28 per foot of vessel length, while in Wrangell it is \$9.43 – after adjusting for minimum fees. The cost to lift a 60-foot vessel in Wrangell is currently just under \$600.

Wrangell's Rate
41%
below average fee
per vessel foot

Business Lease Rates: Wrangell has 9 business leases encompassing 46,115 square feet. Business lease rates include property leased to a third party for the purposes of providing marine services to shipyard users. Comparable rates were available at four of the shipyards in the study. Wrangell has the lowest minimum rate and overall average business lease rate. Comparable lease rates in Juneau and Seward are 8 to 10% of assessed property value, with the values reassessed every 5 years.

Wrangell's
Business Lease
Rate
200%
below study
average

Environmental Fee: Most shipyards charge an environmental fee when lifting boats out of the water. Wrangell has the lowest environmental fee of any community at \$15 per vessel. The average environmental fee for a 60-foot vessel is \$84, more than 5 times higher than Wrangell's fee.

Importance of the Marine Service Center to the Wrangell Economy

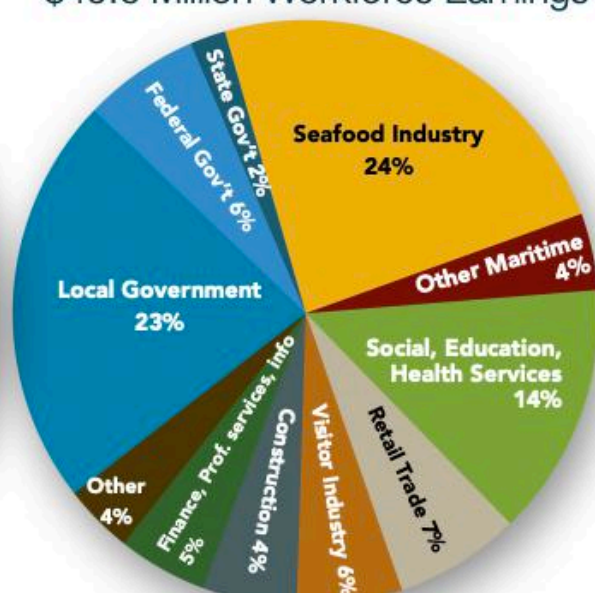
The City and Borough of Wrangell has restructured its economy and identity many times over the years. When the Alaska Pulp Company sawmill closed in 1994, the local economy was devastated. Reeling from these losses, community leaders reviewed their remaining assets and refocused on developing and supporting maritime resources. Immediately the community set about enhancing its locally-based seafood and marine services sector: converting the old mill site downtown into a marine services center and boat yard; building a third boat harbor; upgrading the local seafood processing infrastructure; and investing in its boatbuilding and repair facilities. The most critical piece of infrastructure is the community's Marine Service Center, as it provides services to the local fishing fleet and other private and commercial vessels. Between 2008 and 2018, the average value of the Wrangell fishery was \$5 million (adjusted for inflation) and the average volume landed was 3.2 million pounds. Wrangell's seafood and industrial maritime sector comprises 23% of all local jobs, and 28% of all local wages. In Wrangell there were 267 private "blue jobs"—as maritime jobs are sometimes called—with \$14 million in associated workforce earnings in 2018. It is the community's largest sector outside of Wrangell's government sector, and it draws from nearly every element of the local workforce. Nearly all of Wrangell's maritime sector is driven by seafood. Seafood processing, mariculture and commercial fishing account for most of the maritime jobs in the community, but the shipyard also creates an increasingly significant level of jobs and wages. In 2018, there were 50 year-round equivalent annualized jobs associated with the shipyard.

The Whole **Wrangell Alaska Economy** 2018

Annualized Jobs
1,151 Jobs



Employment Earnings
\$49.6 Million Workforce Earnings



Cost Benefit Analysis Overview

To understand long-term economic impacts, a rate of return on investment for public dollars was developed. The following section summarizes the results and outlines the Marine Service Center costs, revenues, and assumptions used in this analysis. The results of the ROI show the value of the cash flows that occur over the analysis period (2022– 2052) with nominal rates in place of discounted rates to show net revenue for each future year (rather than presenting these numbers in 2022 dollars).

Return on Investment (ROI) is equal to the sum of revenue divided by the sum of costs. If ROI is greater than 1, the operation is profitable. If ROI is less than 1, the operation is unprofitable. Another way of thinking of ROI is it shows how many dollars will be earned by the City and Borough of Wrangell for each dollar of public investment.

Benefit-Cost Analysis Summary Results

Measure	5 years	15 years	30 years
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Total Costs	\$2,794,768	\$9,530,283	\$20,316,656
Return on Investment Ratio	0.78	0.73	0.66

Based on the assumptions inputted into the model above, in the next five years the CBW will earn 78 cents for each dollar invested in the Marine Service Center, while by year 30 the CBW will see a return of 66 cents for each dollar invested.

Dynamic Excel-Based Tool

Because the ROI model includes so many differing variables and choices, and because information informing the decision matrix that goes into these variables changes over time, this document includes a dynamic excel-based tool in which variables can be changed, so that the City and Borough of Wrangell can see how the ROI will change based on differing input selections.

Entering new values

Should the CBW want to consider what the ROI would look like with higher values, these can be entered using the excel-tool. **Any of the light blue boxes can be altered.**

[illegible]

Using the example presented above, if the utilization of the short and long term storage fees increased to 50% during the low season, the short term storage rate fee was increased to \$1.00 per square foot, and an annual rate increase of 5% for all vessel storage was implemented, the ROI would be 1.01 over the next five years. In other words, the yard would earn a profit, with five-year total expenses remaining nearly \$2.8 million with revenues increasing to \$2.8 million. In years 15 and 30 of this scenario, the ROI would be 1.13 and 1.37, respectively.

In addition to changing the blue boxes, any cost assumptions can be changed. In the "Other Cost" tab presented below, the annual cost of insurance, fuel, or other expenses can be altered, along with expected annual cost increases. Any additional annual costs can be added here as well.

Annual cost increase	2%
Expense	Amount
Materials & supplies	\$10,000
Fuel	\$7,000
Utilities	\$15,000
Derelict vessel disposal	\$15,000
Membership & dues	\$750
Insurance	\$27,000
Total annual	\$74,750

Assumptions in ROI Model Baseline

Annual Cost Increases: For all annual costs the dynamic ROI model has been set to 2% annual cost increases. These numbers can be updated by cost category if different annual cost increases are expected.

Annual Rate Increases: The model in its original setting has no rate increases at all over the next 30 years. Since rate increases represent policy making, these cells have been set at 0%, with the expectation that the City and Borough of Wrangell will explore changing these rates to achieve a better ROI over time.

Maintenance Costs: This analysis assumes that annual maintenance costs will be 1.5% of capital cost every 5 years and 3.72% of capital cost every 15 years. These assumptions were developed as a standard starting point for Alaska marine service yards. (Source: Northern Economics "Petersburg Waterfront Master Plan: Rate Study and Financial Considerations" presentation by Mike Fisher on October 4, 2017 at the AAHPA Annual Conference.)

Capital Costs and Replacement Schedule: The replacement schedule for equipment was provided by the City and Borough of Wrangell. For the model, the 2021 replacement costs were estimated to increase by 2% annually through the actual replacement year.

Capital Replacement Schedule and Costs of Marine Service Center Equipment

Equipment	Original purchase cost	Replacement year	Replacement cost in 2021 dollars
150 Metric ton lift	\$960,000	2036	\$1,100,000
300 Metric ton lift	\$1,135,000	2043	\$1,207,000
45 ton trailer	\$95,426	2048	\$110,000
Cat Loader	\$124,719	2038	\$216,000
Fork Lift	\$15,000	2041	\$38,000

Haul Out Revenue: Haul out revenue includes the fee for using the marine lift and the environmental fee of \$15 per vessel. The model is set to 250 roundtrip haul outs annually. The average vessel hauled out is 50-feet in length, and therefore a 50-ft vessel is used for ROI modeling purposes.

Vessel Storage: The value the model returns for vessel storage, \$180,317 per year, is slightly higher than the CBW is currently showing in its budget. The model assumes that the maximum short-term yard capacity is just 21,000 square feet (even though there are conceptually 34,290 square feet of short term work space), and assumes 90% utilization six months out of the year, and 30% utilization the other six months. Likewise, the long-term storage is assumed to be at 90% capacity six months out of the year, and at 30% capacity for the other six months.

Labor Costs: The model assumes that it takes two full-time staff to run the Marine Service Yard. The model also assumes that 20% of the harbormaster and admin assistance is also dedicated to running the shipyard. Labor costs, like all other costs, are set to increase at 2% annually.

Rate Study Overview

The City and Borough of Wrangell Port and Harbors asked Rain Coast Data to analyze current cost structures and rates at the Marine Service Center and compare them to specific shipyards in Alaska and Washington state. Fees and rates examined included short- and long-term storage, marine lift costs, business lease rates, environmental fees, and other services provided by shipyards throughout Alaska and Washington state. Shipyards surveyed in Alaska include: City and Borough of Wrangell, City of Hoonah, City and Borough of Juneau, City of Seward, and the City of Sitka. Washington state shipyards surveyed include: City of Port Townsend, City of Seattle, and Seaview shipyards in Bellingham and Fairhaven. Information for this report was collected in October and November of 2021 using rate cards and interviews with harbormasters and engineers at municipal shipyards, and administrative and managerial staff at private facilities.

Wrangell's fees fall below the average rates among the shipyards surveyed for this report in every metric and are the lowest in several categories. The shipyards surveyed in this study use varying rate structure when calculating costs for storage, vessel haul out, and environmental fees. In order to make comparisons between shipyards with varying rates structures, the overall costs were calculated using 40-foot and 60-foot vessels as a baseline.



Monthly storage and work yard fees

Fees and rates refer to the associated costs of long- and short-term storage. Long-term storage typically refers to the seasonal storage of working vessels, whereas short-term storage is most often associated with repairs and maintenance conducted in a work yard. To see a full analysis of comparison costs, see table on page 5.

The average **short-term** cost of leasing shipyard space to work on a 60-foot vessel in comparable communities ranges from \$360 per month in Seward to \$2,700 in Bellingham. The fee in Wrangell is \$637, which is 47% below the overall average fee of \$1,208 per month. Wrangell's short-term space rate for a 40-foot vessel is 60% below the study average.

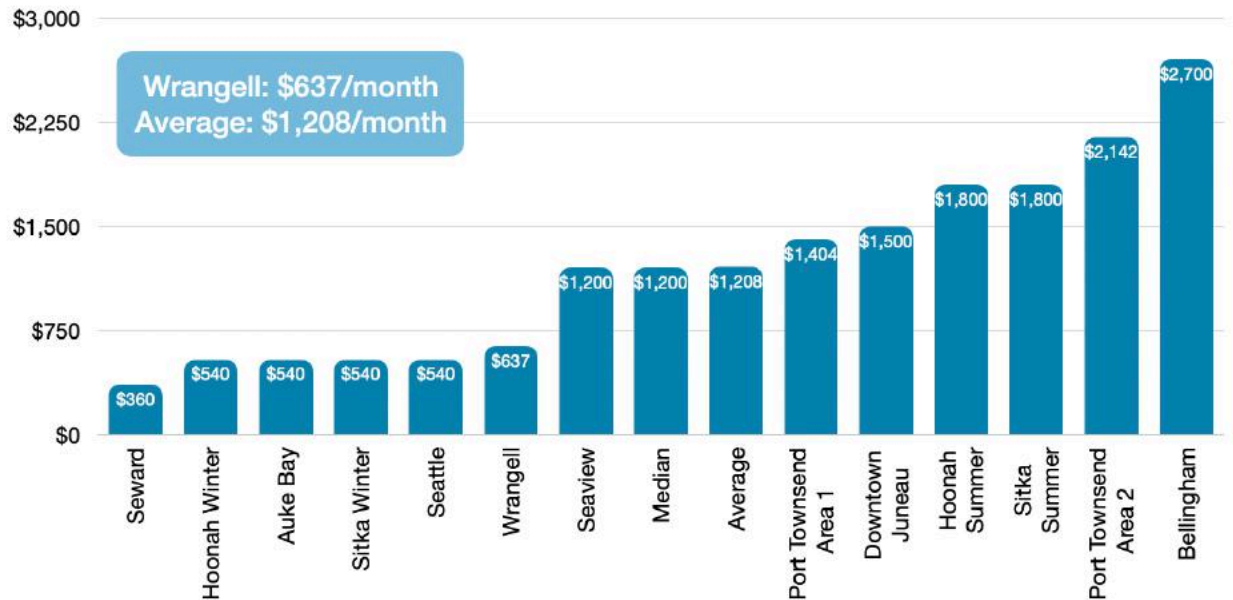
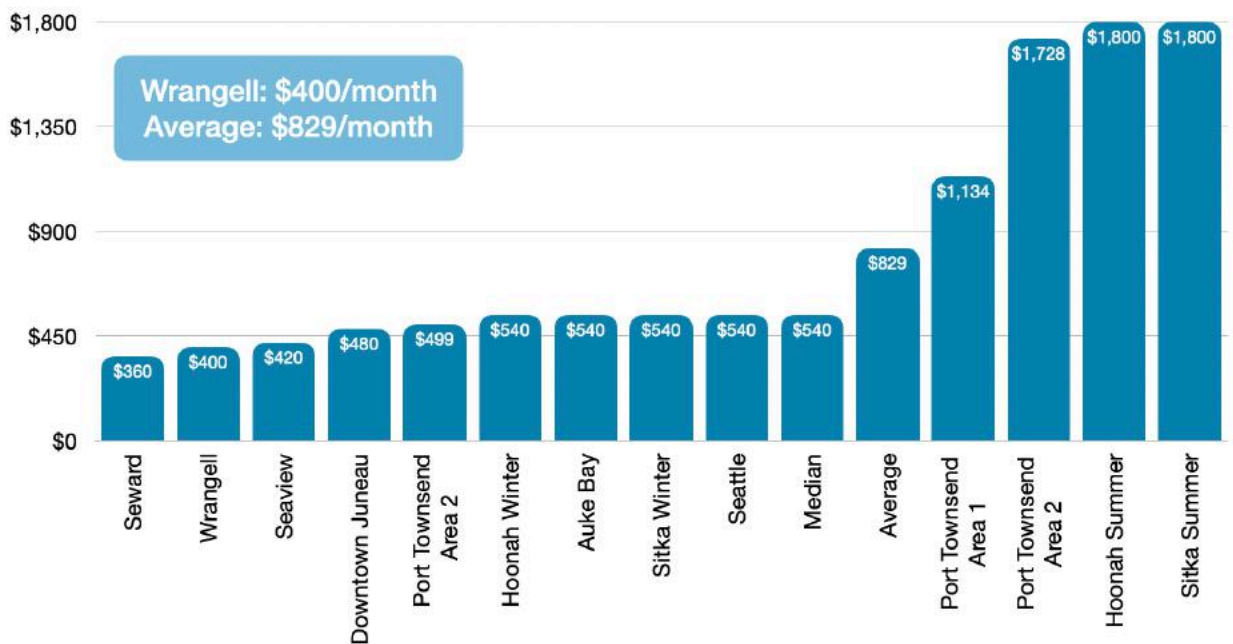
The average **long-term** cost of renting shipyard space to store a 60-foot vessel in the comparable communities ranges from \$360 per month in Seward to \$1,800 during the summer months in Sitka and Hoonah. The fee in Wrangell is \$400 per month, or 52% below the average study rate of \$829 per month.

Wrangell's longer-term storage rate for a 40-foot vessel is 61% below the study average.

Storage rates at all facilities were calculated over a 30-day period for both long- and short-term storage. In situations where storage was determined by square footage, costs were calculated using vessels that were 40'x14' and 60'x18'. It's important to note that some shipyards implement higher rates during peak season in the summer or lower rates during the winter off-season.



The charts on the following page compare the cost of storing a 60-foot vessel in a short-term work yard, and a longer-term storage yard.

Figure 1: **Short-term** Storage Fees: A Comparison of Monthly Storage Costs for a 60-ft VesselFigure 2: **Long-term** Storage Fees: A Comparison of Monthly Storage Costs for a 60-ft Vessel

Short-term and Long-term Storage Fees: A Comparison of Monthly Storage Costs

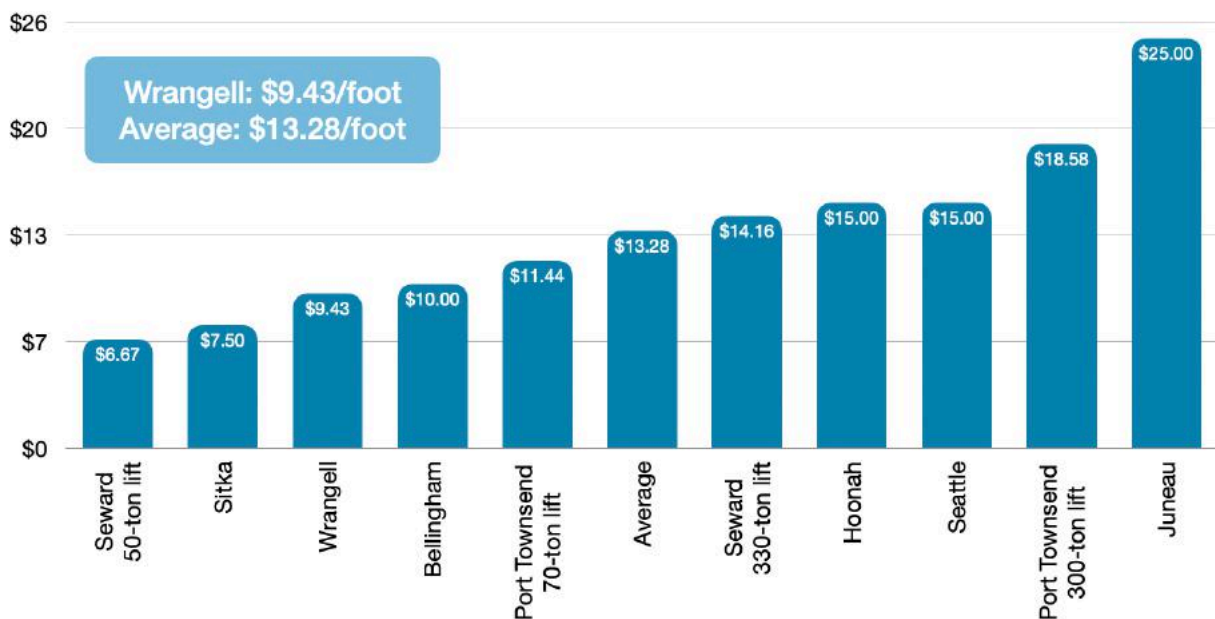
Name	Size (acres)	Short-term cost structure	Monthly Rate		Long-term cost structure	Monthly Rate	
			Short-term storage (40')	Short-term storage (60')		Long-term storage (40')	Long-term storage (60')
City and Borough of Wrangell	7	\$.59/sq ft/ month	\$330	\$637	\$.37/sq ft/ month	\$207	\$400
City of Hoonah (peak season, May-July)	3.5	\$1/ft/day	\$1,200	\$1,800	\$1/ft/day	\$1,200	\$1,800
City of Hoonah (non-peak, Aug-Apr)		\$.30/ft/day	\$360	\$540	\$.30/ft/day	\$360	\$540
City & Borough of Juneau Auke Bay Loading Facility	0.83	\$.50/sq ft/ month	\$280	\$540	\$.50/sq ft/day	\$280	\$540
Juneau Fisheries Terminal (downtown)	0.45	\$50/day	\$1,500	\$1,500	\$8/ft/month	\$320	\$480
Seward Marine Industrial Complex - 50-ton lift	35	\$.20/ft/day	\$240	\$360	\$.20/ft/day	\$240	\$360
City of Sitka (peak, May-July)	3.5	\$1/ft/day	\$1,200	\$1,800	\$1/ft/day	\$1,200	\$1,800
City of Sitka (non-peak, Aug-Apr)		\$.30/ft/day	\$360	\$540	\$.30/ft/day	\$360	\$540
Seaview (Bellingham)	7	\$1.50/ft/ day	\$1,800	\$2,700	na	na	na
Seaview (Fairhaven)		\$20/ft/ month	\$800	\$1,200	\$7/ft/ month	\$280	\$420
Port Townsend (work yard - 70/75-ton lift)	11	\$.78/ft/ day	\$936	\$1,404	\$.63/ft/day	\$756	\$1,134
Port Townsend (work yard - 300-ton lift)		\$1.19/ft/ day	\$1,428	\$2,142	\$.96/ft/day	\$1,152	\$1,728
Port Townsend (non-working, long-term)		na	na	na	\$8.32/ft/ month	\$333	\$499
Port of Seattle Fishermen's Terminal and Maritime Industrial Center	6	\$.50/sq ft/ month	\$280	\$540	\$.50/sq ft/ month	\$280	\$540
Average	8.25		\$824	\$1,208		\$536	\$829
Median	6		\$800	\$1,200		\$333	\$540

Note: Fee and rate information was collected through a combination of rate cards and interviews in October 2021.

Marine lift rates

The chart below represents the average cost of using a marine lift, based on lifting a 40-ft vessel and a 60-ft vessel. Based on overall averages, the lift fees range from \$6.67 per vessel foot in Seward, to \$25 per foot in Juneau. However, it should be noted that Juneau does not currently have the capacity to lift 60-ft vessels, so the Juneau rate is based on lifting 40-ft vessels only. The overall average for the 11 marine lifts in this analysis is \$13.28 per foot of vessel length. Wrangell's average rate falls 41% below the average rate. In Seward and Port Townsend the fee to use larger lifts is approximately twice the cost of using the smaller lifts.

Figure 3: Average Marine Lift Cost Per Square Foot: Based on 40-ft and 60-ft Vessel Lift Costs



Haul out costs associated with the use of haul out lifts, also commonly referred to as marine lifts or by the specific brand name Travelift, were calculated one way in the following table. Round trip costs can be calculated by doubling the one-way cost for 40-foot and 60-foot vessels.

In situations where a shipyard charged hourly for use of its marine lifts, the time was calculated at 1 hour for lifts 150 tons and under, and 1.5 hours for larger lifts (up to 330 tons). Unforeseen circumstances, such as ballasts not being properly emptied, could double the time and cost of vessel haul outs. The data provided in this report represents a "typical" scenario where no unforeseen circumstances arise. Haul out fees represent the cost of using marine lifts to hoist vessels out of the water for storage and/or repair and maintenance purposes. Most shipyards charge an environmental fee when lifting boats out of the water. Some shipyards roll these fees into marine lift rates, whereas others charge a separate fee.

Marine Lift Fees by Vessel Length

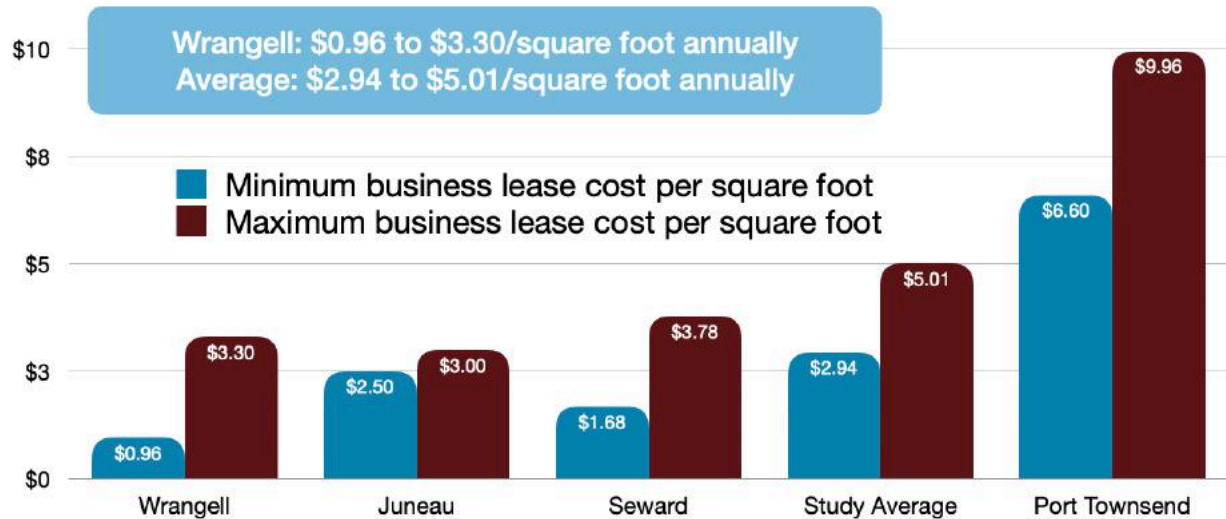
Name	Capacity (tons)	Lift cost structure 40'	Fee (40')	Lift cost structure 60'	Fee (60')	Average Fee per ft (based on 40' and 60' lifts)
City of Wrangell Harbors	150 / 300	\$6.55/ft (min \$357.20)	\$357	\$7.14/ft (min \$595.33)	\$595.33 (assumes 300 ton lift)	\$9.43
City of Hoonah Harbors	220	\$15/ft	\$600	\$15/ft	\$900	\$15.00
Juneau Marine Services	35	\$25/ft	\$1,000	na	na	\$25.00
Seward Marine Industrial Complex - 50-ton lift	50	\$236.25/hr	\$236.25	\$236.25/hr + \$21/ft over 50'	\$446.25	\$6.67
Seward Marine Industrial Complex - 330-ton lift	330	\$425/hr	\$638	\$425/hr + \$21/ft over 55'	\$742.5	\$14.16
City of Sitka	220	\$7.50/ft	\$300	\$7.50/ft	\$450	\$7.50
Seaview (Bellingham)	35/165	\$9/ft	\$360	\$11/ft	\$660	\$10.00
Port Townsend (work yard - 70/75-ton lift)	70/75	\$10.40/ft	\$416	\$12.48/ft	\$748.80	\$11.44
Port Townsend (work yard - 300-ton lift)	300	\$18.58/ft	\$743	\$18.58/ft	\$1,114.80	\$18.58
Seaview (Seattle)	55/80	\$14/ft	\$560	\$16/ft	\$960	\$15.00
Average	166	\$13.25 per foot	\$521	\$12.61 per foot	\$735.29	\$13.28
Median	150	\$12.20 per foot	\$488	\$12.48 per foot	\$742.50	\$12.80

Note: Fee and rate information was collected through a combination of rate cards and interviews in October 2021. Marine lift fees were calculated one-way. Round trip rates equal double the cost of one-way lift rates.

Business lease rates

Business lease rates include property leased to a third party for the purposes of providing marine services to shipyard users. Some public and private shipyards provide services internally, such as Hoonah, or do not lease space to third parties. Wrangell has the lowest minimum rate and overall average business lease rate, while its maximum lease rates are similar to Juneau and Seward marine yard lease rates. However, Juneau's rates are poised to increase in 2022.

Marine Yard Annual Business Leases



A Comparison of Annual Business Lease Rates

	Minimum business lease cost per square foot annually	Maximum business lease cost per square foot annually	Average	Valuation method
Wrangell	\$0.96	\$3.30	\$1.24	Originally appraisal
Juneau	\$2.50	\$3.00	\$2.78	10% of assessed value annually. Determined every 5 years.
Seward	\$1.68	\$3.78	\$2.73	8% of assessed value annually. Determined every 5 years.
Port Townsend	\$6.60	\$9.96	\$8.28	Determined by market study for lease rates at similar ports every 5 years
Study Average	\$2.94	\$5.01	\$3.76	--

Note: Rate information was collected through a combination of rate cards and interviews in October 2021.

Juneau

- Juneau rents uplands space to marine service providers at 10% assessed value – which could increase substantially in 2022.
- The primary leases are with the businesses that run the two marine yards (Auke Bay and Fisherman’s Terminal) in the community. Because there is an expectation of providing a larger community service and managing the shipyards, these rates (of \$1.00 to \$1.51 per square foot) are actually not comparable to the business leases in Wrangell and are not included in the table above.
- Juneau Marine Services, which subleases the downtown marine yard, does provide space for businesses to lease in the marine yard but did not provide their business leasing rates, making the Juneau rates difficult to fully compare.
- The City and Borough of Juneau (CBJ) provides separate adjacent subleases to businesses in the same area for \$2.00 to \$3.50 per square foot, based on assessed values.
- These rates will expire in May 2022, once the CBJ lease with the University of Alaska Southeast (UAS) expires. The CBJ has been leasing the property since 1988 for a favorable rate after committing significant funding to UAS. The lease could be renewed once at the current fair market value of \$230,400 annually – this is 27-times what CBJ paid last year for the Juneau Fisheries Terminal compared to last year, which was \$8,500. CBJ is currently working to purchase the property for \$2.88 million – which would include two acres of tidelands property. Either way, CBJ will likely have to raise rates in May 2022, and the CBJ is currently conducting a rate study.

Hoonah / Sitka

- Does not officially lease to third parties.
- Hoonah currently allows maritime service providers to use the space for free.

Wrangell

- Current lease rates range from \$.96 to \$3.30 per square foot.
- Lease rates were originally determined by appraised land value, but rates are not standardized.

Port Townsend

- Current lease rates \$6.60 to \$9.96 per square foot
- Rates are determined by market studies conducted every 5 years (last study done in 2019)
- New rates are run through a BLM calculator and measured against comparable areas.

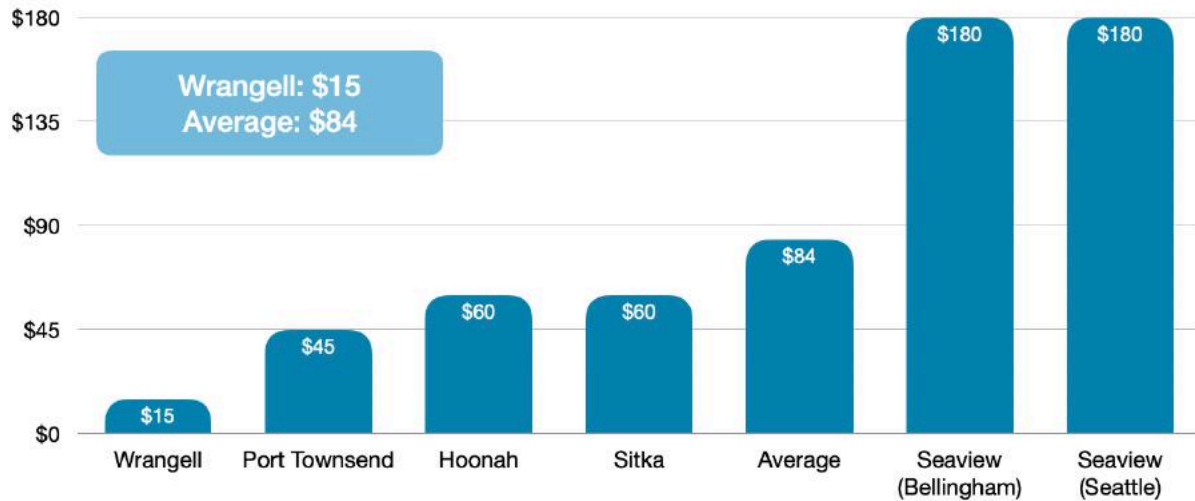
Seward

- Businesses leasing space at the Seward Marine Industrial Center pay between \$1.68 and \$3.78 per square foot.
- Seward Marine Industrial Center lease rates are assessed at 8% of the land’s fair market value and re-assessed every 5 years.

Other rates

Most shipyards charge an environmental fee when lifting boats out of the water. Some roll these fees into marine lift rates, whereas others charge a separate fee on top of marine lift fees. Wrangell has the lowest environmental fee of any community at \$15 per vessel. Marine yards charge an average of \$1.75 per foot. The average environmental fee for a 60-foot vessel is \$84. This section also reviews washdown rates and electrical rates, which are not a significant part of the Wrangell revenue model.

Average Environmental Fees: Based on a 60-ft Vessel



Environmental, Wash Down, and Electric Fees

Name	Environment fee cost structure	Environmental Fee 40'	Environmental Fee 60'	Wash down (40' - 60')	Electric rates
Wrangell	flat rate per haul out	\$15	\$15		30/50/60 amp - \$8/\$10/\$30 per day
Hoonah	\$1/ft	\$40	\$60	\$120-\$180	
Seward	Rolled into lift fee	NA	NA	\$100-\$150	NA
Sitka	\$1/ft	\$40	\$60	\$120-\$180	
Seaview Bellingham	\$3/ft	\$120	\$180	\$160-\$240	\$6/day
Seaview	NA	NA	NA	NA	\$35/month
Port Townsend 1	\$.75/ft	\$30	\$45	\$92-\$138	\$1.52/day OR \$30/month)
Port Townsend 2	NA	\$30	\$45	\$132-\$198	\$5/day + \$.10/kwh
Seaview (Seattle)	\$3/ft	\$120	\$180	\$160-\$240	
Average	\$1.75 per foot	\$56	\$84	\$158	\$4.34 per day

Note: Fee and rate information was collected through a combination of rate cards and interviews in October 2021.

Appendix



Shipyard Rates by Community

Community specific results of the rate analysis are presented in the following sections:

Southeast Alaska



The City and Borough of Wrangell shipyard operates on 5 acres with space reserved for short- and long-term boat storage. Two marine lifts capable of lifting 150 tons and 300 tons vessels are on site. The 300-ton marine lift is one of the larger lifts in Alaska and provides a unique alternative for larger vessels that otherwise would need to dock in Ketchikan or Seward, which operate a 400-ton lift and 330-ton lift, respectively.

Haul out lifts

Wrangell's two marine lifts operate under the same per foot rate structures, but with different minimum fees.

Haul out rates, and costs	
Feet	Cost structure (Round Trip)
0-40 Feet	\$13.10 per foot
41-58 Feet	\$14.28 per foot
59-75 Feet	\$15.48 Per Foot
76-90 Feet	\$17.86 Per Foot
91-120 Feet	\$20.24 Per Foot
121-140 Feet	\$22.63 Per Foot
141 Feet & Up	\$25.00 Per Foot

Note: Rates obtained from the City and Borough of Wrangell, October 2021.

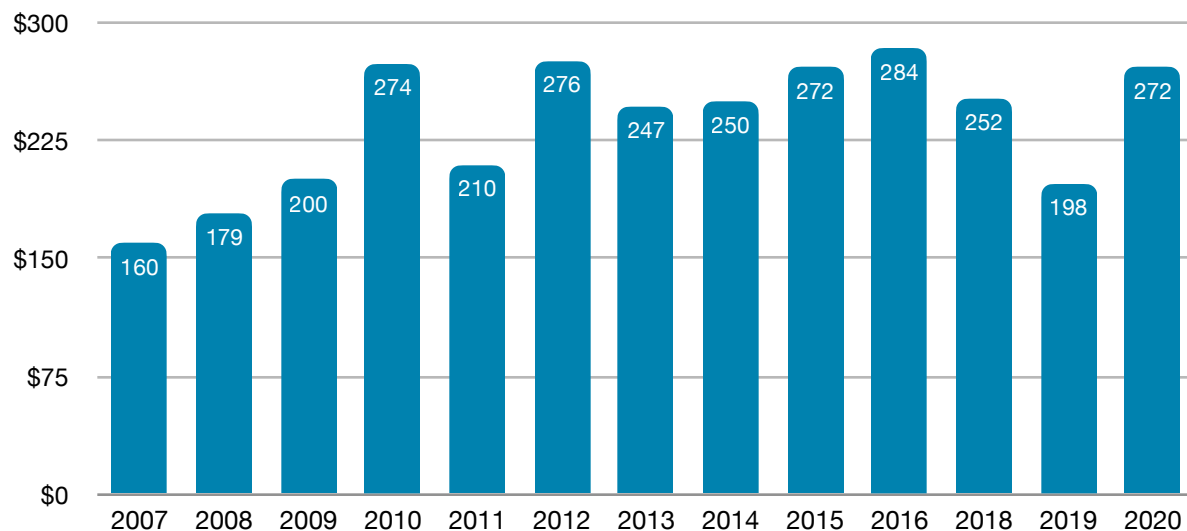
Haul out lift capacity and minimum fees	
Marine Lift	Cost structure (Round Trip)
150 Ton Boat Lift	Half of Round Trip price or minimum \$357.20
300 Ton Boat Lift	Half of Round Trip price or minimum \$595.33

Inspection Haul	
Marine Lift	Cost structure (Round Trip)
150 Ton Boat Lift	60% of Round Trip or minimum \$357.20
300 Ton Boat Lift	60% of Round Trip or minimum \$595.33

Note: Rates obtained from the City and Borough of Wrangell, October 2021.

In Wrangell's first full year with the 150-ton Travelift, 160 vessels were lifted. The first full year of the 300 ton lift was in 2015. Overall, approximately 250 vessels are lifted on average on an annual basis. The Marine Service Center does not track how many haul outs are performed by each lift.

Wrangell Haul Outs 2007 through 2021



Storage

In the Wrangell Marine Service Center there are 30 spaces for vessels in the short term work area. While there are conceptually 34,290 square feet of billable short term work space, the maximum functional utilization is approximately 21,000 square feet. The work yard is full 9 months per year and at 50% capacity during the summer months. Wrangell's Marine Service Center long term storage area has 34,200 square feet available if the vessels are stacked as efficiently as possible. Winter capacity is 95% to 100%, while in summer the lot is 30% full.

Wrangell is one of three facilities that calculates storage rates by square footage of the vessel on a monthly basis, whereas the majority of fee structures examined are based on vessel length and accrued on a daily basis. Wrangell charges \$.59 per square foot for short-term storage, and \$.37 per square foot for long-term storage. Wrangell's short-term storage costs are below the average cost but fall in line with the median storage cost. Long-term storage, however, falls well below both the average and median storage costs. Wrangell's storage rates double after a year, so these comparisons relate only to year one.

Storage rates							
	Size (acres)	Short-term rate	Short-term cost (40')	Short-term cost (60')	Long-term rate	Long-term cost (40')	Long-term cost (60')
Wrangell	7	\$.59/sq ft per month	\$330	\$637	\$.37/sq ft per month	\$357	\$595

Note: Rates and fees obtained from the City and Borough of Wrangell, October 2021.

Environmental fees

Wrangell's shipyard was the only one of those examined that uses a separate, flat-rate cost structure to assess environmental fees (\$15). Two shipyards surveyed roll environmental fees into their haul out rates, whereas the majority calculate fees based on the length of the vessel. Wrangell's environmental fee is the cheapest of all shipyards surveyed.

Business lease costs

Third parties leasing space in Wrangell's shipyard pay between \$.96 to \$3.30 per square foot annually. The annual income for the Marine Service Center is \$57,194.40. Rates are based on appraised land value, but without any standardized fee development.

Wrangell Maritime Industrial Business Lease Rates

Description	Size of leased area in square feet	Monthly income	Annual income	Annual rate per square foot
WMSC Yard Lot 1	14,443	\$1,155.44	\$13,865.28	\$0.96
WMSC Yard Lot 2	5,600	\$448.00	\$5,376.00	\$0.96
WMSC Yard Lot 3	4,240	\$339.20	\$4,070.40	\$0.96
WMSC Yard Lot 4	3,332	\$266.56	\$3,198.72	\$0.96
WMSC Yard Lot 5	2,000	\$550.00	\$6,600.00	\$3.30
WMSC Yard Lot 6	3,600	\$740.00	\$8,880.00	\$2.47
WMSC Yard Lot 7	3,000	\$475.00	\$5,700.00	\$1.90
Mill Dock 1	7,460	\$596.80	\$7,161.60	\$0.96
Mill Dock 2	2,440	\$195.20	\$2,342.40	\$0.96
Total/Avg.	46,115	\$4,766.20	\$57,194.40	\$1.24

Note: Rates obtained from the City and Borough of Wrangell, October 2021.

Other fees/services

- Electric: \$8 per day (30 amps); \$10/day (50 amps); \$30/day (60 amps)
- Hydraulic Trailer fee: \$10.46 per foot (round trip, minimum \$247.50)
- Off-site transportation: Round trip or one-way fee plus \$350 per hour



Vessel haul-out services in Juneau market are operated by Harri Commercial Marine doing business as Juneau Marine Services (JMS). JMS leases the haul-out facilities from the City and Borough of Juneau at the downtown Juneau Fisheries Terminal. The Auke Bay Boat Yard at Statter Harbor has been leased to Karl's Auto Marine, and currently has no marine lift capacity.

Juneau Marine Services provides downtown workspace at the cost of \$50 per day, and long-term dry storage at the rate of \$8 per foot on a monthly basis. JMS says its short-term costs are intentionally high to prevent overcrowding in its limited work yard space. Its short-term storage rates are among the highest of shipyards surveyed, whereas its long-term rates are 50% less than the average rate and below the median.

Haul out lifts

Juneau Marine Services operates the downtown 35-ton marine lift available at the cost of \$25 per foot of the vessel's length.

The rate is consistent regardless of vessel size.

Haul out lift capacity, rates, and costs				
	Capacity (tons)	Cost structure (One way)	Haul out cost (40')	Haul out cost (60')
Juneau Marine Services	35	\$25 per foot	\$1,000	\$1,500

Note: Rates obtained from Juneau Marine Services, October 2021.

While there had been a Sealift providing lift services in Auke Bay, the Sealift did not meet the needs of Karl's Auto Marine and is currently for sale. A new lift will eventually be purchased for the site.

Storage

The City and Borough of Juneau Auke Bay Loading Facility encompasses 2 acres and is used primarily as a staging area for vessels, though it does offer some storage options. Juneau's municipal shipyard charges \$.50 per square foot per month for both long- and short-term storage. The facility's storage rates are among the lowest of those surveyed, however, its space is limited and not typically used for long-term dry storage.

Storage rates							
	Size (acres)	Short-term rate	Short-term cost (40')	Short-term cost (60')	Long-term rate	Long-term cost (40')	Long-term cost (60')
Juneau (ABLF)	.83	\$.50/sq ft per month	\$280	\$540	\$.50/sq ft per month	\$280	\$540
Juneau Marine Services	.45	\$50 per day	\$1,000	\$1,500	\$8/ft per month	\$320	\$480

Note: Rates and fees obtained from the City and Borough of Juneau and Juneau Marine Services, October 2021.

Environmental fees

Environmental fees tied to Juneau Marine Service's haul-out lift is rolled into the cost of using its marine lift.

Business lease cost

Juneau rents uplands space to marine service providers at 10% assessed value – but that rate could increase substantially in 2022.

	Minimum business lease cost per square foot annually	Maximum business lease cost per square foot annually	Average	Valuation method
Juneau	\$2.50	\$3.00	\$2.78	10% of assessed value

Note: Rates obtained from the City and Borough of Juneau, October 2021.

The primary leases are with the businesses that run the two marine yards (Auke Bay and Fisherman's Terminal) in the community. Because there is an expectation of providing a larger community service and managing the shipyards, these rates (of \$1.00 to \$1.51 per square foot) are not comparable to the business leases in Wrangell.

Auke Bay Lease (through 2028)

Location: Auke Bay Boatyard

Size: 36,155 square feet

Annual Lease: \$36,000

Lease per Square Foot: \$1 annually (vendor also provides all marine yard services to the community)

Downtown Marine Yard Lease (through May 2022)

Location: Next to Downtown Crane Dock

Size: 19,425.6 square feet

Annual Lease: \$29,307

Lease per Square Foot: \$1.51 (vendor also provides all marine yard services to the community)

Juneau Marine Services, which subleases the downtown marine yard, does provide space for businesses to lease but did not provide their business leasing rates, making the Juneau rates difficult to fully compare.

The City of Borough of Juneau (CBJ) provides separate adjacent subleases to businesses in the same area for \$2.00 to \$3.50 per square foot, based on assessed values.

Other Downtown Juneau Leases in Fisherman's Terminal Area:

Lease: Nordic Tug charters

Size: 1,455 square feet

Annual Lease: \$4,365

Lease per Square Foot: \$3.00

Lease: Hydraulic shop

Size: 1,105 square feet

Annual Lease: \$2,762

Lease per Square Foot: \$2.50

These rates will expire in May 2022, once the CBJ lease with the University of Alaska Southeast (UAS) expires. The CBJ has been leasing the property since 1988 for a favorable rate after committing significant funding to UAS. The lease could be renewed once at the current fair market value of \$240,000 annually. CBJ is currently working to purchase the property for \$2.88 million – in which case 10% of assessed value would be more than \$14 per square foot. Either way, CBJ will likely have to raise rates significantly in May 2022, and the CBJ is currently conducting a rate study.

Other fees/services

- Juneau Marine Services: Fiberglass repair, welding
- Auke Bay Loading Facility: Commercial launch ramp use (\$250 one-time permit fee); two 2-ton cranes (\$.25 per minute); electric (30 and 50 amp)



Haul out lifts

Sitka's shipyard operates a 220-ton marine lift and charges \$7.50 per foot regardless of vessel size. Its lift rates are below the average and median compared to other shipyards, and overall are the second lowest haul out rates.

Haul out lift capacity, rates, and costs				
	Capacity (tons)	Cost structure (One way)	Haul out cost (40')	Haul out cost (60')
Sitka	220	\$7.50 per foot	\$300	\$450

Note: Rates obtained from the City and Borough of Sitka, November 2021.

Storage

The City and Borough of Sitka operates a 3.5-acre shipyard offering short- and long-term vessel storage. Sitka's rates vary depending on the season. During non-peak months (April-August) rates are \$.30/foot per day, but more than triple between May and July during peak season. Sitka's non-peak storage rates are approximately half the overall average cost and near the median. Its peak rates are the fourth highest among shipyards surveyed.

Storage rates							
	Size (acres)	Short-term rate	Short-term cost (40')	Short-term cost (60')	Long-term rate	Long-term cost (40')	Long-term cost (60')
Sitka (May-July)	3.5	\$1/foot per day	\$1,200	\$1,800	\$1/foot per day	\$1,200	\$1,800
Sitka (Apr-Aug)	3.5	\$.30/foot per day	\$360	\$540	\$.30/foot per day	\$360	\$540

Note: Rates and fees obtained from the City and Borough of Sitka, October 2021.

Environmental fees

Assessed at \$1 per foot.

Business lease costs

Sitka does not lease shipyard space to third parties.

Other fees

- Wash-down: \$3 per foot
- Electric: \$7 per day (30 amp); \$10/day (50 amp); \$10/day plus consumption (100 amp)
- Towing: \$102.50 plus \$56 per hour labor cost
- Pumping: \$51.25



Haul out lift

The Hoonah Travelift Facility includes a travelift dock and a 220-ton travelift facility capable of pulling boats over 58 feet in length. Hoonah's rates are double that of Sitka, at \$15 per foot. Hoonah's haul out rates exceed both the average costs for 40- and 60-foot vessels (\$521 and \$735.29, respectively) and the median cost (\$488 and \$742.50). In 2021 (as of early December) a total of 194 vessels had been lifted in Hoonah, a record for that facility.

Haul out lift capacity, rates, and costs				
	Capacity (tons)	Cost structure (One way)	Haul out cost (40')	Haul out cost (60')
Hoonah	220	\$15 per foot	\$600	\$900

Note: Rates obtained from the City of Hoonah, October 2021.

Storage

The City of Hoonah's storage rates are identical to that of Sitka, including differing rates based on peak- and non-peak seasons. Daily peak rates are \$1 per foot for short- and long-term storage, and non-peak rates are \$.30 per foot. Hoonah's non-peak storage rates are approximately half the overall average cost and near the median. Its peak rates are the fourth highest among shipyards surveyed.

Storage rates							
	Size (acres)	Short-term rate	Short-term cost (40')	Short-term cost (60')	Long-term rate	Long-term cost (40')	Long-term cost (60')
Hoonah (May-July)	3.5	\$1/foot per day	\$1,200	\$1,800	\$1/foot per day	\$1,200	\$1,800
Hoonah (Apr-Aug)	3.5	\$.30/foot per day	\$360	\$540	\$.30/foot per day	\$360	\$540

Note: Rates and fees obtained from the City of Hoonah, October 2021.

Environmental fees

Assessed at \$1 per foot.

Business lease cost

While the City of Hoonah does not lease shipyard space to third parties, it does provide the space for free.

Currently Hoonah allows maritime services providers to use the shipyard for free. According to Dennis Gray Jr. City Administrator for the City of Hoonah: "We try to make it as attractive as possible for contractors to work in our yard and do not charge to rent out space in our yard for shipwrights or painters. We have one shipwright and one painter that work in our yard currently."

According to Horan and Company, the entire shipyard was briefly leased in 2008. The lease terms were \$1.00 per year plus \$25.00 per haul-out. The city terminated the relationship and felt it was in error due to lack of oversight for maintenance.¹

Other fees

- Wash down: \$3 per foot
- Dockside hoist: \$15-\$50 per hour
- Crab gear storage: \$450 per year; crab pot storage: \$650 per year
- Electric: \$10 minimum per month or true cost
- Forklift rental: \$75 per hour or \$300 per day
- Trailer rental: \$50-\$75 per day

¹ Horan & Company, LLC. Appraisal Report Market Rental Value Boat Haul-Out Facility At Auke Bay Loading Facility Juneau, Alaska, August 2015.

Southcentral Alaska



Haul out lifts

Seward's municipal shipyard features 50-ton and 330-ton marine lifts. Use of the lifts are billed hourly. The average time per user for the 50-ton lift is 1 hour, and average time for the 330-ton lift is 1.5 hours, according to the city's harbor department. Hourly rates vary depending on which marine lift is being used. Costs associated with the 330-ton lift are at or near the median and average costs. Costs tied to the smaller 50-ton lift are the lowest among shipyards surveyed. (Note: JAG Alaska Inc. operates the city's 5,000-ton Syncrolift used to work on oversized vessels.)

Haul out lift capacity, rates, and costs				
	Capacity (tons)	Cost structure (One way)	Haul out cost (40')	Haul out cost (60')
Seward MIC	50	\$236 per hour +21/hr over 50'	\$236	\$446
Seward MIC	330	\$425 per hour +21/hr over 55'	\$638	\$743

Note: Rates obtained from the City of Seward, October 2021.

Storage

The Seward Marine Industrial Center is managed by the City of Seward and spans 35 acres, nearly a third of which is leased to JAG Alaska Inc. Seward charges \$.20 per foot for short- and long-term storage, which is the lowest rate among shipyards surveyed.

Storage rates							
	Size (acres)	Short-term rate	Short-term cost (40')	Short-term cost (60')	Long-term rate	Long-term cost (40')	Long-term cost (60')
Seward MIC	35	\$.20/ft per day	\$240	\$360	\$.20/ft per day	\$240	\$360

Note: Rates and fees obtained from the City of Seward, October 2021.

Environmental fees

Environmental fees are rolled into haul out rates.

Business lease rates

Seward Marine Industrial Center lease rates are 8% of the land's assessed rates, which are appraised every five years. Businesses leasing space at the Seward Marine Industrial Center pay between \$1.68 and \$3.78 per square foot.

	Minimum business lease cost per square foot annually	Maximum business lease cost per square foot annually	Average	Valuation method
Seward	\$1.68	\$3.78	\$2.73	8% of assessed value

Other fees

- Wash pad: \$2.50 per foot per hour (minimum 1 hour)
- Relocation: \$236.25 (50-ton lift); \$425 (330-ton lift)
- Potable water: \$52.50 (during business hours); \$105 (outside regular business hours)
- Electricity: \$.40 per kilowatt hour, plus \$29.46 connection fee
- Towing (inside harbor): \$52.50 plus labor
- Pumping vessel: \$31.50 plus labor
- Equipment rental: loader, grader, oil tanker, crane truck, flatbed truck, pickup truck, dump truck, back how, pumps (rates vary from \$8.40-\$68.25 plus labor/operator cost)
- Launch fees: \$10 per launch; \$100 annually
- 10-ton crane: \$42.32 per half hour; \$90.64 per hour

Washington State

**Haul out lifts**

Port Townsend operates three marine lifts: 70, 75 and 300 tons. Rate structures vary depending on length of the vessel and which marine lift is being used. Rates for its 70- and 75-ton travel lifts are below the average cost, and at or below the median cost. Rates for its 300-ton lift are above both the average and median costs compared to other shipyards.

Haul out lift capacity, rates, and costs				
	Capacity (tons)	Cost structure (One way)	Haul out cost (40')	Haul out cost (60')
Port Townsend	70/75	\$10.40-\$12.48 per foot	\$416	\$749
Port Townsend	300	\$18.58 per foot	\$743	\$1,115

Note: Rates obtained from the City of Port Townsend, October 2021.

Storage

The City of Port Townsend manages three distinct storage areas as part of its 11-acre shipyard: two work yards intended for short- and long-term work, and a separate storage area used to store non-working vessels. Storage rates for work areas are linked to the location of its two marine lifts. Long- and short-term rates at the site of its 70- and 75-ton lifts are \$.63 to \$.78 per foot per day. Storage costs at the site housing its 300-ton marine lift range from \$.96 to \$1.19 per foot per day. Rates for Port Townsend's non-working, long-term storage site is \$8.32 per foot calculated monthly. Port Townsend's vessel storage rates at its work yards are above the average and median costs. Storage rates at its non-working, long-term storage facility are half the average cost and below the median.

Storage rates							
	Size (acres)	Short-term rate	Short-term cost (40')	Short-term cost (60')	Long-term rate	Long-term cost (40')	Long-term cost (60')
Port Townsend (70/75-ton lift work yard)	11	\$.78/ft per day	\$936	\$1,404	\$.63/ft per day	\$756	\$1,134
Port Townsend (300-ton lift work yard)	--	\$1.19/ft per day	\$1,428	\$2,142	\$.96/ft per day	\$1,152	\$1,728
Port Townsend (non-working, long-term)	--	\$8.32/ft per month	\$333	\$499	\$8.32/ft per month	\$333	\$499

Note: Rates and fees obtained from the City of Port Townsend, October 2021.

Environmental fees

Port Townsend assesses environmental fees at \$.75 per foot.

Business lease rates

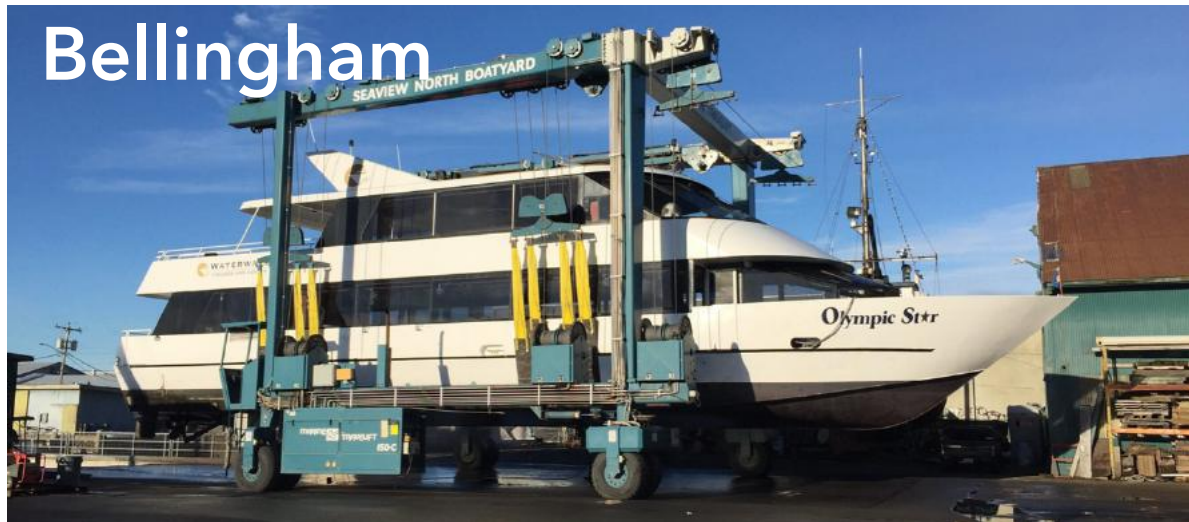
Rather than basing lease rates on appraised value like many others, its lease rates are determined by market studies conducted every five years surveying lease rates at similar ports. Current rates are \$6.60 to \$9.96 per square foot annually and are the most expensive of shipyards surveyed.

	Minimum business lease cost per square foot annually	Maximum business lease cost per square foot annually	Average	Valuation method
Port Townsend	\$6.60	\$9.96	\$8.28	Market rate study

Note: Rates obtained from the City of Port Townsend, October 2021.

Other fees/services

- Wash pad: \$2.30 per foot per hour (70/75-ton lifts); \$3.30 per foot per hour (300-ton lift)
- Electric: \$1.52 per day or \$30.30 per month (non-working, long-term storage); \$5 per day plus \$.10 per kilowatt hour (work yards)
- Inspection: equal to roundtrip haul out rate
- Labor rate: \$69 per half hour



Haul out lifts

Seaview Bellingham operates two haul out lifts rated at 35 tons and 165 tons. Rates fluctuate depending on the size of the vessel. The cost per foot for a 40-foot vessel is \$9 per foot, and the cost for hauling out 60-foot vessels is \$11 per foot. The shipyard's haul out rates are among the least expensive among shipyards and fall below the average and median cost for these services.

Haul out lift capacity, rates, and costs				
	Capacity (tons)	Cost structure (One way)	Haul out cost (40')	Haul out cost (60')
Seaview	35/165	\$9-\$11 per foot	\$360	\$660

Note: Rates obtained from Seaview, October 2021.

Storage

Seaview Bellingham is a private shipyard and manages several properties offering storage. Work yard storage at the site of its 35- and 165-ton lifts are the most expensive rates among shipyards at \$1.50 per foot per day. Seaview offers both indoor and outdoor storage at its Fairhaven property at rates of \$20 per foot per month (indoor) and \$7 per foot per month (outdoor). The indoor rates align with average storage costs calculated in this survey, and its outdoor storage rate is below the median.

Storage rates							
	Size (acres)	Short-term rate	Short-term cost (40')	Short-term cost (60')	Long-term rate	Long-term cost (40')	Long-term cost (60')
Seaview	7	--	--	--	\$1.50/ft per day	\$1,800	\$2,700
Fairhaven (indoor)	--	\$20/ft per month	\$800	\$1,200	--	--	--
Fairhaven (outdoor)	--	\$7/ft per month	\$280	\$420	\$7/ft per month	\$280	\$420

Note: Rates and fees obtained from Seaview, October 2021.

Environmental fees

Assessed at \$3 per foot.

Business lease costs

Seaview declined to provide lease rates for its locations.

Other fees/services

- Electric: \$6 per day (Seaview Bellingham); \$35 per month (Fairhaven storage facilities)
- Wash down: \$4 per foot (Seaview shipyard only)
- Initial set up fee: \$19 per foot (haulout, pressure wash, environmental fee, blocking and launch)
- Bottom paint package: \$41-\$61 per foot for vessels 50' to 80'
- Labor: \$120 per hour
- Clean and power wax hull
- Use of air system and regulator: \$20 per day
- Grove/stiff leg crane: \$200 per hour (minimum 1 hour)
- Forklift: \$150 per hour
- Tarp fee: \$100



Haul out lifts – Seaview Seattle operates 55-ton and 80-ton marine lifts at the rate of \$14 per foot for 40-foot vessels, and \$16 per foot for 60-foot vessels. These rates are above both the average and median cost.

Haul out lift capacity, rates, and costs				
	Capacity (tons)	Cost structure (One way)	Haul out cost (40')	Haul out cost (60')
Seaview	55/80	\$14-\$16	\$560	\$960

Note: Rates obtained from Seaview, October 2021.

Storage – The Port of Seattle Fishermen’s Terminal and Maritime Industrial Center offers long and short-term storage at the rate of \$.50 per square foot per month. Its storage rates are less than half the average cost and below median costs, making it one of the most affordable storage options among shipyards surveyed. Seaview Seattle does not offer storage and instead defers to its Fairhaven location.

Storage rates							
	Size (acres)	Short-term rate	Short-term cost (40')	Short-term cost (60')	Long-term rate	Long-term cost (40')	Long-term cost (60')
Seattle MIC	6	\$.50/sqft per month	\$280	\$540	\$.50/sqft per month	\$280	\$540

Note: Rates and fees obtained from Port of Seattle, October 2021.

Environmental fees – Seaview Seattle assesses environmental fees at \$3 per foot, the same as the rate at its Bellingham shipyard.

Business lease costs –Seattle Seaview declined to discuss lease rates. The Port of Seattle did not respond to a business lease rate request by deadline.

Other fees/services

Seaview:

- Wash down: \$4 per foot
- Bottom paint package: \$41-\$61 per foot for vessels 50' to 80'
- Electric: \$6 per day
- Labor: \$120 per hour
- Clean and power wax hull
- Use of air system and regulator: \$20 per day
- Forklift: \$150 per hour
- Grove/stiff leg crane: \$200 per hour (minimum 1 hour)
- Forklift: \$150 per hour

Port of Seattle:

- Covered storage (\$75 per day)
- Forklift (3 tons): \$65.12 per hour (self-drive); \$111.76 per hour (forklift and operator)
- Hoist-WWall (3 tons): \$65.11 per half hour
- Crane (3/4 ton): \$31.84 per half hour
- Crane-WWall (3 tons): \$111.66 per half hour

Harbormaster Report January 2022

Administration: I would like to welcome Jeff Good as the new full time City Manager. I look forward to working with Jeff on future projects for the Harbor Department.

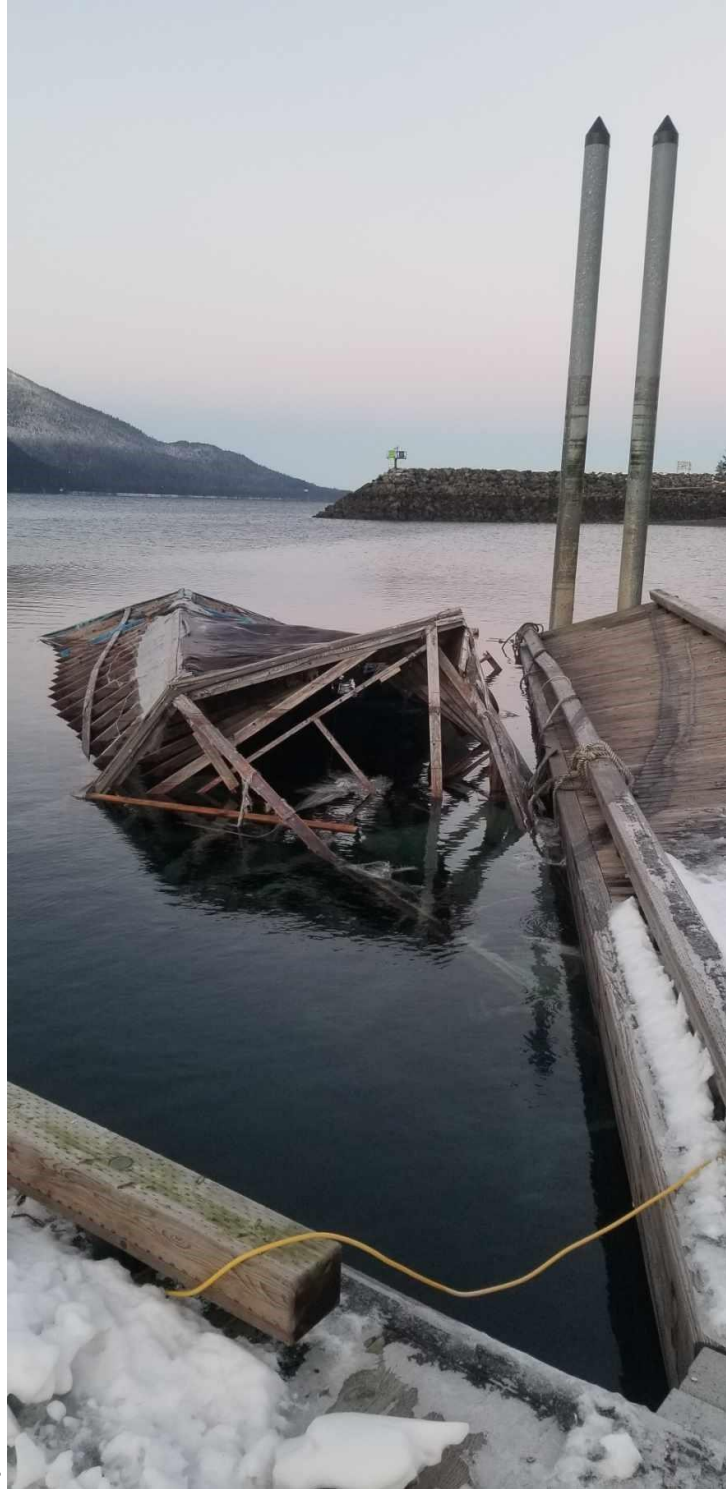
The annual storm water pollution prevention plan report along with all quarterly reports have been submitted to DEC for the Marine service center. This is an online report that includes water sampling and any deficiency's we may find in our mitigation program. These may include drains not working properly or swales that may have moss growing in them and not allowing the water to flow to the drain or even paint that may have been spilled. All of these examples are immediately dealt with and documented in our quarterly reports.

Our Marine Service Center 30-Year Cost – Benefit Analysis is complete. This is a very good tool for us to use to be able to set rates that will ensure our viability into the future. City staff and I will be bringing some new rate structures forward in the very near future.

The Seattle Boat Show will take place February 4nd thru the 12th. This is a very fun show with lots of entertainment value. If you're in Seattle please go say hi to our team that will be representing Wrangell.

Harbor Dept: With the extremely unusual early winter snow and cold we experienced this year the crew has been busy keeping parking lots and docks cleared of snow. We have had to close the Shoemaker Bay restrooms due to the water line that feeds them has frozen in the ground. Our office restrooms have also been affected. The sewer line that is buried also froze and these restrooms are also inoperable.

We had 6 vessels that needed urgent care that almost sunk either from frozen and broken thru hulls or overloaded with snow. We lost one vessel the Bee a 60' tug boat at shoemaker bay. We had to use the services of Alaska commercial Divers due to the size of the vessel. It took 4, 20k lb float bags to get it off bottom enough to get it to the beach. We were lucky as this vessel had no fuel or oils on board. I would like to thank our Harbor Staff for their prompt response to the emergency's we had in the harbor over the last month.



Bee Sinking



Bee Salvage

Bee Salvage



Sea Chest frozen and wet heavy snow overload.



MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE ASSEMBLY
CITY AND BOROUGH OF WRANGELL

FROM: CAROL RUSHMORE, ECONOMIC DEVELOPMENT DIRECTOR

SUBJECT: Economic Development Department December 2021/January 2022

DATE: January 19, 2022

Economic Development:

Grants: Staff have been working on several grants that are due the end of January. The CDBG-CV for the Recreational Facility HVAC updates; FEMA Homeland Security Grant program for: Harbor Security Cameras; Addressing; Standby generator at the Water plant; Stand by generator at the Community Center.

Site control, showing the Borough owned the parcel, had been a very difficult issue to resolve in order to meet eligibility requirements for both CDBG grants to which we are making an application. A title report, working with State land persons, and our own files were not showing the parcel was ever transferred to the City. Surveyor Mike Howell with R&M Engineering provided some handwritten notational information on the old townsite plat and using that Chere Klein with Senator Murkowski's office was contacted for any assistance they might be able to provide. Her contacts with the Congressional Research Center were able to find the Act from 1932 that transferred the parcel to the City of Wrangell. Using that information, we were able to research BLM's website and found more confirmation that the patent was issued to the City. There is no copy of the patent according to BLM. However, Site Control for the High School and Recreational Facility have now been dealt with for the grant purposes.

Southeast Conference: SEC is requesting information on all SE community's transportation projects. They are compiling a list of projects so that once the Infrastructure funds are provided to the State or other agency, they will be in a position to help identify and lobby for community needs. Staff have provided information on 10 projects from our priority CIP list.

CAPSIS: All projects must be entered in detail into the legislative database CAPSIS by end of month. Staff are entering the top 20 Priority CIP projects

Appraisal for former Wrangell Medical Center: The RFQ for appraisal services closes the end of the month. Assembly authorized up to \$30,000 in December for the appraisal. Once the responses are in they will be reviewed for qualifications, timeline to complete and cost.

Institute Property: Staff met with True North Solutions, R&M Engineering and staff from Corps of Engineers and State Historic Preservation Office to discuss the needs, expectations and development of the draft workplan for Phase I archaeological Services. The draft work plan should be available by early February for agency review. Staff compiled copies of documents we have locally on activities at the Institute pertaining to the asbestos and hazardous material clean up. Staff have also been in contact with our Dept. of Interior liaison with BLM regarding the federal investigation. DOI held consultations with any tribe requesting one.

Southeast Alaska Sustainable Strategy: The Borough was notified by the US Forest Service that two of Wrangell's submitted projects had been selected for funding in this first year. We have been told they were the Wild Blueberry Management and a Trails project. I believe that the trails project will be some or all of the additional funding necessary for the Mt. Dewey Trail extension, but that is not 100% confirmed. A project manager will be assigned to Wrangell to develop agreements and contracts.

Planning and Zoning:

GIS Mapping: Updates to the mapping program are beginning. Information on subdivisions and other errors are being sent to our contractor to update the maps.

Entitlement Lands: Back in 2018 the Planning and Zoning Commission and Economic Development Committee began discussions regarding land uses for the entitlement lands. Due to other commitments and COVID, this was put on the back burner. The Commission has begun conversations again and the EDC will take it up beginning in February. From this discussion draft zoning codes will be developed for the areas. Staff has been trying to obtain from DNR survey status of the selected lands but due to staff turnover, request lost etc, to date we have received only one land area patent – St. John's parcel on Zarembo Island. That parcel had been previously surveyed for a timber sale and subdivision. If any of our other selected areas have been surveyed, the patent will transfer to us upon the decision. Otherwise, we will be responsible for a survey prior to the patent being issues. The Borough currently has management authority for the entitlement areas, but cannot sell until the survey is complete and patent received. According to DNR personnel, survey status should be available in February.

Tourism:

Tourism Best Management Practices: The Wrangell CVB has developed a draft TBMP document and had planned to have a public meeting with operators or interested public to discuss and revise but it was postponed due to the COVID outbreak. The tentative new date is February 24. Wrangell CVB developed a draft TBMP document prior to COVID but is now taking this up again for community input and business sign off. The TBMP is modeled after Juneau's which has been in place for over 20 years but tailored specifically for our needs. It is a document that identifies Best Practices for the visitor industry, helps address growth issues, and is a mechanism for the public to comment about infractions or issues of concern that they witness.

Seattle boat show: Staff have been organizing display materials for the booth presentation at the Seattle Boat Show. Last year was virtual show. The show is shared between Port and Harbors and Convention and Visitor Bureau. It is a 10- day show but there are lots of boaters and travelers that attend looking for information about southeast Alaska.

2022 Advertising: Marketing and promotional opportunities for the upcoming season are now available and CVB is determining investment strategies. Travel Guide, State co-operative opportunities, and online banners are being discussed.

M/V Chugach:

Staff participated in a teleconference with the USFS regarding the lease agreement for the siting of the M/V Chugach on the Nolan Center property. Staff are still working out the details of the land lease with the USFS for the site.

CITY & BOROUGH OF WRANGELL, ALASKA

BOROUGH CLERK'S REPORT

SUBMITTED BY: Kim Lane, MMC, Borough Clerk

Upcoming Meetings & Other Informational dates:

Other City Boards/Commissions:

February 2 – Parks & Recreation Advisory Board Mtg. at 5:30 pm in the Assembly Chambers

February 10 - Planning & Zoning Commission Mtg. at 5:30 pm in the Assembly Chambers

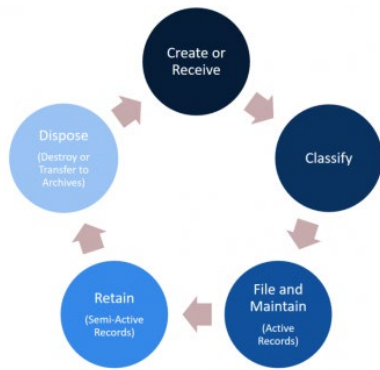
February 24 – CVB Public Meeting at 6:00 pm (Tourism Best Practices)

Community Events:

Meetings and Other events of the Borough Assembly:

February 8 – Regular Borough Assembly Mtg. at 6 pm in the Assembly Chambers

February 22 – Regular Borough Assembly Mtg. at 6 pm in the Assembly Chambers



Records Management

I have identified 40 boxes in the records center that are ready for disposition. I will be pulling those boxes and reviewing them to determine if they should be disposed of.

I have pulled the project files from my files in my office and since I scanned and classified each file after the assembly meeting that it was acted upon, it was an easy process submit them for retention.

I will work with the Finance Department to pull and classify their records that are ready for processing.

Clerk's Vacation

I will be away on vacation from February 10th through February 20th. I plan on compiling and publishing both the Agenda and Packet while I am away.

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	January 25, 2022
	<u>Agenda Section</u>	13

Approval to hire Jeffrey Good as the new Borough Manager and to approve the Borough Manager's Contract, as presented

<p><u>SUBMITTED BY:</u></p> <p>Kim Lane, Borough Clerk</p>	<p><u>FISCAL NOTE:</u></p> <p>Expenditure Required:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border-bottom: 1px solid black;">FY 20: \$</td> <td style="width: 33%; border-bottom: 1px solid black;">FY 21:</td> <td style="width: 33%; border-bottom: 1px solid black;">FY22:</td> </tr> <tr> <td style="height: 15px;"></td> <td></td> <td></td> </tr> </table> <p>Amount Budgeted:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;"></td> <td style="width: 40%; border-bottom: 1px solid black;">FY22 \$0</td> </tr> </table> <p>Account Number(s):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;"></td> <td style="width: 40%; border-bottom: 1px solid black;"></td> </tr> </table> <p>Account Name(s):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;"></td> <td style="width: 40%; border-bottom: 1px solid black;"></td> </tr> </table> <p>Unencumbered Balance(s) (prior to expenditure): See Agenda Statement</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;"></td> <td style="width: 40%; border-bottom: 1px solid black;"></td> </tr> </table>	FY 20: \$	FY 21:	FY22:					FY22 \$0						
FY 20: \$	FY 21:	FY22:													
	FY22 \$0														

<u>Reviews/Approvals/Recommendations</u>	
<input type="checkbox"/>	
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS:

RECOMMENDATION MOTION:

Move to approve hiring Jeffrey Good as the new Borough Manager and to approve the Borough Manager's Contract, as presented.

Clerks Note: If the Assembly wishes to go into Executive Session to discuss this contract before approving it, an Assembly Member may make a motion (after the motion to approve the contract has been made) to "table the main motion until after the Executive Session".

If this does occur, the main motion would then be “tabled” and then after the Executive Session, an assembly member would need to make the following motion **“I move to remove Item 13a from the table to consider it”**. That motion would need to be seconded and voted on before consideration.

SUMMARY STATEMENT:

On January 12, 2022, the Borough Assembly (in Executive Session) interviewed candidates for the Borough Manager’s position.

The Assembly came out of Executive Session and approved moving forward with offering the Borough Manager’s position to one of the candidates and approving assembly members Gilbert and Morrison to make the offer of employment and negotiate the contract.

The Assembly will discuss the proposed Borough Manager’s Contract in Executive Session and then they will come out and may take action to approve it.

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	January 25, 2022
	<u>Agenda Section</u>	13

Approval of the Professional Services Agreement with DOWL for the Design Services for the Water Treatment Plant in the amount of \$1,107,269

<u>SUBMITTED BY:</u>
Jeff Good, Borough Manager

<u>Reviews/Approvals/Recommendations</u>	
<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

<u>FISCAL NOTE:</u>		
Expenditure Required:		
FY 21: \$	FY 22:	FY23: \$
Amount Budgeted:		
	FY22	
Account Number(s):		
	XXXXXX XXX XXXX	
Account Name(s):		
	Enter Text Here	
Unencumbered Balance(s) (prior to expenditure):		
	\$XXX	

ATTACHMENTS: 1. Proposal from DOWL

RECOMMENDATION MOTION:

Move to Approve the Professional Services Agreement with DOWL for the Design Services for the Water Treatment Plant in the amount of \$1,107,269.

SUMMARY STATEMENT:

CBW operates a 1.4 Million Gallon per Day (MGD) Water Treatment Plant (WTP) that uses Ozone, Roughing Filters, and Slow Sand Filters to produce potable water. The facility has experienced significant

issues with all treatment processes that have resulted in the inability to produce the desired flow rate and water quality. As a result, the CBW, in cooperation with the U.S. Department of Agriculture, Rural Development (USDA-RD), and the Economic Development Agency (EDA), has obtained funding for the project which will upgrade and expand the WTP to 2.26 MGD leveraging a Dissolved Air Flotation and Multimedia Filtration Technology as identified by the 2017 Preliminary Engineering Report (PER) authored by CRW Engineering Group LLC and updated in the form of a Tech Memo dated October 29th, 2021 that is still in draft format. For the purposes of developing the fee proposal, DOWL assumes that there will be no significant changes as this Tech Memo is finalized.

The basic performance criteria are listed below:

- 2.26 MGD design treatment capacity
- Comply with EPA surface water treatment regulations
- Allow a single operator to staff the plant for normal plant operations (excludes maintenance activities)
- Achieve an ADEC water treatment system classification of Level 3 or lower
- Produce a treated water that will not adversely affect the water distribution system
- Allow the plant to operate in autonomous state overnight while complying with EPA surface water treatment regulations
- For purposes of development of this document, we have assumed the following process and building improvements/repairs/upgrades will be required:
- Abandonment of the existing Unit Processes (Ozone generation and Roughing Filters). Ozone generation equipment and the roughing filters will be abandoned in place, but not operational. Piping modifications will be made to divert flow around the abandoned equipment.
- Remove the existing Sand Filters and revise the existing concrete structure to act as an expanded Clearwell.
- Modify the Existing Administration Building to remove all piping and process equipment. The building will be converted to electrical, controls, and office space only.
- Temporary Piping (and an associated interim operational plan) for the period of time when existing treatment plant and new treatment plant are both operational.
- New raw water influent booster pumps with bypass piping
- New DAF Packaged System
- New Multimedia Filter Packaged System
- Backwash system control valves (no backwash pump(s))
- Chemical System Upgrades
- 1,300 Linear foot backwash/solids discharge pipe to the existing wastewater treatment plant with an uncontrolled gravity outfall to the intake or surface of the existing lagoon (see Phase 1 and Phase 2 Assumptions/clarifications below)
- New Filtration building (assumed to be 7,000 square feet, pre-engineered metal building)
 - All new chemical injection and storage to be in new Filtration building
 - The building will include several separate, isolated rooms for chemical feed systems, electrical, and mechanical facilities.
- Supporting Yard Piping and Civil/Site Upgrades
- Updated Control Systems with remote access capability
- New back-up power system with automatic transfer switches



January 17, 2022

Ms. Amber Al-Haddad
Capital Facilities Director
City and Borough of Wrangell
P.O. Box 531
Wrangell, AK 99929

Subject: Proposal for Engineering Services- *Revision 2*
City and Borough of Wrangell Water Treatment Plant Improvement Project

Dear Ms. Al-Haddad:

DOWL appreciates the opportunity to work with the City and Borough of Wrangell (CBW) on this important community project to improve the existing water treatment plant.

We have prepared this Scope of Services and Fee Proposal based on the Request for Proposals, the Preliminary Engineering Report and associated Draft Tech Memo, and the CBW January 3, 2022 Scope of Work (SOW). The letter supplements the January 3, 2022 SOW and clarifies assumptions used to generate lump sum fee proposals. In the event of discrepancies between the SOW and this fee proposal letter, this fee proposal shall govern.

Our understanding of the project is that CBW operates a 1.4 Million Gallon per Day (MGD) Water Treatment Plant (WTP) that uses Ozone, Roughing Filters, and Slow Sand Filters to produce potable water. The facility has experienced significant issues with all treatment processes that have resulted in the inability to produce the desired flow rate and water quality. As a result, the CBW, in cooperation with the U.S. Department of Agriculture, Rural Development (USDA-RD), and the Economic Development Agency (EDA), has obtained funding for the project which will upgrade and expand the WTP to 2.26 MGD¹ leveraging a Dissolved Air Flotation and Multimedia Filtration Technology as identified by the 2017 Preliminary Engineering Report (PER) authored by CRW Engineering Group LLC and updated in the form of a Tech Memo dated October 29th, 2021 that is still in draft format. For the purposes of developing this fee proposal, we assume that there will be no significant changes as this Tech Memo is finalized.

The basic performance criteria are listed below:

- 2.26 MGD design treatment capacity
- Comply with EPA surface water treatment regulations
- Allow a single operator to staff the plant for normal plant operations (excludes maintenance activities)
- Achieve an ADEC water treatment system classification of Level 3 or lower

¹ Per updated PER, page 2, Table 1. Instantaneous maximum filtration rates will depend on final selected equipment configuration. The PER includes attachments from Suez Water that indicate a design flow of 2.287 MGD (1,588 gpm average over 24 hours). Instantaneous influent flows would be 2,382 for a three skid system or 3,176 gpm for a two skid system. Exact values may change; however, the final design will be capable of no less than 2.261 million gallons in a 24-hour period.

- Produce a treated water that will not adversely affect the water distribution system
- Allow the plant to operate in autonomous state overnight while complying with EPA surface water treatment regulations

For purposes of development of this document, we have assumed the following process and building improvements/repairs/upgrades will be required:

- Abandonment of the existing Unit Processes (Ozone generation and Roughing Filters). Ozone generation equipment and the roughing filters will be abandoned in place, but not operational. Piping modifications will be made to divert flow around the abandoned equipment.
- Remove the existing Sand Filters and revise the existing concrete structure to act as an expanded Clearwell.
- Modify the Existing Administration Building to remove all piping and process equipment. The building will be converted to electrical, controls, and office space only.
- Temporary Piping (and an associated interim operational plan) for the period of time when existing treatment plant and new treatment plant are both operational.
- New raw water influent booster pumps with bypass piping
- New DAF Packaged System
- New Multimedia Filter Packaged System
- Backwash system control valves (no backwash pump(s))
- Chemical System Upgrades
- 1,300 Linear foot backwash/solids discharge pipe to the existing wastewater treatment plant with an uncontrolled gravity outfall to the intake or surface of the existing lagoon (see Phase 1 and Phase 2 Assumptions/clarifications below)
- New Filtration building (assumed to be 7,000 square feet, pre-engineered metal building)
 - All new chemical injection and storage to be in new Filtration building
 - The building will include several separate, isolated rooms for chemical feed systems, electrical, and mechanical facilities.
- Supporting Yard Piping and Civil/Site Upgrades
- Updated Control Systems with remote access capability
- New back-up power system with automatic transfer switches

The following sections explain the anticipated scope of work, outlines key assumptions that were used to generate a fee proposal, and outline our proposed fee and schedule.

SCOPE OF WORK

Our design team, as presented in our proposal, has not changed. Chase Nelson, P.E., will be the primary point of contact, reporting directly to Amber Al-Haddad. Other communications with other project team members will be encouraged and required but for matters involving scope of work, budget, and schedule, Chase and Amber will be the project leaders on our respective sides.

For all design phases, DOWL will set up a recurring project progress meeting. The recurrence will be once every two weeks. Key design team members and key CBW staff (including a representative from WTP operations) should be involved.

Our services will be broken into the following phases which align with our understanding of your needs and are based off our proposal.

Phase 1A- 35% Design

The project team, including Chase Nelson, Stephan Bradley, one Stanley Mechanical Engineer, one Stanley Architect, and Blake Ryder, will travel to Wrangell during the development of the 35% design to visit the project site and host a workshop with CBW staff (Operators, Public Works Director, Capital Facilities Director) and with CBW Assembly members per direction from the Capital Facilities Director.

This phase will include development of the equipment selection bidding documents for use in selection of the DAF and multi-media filtration systems. The DOWL team will prepare the following:

- Design basis, such as anticipated influent water quality, treated water quality requirements, and required treatment flow rates
- A detailed scope of supply for all tanks, valves, pumps/blowers, instrumentation, and controls that are to be provided with the packaged system
- Required technical support and startup assistance, warranty information, and basis for estimation of operations and maintenance costs of the proposed equipment

CBW will prepare the procurement document which will include the DOWL provided information, and the CBW provided bid evaluation criteria and weighting, payment schedules, expected project schedule for provision of the necessary shop drawings, details for the proposed contracting procedures, and requirements for coordination with the general contractor. Upon joint approval of the equipment procurement document, the document will be advertised for bids for a minimum of four (4) weeks. The CBW team will facilitate bidding, evaluate the non-technical part of the bids received, and work with DOWL to complete the selection, and award to the selected vendor. CBW will not purchase the equipment, but payment to the selected vendor for completion of the necessary shop drawings is anticipated if funding agencies will allow this approach. The final equipment procurement will be the responsibility of the general contractor, and the base equipment price from the selected vendor will be included on the bid form used for bidding the overall project.

In support of the 35% design, we propose completing Phase 1B and 1C simultaneously. The information gathered in these phases will help support the 35% design in the following ways:

- Provide precise building dimensions and locations for understanding the impacts of the site development
- Provide recommendations that influence the building foundation design.

Similarly, once the equipment is selected, portions of the 65% design can be initiated while the vendor shop drawings are in process.

Along with the equipment pre-procurement documents, the 35% deliverables will include a 35% level cost estimate and the drawings shown in the proposed Sheet Index at this level. Please see Attachment 2.

Phase 1B- Survey

DOWL surveyors will travel from Ketchikan and Juneau to perform a site survey of the existing water plant and pipeline route to the wastewater treatment facility. While on-site we will also perform a 3D building scan of existing roughing filter building, and the piping gallery inside the slow sand filter building. Our 3D scanning work will be limited to two sites. DOWL will survey a 100' wide corridor to the wastewater treatment plant, based on the most direct path.

We will require support from CBW operations and maintenance personnel with historical knowledge of the site. This will allow our survey team to better capture below grade features not easily identified from the surface.

Our survey work will conclude in a design topographic base-map, and a survey control drawing in support of the latter design phases.

Phase 1C- Geotechnical Investigations

Based on the regional geology and previous geotechnical explorations in the general vicinity of your project site, the scope of our geotechnical exploration is based on the assumption the site soils consist of glacial deposits in the form of sands, silty sands, and silty sand with gravel over bedrock. The bedrock appears to range from 5.5 feet to greater than 20 feet below the ground surface. Groundwater depths range from 8 to 26 feet below the ground surface.

We propose to initiate the project with a site visit that will include a reconnaissance of the project area to inspect and assess the existing slope south of the Roughing Filter building. Immediately following the site visit, we will excavate test pits to observe the subsurface conditions. Based on the anticipated conditions, we propose to excavate up to four test pits; two test pits within the footprint of the planned building expansion and two in the surrounding area to identify depth to bedrock. The test pits will be logged and sampled by a DOWL geologist/engineer.

Grab samples will be collected from representative layers observed in the test pits and selected samples recovered will be tested by our laboratory testing partner to classify the soils and to determine their basic engineering properties. The specific testing program will depend on the soil conditions and the samples recovered, but will typically include water content, particle-size analyses, and Atterberg limits.

The findings of the field and laboratory testing will be analyzed and interpreted, and a letter report will be issued that presents the data obtained from the field exploration and laboratory testing, our analysis and interpretation of the data, recommended geotechnical design parameters for the foundation for the building expansion, and recommendations for associated construction earthwork and construction inspection and testing.

Phase 2A- 65% Design

The next phase of design can proceed based upon the equipment selected in Phase 1. Once final shop drawings are received, revised as needed and approved, all aspects of the design can move forward, including building structural and architectural, site civil, process mechanical, building mechanical, electrical and instrumentation and control.

The 65% design documents will include plans, specifications, and an engineer's estimate. Please refer to Attachment 2 for a projected sheet index (for the 35%, 65%, 95%, and IFC levels).

After issuing the 65% design package, we will travel to Wrangell for a workshop/presentation. This will be the only time the design team is in Wrangell during the design development. All other workshops/meetings will be virtual.

Phase 2B- 95% Design

The design team will review and respond to all written comments on the 65% design documents. Comment responses will be issued in written format and will accompany the 95% engineering drawings and specifications.

At the completion of the 95% design package, we will seek Alaska Department of Environmental Conservation (ADEC) Approval to Construct and State of Alaska Fire Marshal Approvals. We will set up a pre-application meeting with ADEC to brief them on design criteria and project specifics in an attempt to expedite the project review.

Phase 2C- Issued for Construction (IFC) Documents

With the following items in hand, the DOWL team will revise the 95% documents and prepare IFC documents. We will not complete the IFC documents without the items below.

- ADEC Approval to Construct
- SOA Fire Marshal Review Comments / Approval
- Review comments from CBW on 95% design

The IFC Documents will include:

- Engineering Plans
- Specifications
- Final Engineers Estimate

Phase 3A- Bidding Assistance

Following CBW assembly approval and funding agency authorization to bid, DOWL will assist with the bidding process. We will:

- Prepare EJCDC contract documents to include with the Invitation to Bid

- Prepare and issue newspaper ads for the Juneau Empire and Anchorage Daily News
- Manage a list of bidders
- Issue Addenda based on bidder questions
- Host a pre-bid conference in Wrangell with CBW staff in attendance. Distribute meeting minutes following conference.
- Prepare documents for CBW staff to use at bid opening
- Bid opening would be held in Wrangell, by CBW staff, DOWL would attend virtually but not have a role other than presence as the Engineer.
- Assist with bid evaluation and make a recommendation to CBW on construction contract award.

Phase 3B - Construction Administration (CA)

CA services are broken down into three distinct areas of work – preliminary activities, construction administration, and project close-out. DOWL's scope that will be performed under each of these phases is as follows:

Preliminary Activities

Upon completion of the bidding phase, these services will begin as negotiations with the contractor commence and as they receive their NTP for construction. These services will include:

- Establish communication with the construction contractor and become the main point-of-contact with the contractor.
- Prepare for and setup DOWL's submittal management system for full management of the contractor and design submittal process.
- Quality Control and other initial contractor oversight.
- Host preconstruction meeting.
- Initial review of contractor submitted work plan, safety plan, and stormwater pollution prevention plan (SWPPP).

Preliminary activities will end once the contractor mobilizes to Wrangell for the start of construction activities.

Construction Administration

Upon completion of preliminary activities, DOWL will commence construction oversight and will provide the following services while working with the Resident Project Representative (RPR) appointed by CBW:

- Manage the submittal process of vendor provided details to verify compliance with the design drawings and specifications.
- Oversee and manage the request for information (RFI) process.
- Review and manage construction scope change (requests for change order proposal, and development and execution of change orders).
- Document pre-construction conditions.

- Log daily construction observation reports provided by the RPR, documenting on-site observations, construction progress, and deviations from plans and specifications.
- Host regular (every other week) construction progress meetings with the construction contractor, the CBW, DOWL, the RPR, and other project stakeholders. Funding agencies would be invited to attend.
- Host two oral presentations (for Assembly) that communicate the status of construction, challenges and schedule. Presentations will be completed in conjunction with an inspection or held virtually.
- Review and recommend payment for contractor submitted pay applications.
- Log RPR's reports on contractor's compliance with the reviewed and approved work plan, safety plan, and contractor's quality assurance plans.
- Log RPR's reports on required special inspections, such as earthwork and density testing, concrete testing, welding, and bolt tightening requirements.
- Logging RPR's reports of monitoring and inspection of erosion and sediment control best management practices per the SWPPP.
- All designers that are an Engineer of Record (EOR) on any specific piece of work will inspect the work once during construction.

Project Close-out

Project Close-out services begin upon contractor achieving substantial completion. DOWL responsibilities include:

- Preparation of close-out documents.
- Record drawings.
- Substantial Completion Inspection in coordination with commissioning. Commissioning will include the following team members on-site.
 - Chase Nelson
 - Stephan Bradley
 - Blake Ryder
 - Patrick Haney
 - Electrical Engineer
- Coordination with the Department of Environmental Conservation (DEC) and the CBW.
 - Upon completion of the on-site construction, we will facilitate the production of record drawings and produce all closeout documentation required by the contract.
- Final Completion Inspection will be performed by Chase Nelson or designated representative.
- The RPR will collect all installation and operation manuals as equipment arrives on site and forward same to DOWL. Using these, DOWL will prepare an operations and maintenance manual.

Phase 3C – Resident Project Representative (RPR)

We are not including scope of work or a proposed budget for an RPR. We assume that CBW will provide a qualified representative, approved by the funding agencies, and that our team will work with

that person. DOWL can provide a qualified RPR if requested. CBW is taking on risk by having an employee have on-site quality control responsibilities.

Assumptions and Clarifications

The single biggest assumption that was used to develop this scope and fee is as follows:

The recommended alternative from the PER is the alternative that will be fully designed and constructed.

The DOWL team has used the attached Process Flow Schematic and the attached Site Schematic for basis of design and fee development.

Beyond this overarching assumption, we have made the following additional assumptions and clarifications.

Phase 1 and Phase 2 Assumptions / Clarifications

- DOWL will not be involved with grant reporting and grant management. Funding agency coordination is a CBW responsibility. DOWL will provide narrative for quarterly reports for CBW use.
- We assume the Environmental Report is approved and accurate and therefore was reviewed to determine which, if any, environmental permits are required that have not already been obtained. None were found therefore our scope of services assumes no environmental permits are required.
- No archeological monitoring or additional cultural resources work will be required.
- The PER and Tech Memo indicate the wastewater treatment plant has capacity to accept discharge water from the water treatment processes. Our scope of work does not include any evaluation of the existing wastewater treatment plant or design of modifications to the existing headworks facilities.
- We assume that the backwash will originate from the existing above ground storage tanks. Our Scope of Work does not include engineering of backwash pumps or a backwash tank.
- Specifications will be provided in CSI Format.
- Bid and construction documents will be EJCDC.
- ADEC and SOA Fire Marshal review fees will be paid directly by CBW.
- This project does not require an ADEC Wastewater Approval to Construct.
- Phase 2 services will not advance without written confirmation from CBW that the 35% design is accepted.

The scope of work and fee is based on the anticipated soil conditions and the following assumptions. If you have any additional information regarding the site conditions, if you would like the scope

expanded, or if any of the assumptions are incorrect, please contact DOWL so the scope and fee can be revised accordingly.

- The client will assist with legal entry and access onto the site for DOWL to perform the exploration.
- A utility locate will be submitted through 811, however, the client/owner will provide a site contact to locate on-site utilities.
- CBW will provide equipment and an operator to excavate test pits at no cost to DOWL.
- Locating test pits with a handheld GPS or by measuring with a cloth tape from existing site features is sufficiently accurate for the purposes of this exploration.
- The field investigation is anticipated to be completed during late winter/early spring 2022.
- Backfilling the test pits with excavated material to the ground surface before leaving the site will be sufficient.
- No environmental testing will be performed as part of the geotechnical exploration.

Phase 3 Assumptions and Clarifications

- Newspaper ads would be paid directly by CBW.
- DOWL has not included a RPR or associated fees in our proposal. DOWL will coordinate with the City provided RPR and document all field conditions as the project progresses.
- Chase Nelson or a designated representative will visit Wrangell once each month to inspect the work as the design team leader.
- The basis of our fees includes processing 150 submittals, 50 requests for information (RFIs), 10 change orders and 8 pay applications.
- DOWL will participate in person for the substantial and final completion inspections.
- DOWL used projected 2022 staff rates due to this work occurring in 2022.
- Scope or assumption changes or extended schedule may result in renegotiation of fees.
- CBW will provide a vehicle or transportation for designer site visits. CBW will also provide office/working space for DOWL team members when in Wrangell.
- DOWL will log all test results required and provided by the contractor. DOWL or our contracted subconsultants/vendors will provide necessary concrete testing for quality assurance. We have assumed \$10,000 for concrete testing for the pouring of the at-grade slab. Additional testing required beyond this value or number of tests will require additional fee. We are not including fee for additional specialty inspections, we assume these are the responsibility of the Contractor.

Control panel programming can be added as a Construction Administration service, or as an addition to the Construction Contract. For planning purposes, RMC has proposed a fee of approximately \$60,000 if we are to use their services. This can be added to our contract if desired. It is currently excluded because programming is considered part of construction phase work.

As stated, DOWL can provide a qualified RPR, if requested. Fees for this service are not included. Based on RPR services on other treatment plants with similar funding arrangements, fees would be in the \$50,000/construction month.

DELIVERABLES

Phase 1 and 2 Deliverables

- 35% Design documents
- Technical data to support procurement activities
- Design basemap and Survey Control Sheets
- Geotechnical Recommendations Letter Report
- 65%, 95% and IFC Construction Documents
 - Including Plans, Specifications, and Estimates (the estimates will be delivered two weeks after the Plans and Specifications)
- Approvals to Construct (Alaska Department of Environmental Conservation and SOA Fire Marshal)
- Bid Documents (contract documents)- EJCDC Construction Contract Format

Phase 3 Deliverables

- Submittal reviews
- RFI reviews
- Pay Application reviews
- Change Order Proposal Reviews
- Meeting Minutes (every other week, DOWL lead)
- Record drawings
- ADEC Interim and Final Approvals to Operate (excluding application fees)
- Construction Inspection Reports when DOWL team members inspect
- Substantial and Final Completion Inspection Reports
- Punchlist

SCHEDULE

Per the January 3, 2022 Scope of Work, we understand CBW wishes to complete design service in calendar year 2022. The DOWL team is committed to advancing the design as quickly as possible, without compromising quality. Many things are not in DOWL's control including:

- Equipment procurement process must be complete in the 35% design phase without advancing
 - Legal and agency reviews are out of our control
 - Procurement process is being administered by CBW
- ADEC Plan Review Timeframes
- SOA Fire Marshal Review Timeframes
- CBW and Funding Agency Review Timeframes
- Covid-19 impacts to supply chains and equipment manufacturer availability and travel abilities

We anticipate the following Timeframes for each activity. Following the execution of a contract, DOWL will immediately prepare a project schedule. We have not included review timeframes and are not including actual dates because of the ambiguity in when Notice To Proceed will be granted.

Table 1: Proposed Timeframes

Design Activity	Timeframe
1A- 35% Design, 1B Survey, 1C Geotechnical	10 Weeks
2A- 65% Design	12 Weeks
2B- 95% Design	6 Weeks
2C- IFC Documents	4 Weeks
<i>Total Design Time</i>	<i>32 Weeks</i>

FEE PROPOSAL

In response to the RFP, the January 3, 2022 Scope of Work, and subsequent conversations and clarifying documents, we have prepared a lump sum fee for Phase 1 and 2. Contrary to the January 3, 2022 Scope of Work, we propose a separate Task for bidding under Phase 3 services which as an entire phase would be executed on a Time and Materials basis. Our fees have been developed using the proposed sheet index (Attachment 2).

Table 2: Proposed Fee

Phase	Proposed Fee
1A- 35% Design	\$285,768
1B- Survey	\$23,130
1C- Geotechnical Investigations	\$23,483
<i>Phase 1 Total</i>	<i>\$332,281</i>
2A- 65% Design	\$366,876
2B- 95% Design	\$294,359

Phase	Proposed Fee
2C- IFC Design	\$93,375
<i>Phase 2 Total</i>	<i>\$754,609</i>
3A- Bidding Assistance (T&M)	\$20,379
3B- Construction Administration (T&M)	\$449,902
3C- Resident Project Representative (not included, can be added by amendment)	-
<i>Phase 3 Total</i>	<i>\$470,281</i>
GRAND TOTAL	\$1,557,272

For a more detailed breakdown of the fee allocation between DOWL and approved subconsultants please see Attachments 3 and 4.

CONCLUSION

We understand time is of the essence and the DOWL team is ready to begin work immediately. We are grateful for CBW's perseverance in trying to make this project a reality and we stand by to be your partners in making it a success.

Please do not hesitate to contact us with questions.

Sincerely,
DOWL

**Stewart
Osgood** Digitally signed by
Stewart Osgood
Date: 2022.01.17
14:41:52 -07'00'

Stewart G. Osgood, P.E.
President and CEO



Chase A. Nelson, P.E.
Project Manager

Attachment 1: Proposed Process Flow Diagram

Attachment 2: Proposed Sheet Index

Attachment 3: Fee Proposal Breakdown

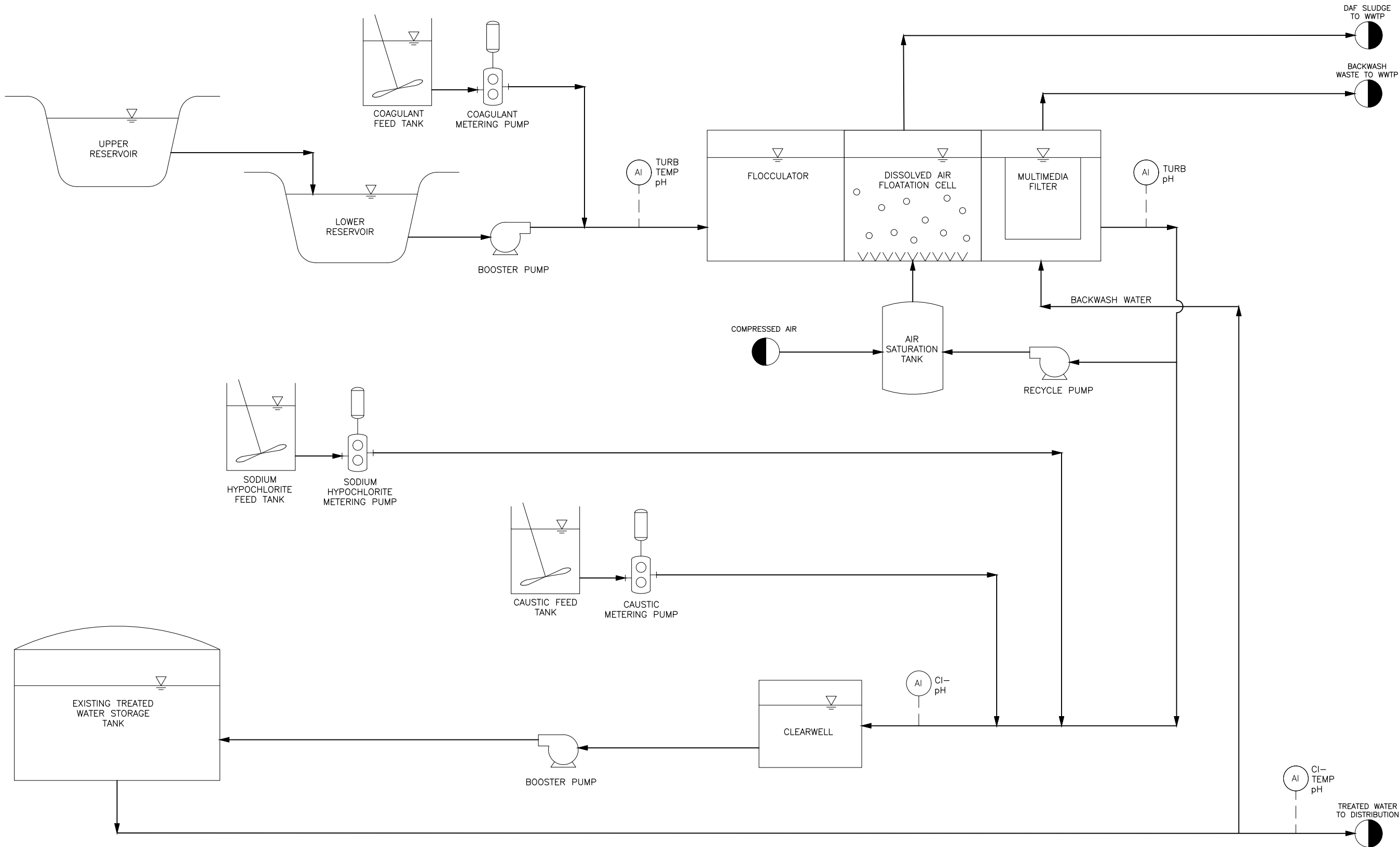
Attachment 4: Sub-consultant Fee Proposals

Attachment 6: CBW SOW January 3, 2022


Attachment 7: Revised EJCDC Agreement- To Be Included

Exhibit A-1 Attachment 1
DOWL Proposed Process Flow Diagram

\\gplatt\desktop\Wrangell WTP\Proposal\PID DWG\PIB-GN-WA-PFD-PROPOSAL.dwg PLOT DATE 2022-1-5 10:32 SAVED DATE 2022-01-05 10:32 USER: gplatt



REVISIONS		BY	DATE	DESCRIPTION
REV	Δ			
Item b.				

**DOWL**
AECL848
www.dowl.com

3535 College Road, #100
Fairbanks, Alaska 99709
907-374-0275

WRANGELL WATER TREATMENT PLANT IMPROVEMENTS
WRANGELL, ALASKA

BLOCK FLOW DIAGRAM

SEC. 31; TOWNSHIP 62S; RANGE 84E
CITY AND BOROUGH OF WRANGELL, ALASKA

PRELIMINARY CONCEPT

Exhibit A-1 Attachment 2
DOWL Proposed Sheet Index

Wrangell Water Treatment Plant Improvements
Attachment 2 to Exhibit A1 - Estimated Construction Drawing Sheet List

Sheet Number	Sheet Name	Equivalent Sheet	35%	65%	95%	IFC
General						
TBD	Title sheet	0.25	x	x	x	x
TBD	Sheet index I	0.5	x	x	x	x
TBD	Sheet index II	0.5	x	x	x	x
TBD	General Notes	1	x	x	x	x
TBD	General Legend and Abbreviations	1	x	x	x	x
TBD	Process Flow diagram	1	x	x	x	x
TBD	Hydraulic Profile	1	x	x	x	x
TBD	Construction Sequencing Plan	2		x	x	x
General Subtotal:		7.25				
Demolition						
TBD	Site Demolition Plan	0.5	x	x	x	x
TBD	Existing Admin. Building	1	x	x	x	x
TBD	Roughing Filters	3	x	x	x	x
TBD	Sand Filters	2	x	x	x	x
Demo Subtotal:		6.5				
Civil						
TBD	Civil Legend	0.5	x	x	x	x
TBD	Survey Control Plan	1	x	x	x	x
TBD	Site Topographical Map	1	x	x	x	x
TBD	Geotechnical Investigations Plan	1	x	x	x	x
TBD	Existing Site plan	1	x	x	x	x
TBD	Proposed Site plan	1	x	x	x	x
TBD	Proposed Site Cut & Fill Plans and Details	2		x	x	x
TBD	Site Paving, Grading, and Drainage Plan	1		x	x	x
TBD	Site Piping Plan	1		x	x	x
TBD	Waste piping to WWTP - Plan	1	x	x	x	x
TBD	Waste piping to WWTP - Profiles	2		x	x	x
TBD	Civil details	2		x	x	x
Civil Subtotal:		14.5				
Structural						
TBD	Structural Notes	0.5	x	x	x	x
TBD	Structural Details	2		x	x	x
TBD	Foundation Plans	2	x	x	x	x
TBD	Foundation Sections and Details	1		x	x	x
TBD	Misc Structural Rehab Plan	3	x	x	x	x
TBD	Clearwell Structural Rehab Plan & Section	2		x	x	x
TBD	Clearwell Structural Rehab Details	1		x	x	x
TBD	Elevated Platform Plans & Sections	1		x	x	x
TBD	Elevated Platform Sections & Details	1		x	x	x
TBD	Elevated Platform Details	1		x	x	x
TBD	Misc. Structural Rehab Details	1		x	x	x
Structural Subtotal:		15.5				
Architectural						
TBD	Architectural Abbreviations, Indication of Materials, and Symbols	0.5	x	x	x	x
TBD	Structure designation plans	1		x	x	x
TBD	Mechanical Building Finishes and Details	1		x	x	x
TBD	Treatment Building Code Analysis & Egress Plan	1		x	x	x
TBD	Treatment Building Overall Floor Plan	1	x	x	x	x
TBD	Treatment Building Roof Plan	1		x	x	x
TBD	Treatment Building Elevations I	1	x	x	x	x
TBD	Treatment Building Elevations II	1		x	x	x
TBD	Treatment Building Door and Room Finish Schedules	2			x	x
Architectural Subtotal:		9.5				
Process Mechanical						
TBD	Process abbreviations, general notes, and symbols	0.5	x	x	x	x
TBD	Process - Instrument List	2		x	x	x
TBD	Process - Valve List	1		x	x	x
TBD	Process - Equipment List	1		x	x	x
TBD	Process - Misc. Details	2		x	x	x
TBD	Process - Piping & Instrumentation Diagrams	6	x	x	x	x
TBD	Coagulant Injection System P&ID	1	x	x	x	x
TBD	Sodium Hypochlorite P&ID	1	x	x	x	x
TBD	Caustic and Orthophosphate P&ID	1	x	x	x	x
TBD	Instrument Details	1		x	x	x
TBD	Pretreatment/DAF Area Plan	1	x	x	x	x
TBD	Pretreatment/DAF Area Sections	1		x	x	x
TBD	Pretreatment/DAF Area Sections	1		x	x	x
TBD	Pretreatment/DAF Areas Section and Details	1		x	x	x
TBD	Filtration System Plan	1	x	x	x	x
TBD	Filtration System Sections and Details	2		x	x	x
TBD	Filter Air Scour Blower Interconnecting Piping Plans & Sections	2		x	x	x
TBD	Raw Water Inlet and Booster Pump Plans and Sections	1	x	x	x	x
TBD	Treatment Chemical Storage Area Plan	1	x	x	x	x
TBD	Disinfection System Plan & Sections	1		x	x	x
TBD	Chemical Storage Areas Sections	1		x	x	x
TBD	Chemical Storage Area Details	1		x	x	x
TBD	Clearwell Plans & Sections	2	x	x	x	x
TBD	Temporary Start-up / Switch-over site piping plan & details	2		x	x	x

		Process Subtotal:	34.5			
Building Mechanical						
TBD	Mechanical cover sheet and notes	0.5	x	x	x	x
TBD	Mechanical details	0.5		x	x	x
TBD	Schedules	1		x	x	x
TBD	Administration Building Mechanical Plan	1	x	x	x	x
TBD	Administration Building Mechanical Sections	1		x	x	x
TBD	Administration Building HVAC	1		x	x	x
TBD	Main Treatment Area Mechanical Plan	1	x	x	x	x
TBD	Main Treatment Area Sections and Details	2		x	x	x
TBD	Building plumbing plans and details	5		x	x	x
TBD	Fire Protection Plan & Details	2		x	x	x
		Building Mechanical Subtotal:	15			
I&C						
TBD	I&C Abbreviations General Notes, & Symbols	0.5	x	x	x	x
TBD	SCADA block diagram	1	x	x	x	x
TBD	SCADA Network Architecture	1		x	x	x
TBD	Instrument Schematics	3		x	x	x
TBD	DAF System Controls Integration	1		x	x	x
TBD	Filtration System Controls Integration	1		x	x	x
TBD	P&ID Support for controls development	4		x	x	x
TBD	Instrument Connection Details	2		x	x	x
TBD	Chemical Feed Pumps Connection Details	1		x	x	x
		I&C Subtotal:	14.5			
Electrical						
TBD	Electrical Abbreviations, General Notes, & Symbols	0.5	x	x	x	x
TBD	Electrical Demolition Plan	1		x	x	x
TBD	Electrical Temporary Power Plan	0.5		x	x	x
TBD	Electrical Details	1		x	x	x
TBD	Electrical One-Line Diagrams	3	x	x	x	x
TBD	Electrical Panel Schedules	4			x	x
TBD	Electrical Site Plan	1	x	x	x	x
TBD	Admin Building Power Plan	2		x	x	x
TBD	Treatment Building Power Plan	3		x	x	x
TBD	Treatment Area Lighting Plan	1		x	x	x
TBD	Hazardous Location Plans	1		x	x	x
TBD	Grounding/Lightning Protection Plan I	1		x	x	x
TBD	Back-up Generator/ATS One-lines	2		x	x	x
		21				
			Total Equivalent Sheet Count:	138.25		

Exhibit A-1 Attachment 3
DOWL Fee Proposal Breakdown

PRICE PER TASK SUMMARY

FIRM: DOWL			PROJECT TITLE: Wrangell Water Treatment Plant Improvements			DATE: 1/11/2022	
			TOTAL FEE**:			\$1,557,272	
GROUP	TASK	TASK DESCRIPTION	LABOR (or FP)	EXPENSES	FIRM'S TOTAL PRICE	*SUB- CONTRACTS	PRICE PLUS SUBS
1A		35% Design	\$81,210	\$9,932	\$91,142	\$194,626	\$285,768
1B		Survey	\$17,030	\$6,100	\$23,130	\$0	\$23,130
1C		Geotechnical Investigations	\$19,585	\$2,706	\$22,291	\$1,192	\$23,483
Phase 1 Total							\$332,381
2A		65% Design	\$174,300	\$12,994	\$187,294	\$179,582	\$366,876
2B		95% Design	\$132,770	\$9,020	\$141,790	\$152,569	\$294,359
2C		Issued For Construction Documents	\$40,400	\$0	\$40,400	\$52,975	\$93,375
Phase 2 Total							\$754,609
3A		Bidding Assistance	\$19,255	\$1,124	\$20,379	\$0	\$20,379
3B		Construction Administration	\$215,175	\$10,180	\$226,373	\$223,529	\$449,902
Phase 3 Total							\$470,281
*Subcontractors for negotiated professional or technical services, products, etc. (Commodity items available to the general public at market prices, equipment use, and unit priced items are generally included in estimate as expenses.)							
ESTIMATED TOTALS			LABOR (or FP)	EXPENSES	FIRM'S TOTAL PRICE	*SUB- CONTRACTS	PRICE PLUS SUBS
FOR FIRM:			\$699,725	\$52,056	\$752,799	\$804,473	\$1,557,272

COST ESTIMATE PER TASK													
FIRM: DOWL				PROJECT TITLE: Wrangell Water Treatment Plant Improvements									
TASK NO: 1		TASK DESCRIPTION: 35% Design										DATE: 1/3/2022	
GROUP: A		METHOD OF PAYMENT: FP <input checked="" type="checkbox"/> FPPE <input type="checkbox"/> T&E <input type="checkbox"/> CPFI <input type="checkbox"/> PREPARED BY: C. Nelson											
SUB-TASK NO.	SUB-TASK DESCRIPTION	PM (Eng VII) C. Nelson	Water Eng (VII)- S. Bradley	Design Eng- Eng III D. Wheeler	Design Eng II - G. Platt	Admin/Invoiving S. Ballon	QC (Eng IX) K. Johnson	CAD Support (Eng Tech II)	Struct (Eng VIII) - M. Mettler	Design (Eng I) V. Gates	Struct QC (Eng X) - B. Wardell	Sr Review (Eng IX) N. Robertso n	Total
	Project Management/Coordination	8	4			4							16
	Kick Off Meeting (Internal))	4	4	2	2		2	2	2	2			20
	Four virtual project meetings	8	4	4	4			4	4	4			32
													0
	Wrangell Workshop (two days+ travel)	32	32										64
	General Design Drawings	4	8	8	20			20					60
	Demo Drawings	8	2	2	2			16	8	16			54
	Civil Site Drawings	8	24	40				40					112
	Structural Drawings	8							24	40			72
	Process Mechanical Drawings	6	24	40	40			40					150
	Design Basis / Eng. Report Document	8	8	8					8	8			40
	DAF Procurement Process	16	40										56
	Quality Control	2	2	2	2		20				4	2	34
TOTAL LABOR HOURS		112	152	106	70	4	22	122	46	70	4	2	710
* LABOR RATES (\$/HR)		\$195.00	\$195.00	\$150.00	\$130.00	\$110.00	\$195.00	\$105.00	\$215.00	\$120.00	\$255.00	\$225.00	
LABOR COSTS (\$)		\$21,840.00	\$29,640.00	\$15,900.00	\$9,100.00	\$440.00	\$4,290.00	\$12,810.00	\$9,890.00	\$8,400.00	\$1,020.00	\$450.00	\$113,780
SUB-TASK NO.	ITEM(S)	QUANTITY	TOTAL PRICE	<div>COMMENTS: -One Workshop in Wrangell. Two day site visit. No travel delays. -For purposes of fee development, recommended alternative from PER is assumed to be recommended alternative carried through to design- including DAF pretreatment, elimination of Ozone, all solid/reject water will be sent to wastewater plant, limited demolition of the existing roughing filter building. -No environmental assessment required. -Workshop in Wrangell will include one assembly work session.</div>									
	Billings- Wrangell	1	\$1,000.00										
	Anchorage- Wrangell	1	\$600.00										
	Parking/Vehicle Rental	2	\$200.00										
	Lodging	2	\$300.00										
	Per Diem	4	\$432.00										
	Estimations Inc.	1	\$7,400.00										
TOTAL				\$9,932.00	FIRM'S TOTAL COST OF LABOR (or Fixed Price):		\$81,210						
					FIRM'S TOTAL EXPENSES (+10% markup)		\$9,932						
SUB-CONTRACTORS: Firm Initials and Price Per Task					FIRM'S TOTAL COST (no Subcontracts or Fee)		\$91,142						
FIRM:	RMC	Stanley				TOTAL SUBCONTRACTOR PRICES (with 5% Mark-Up):		\$194,626					
AMOUNT:	\$45,360	\$131,573				FIRM's TOTAL COST		\$285,768					

Item b.

COST ESTIMATE PER TASK														
FIRM: DOWL				PROJECT TITLE: Wrangell Water Treatment Plant Improvements										
TASK NO. 1		TASK DESCRIPTION: Geotechnical Investigations											DATE: 1/3/2022	
GROUP C		METHOD OF PAYMENT: FP <input checked="" type="checkbox"/> FPPE <input type="checkbox"/> T&E <input type="checkbox"/> CPFF <input type="checkbox"/>						PREPARED BY: CAN						
SUB-TASK NO.	SUB-TASK DESCRIPTION		LABOR HOURS PER JOB CLASSIFICATION											
			Project Manager C. Nelson	Task Manager K. Nutter	Senior Geotech J. Holland	Staff Geo/Eng M. Blakeslee	GIS/CAD T. Jameson	Accounting S. Ballon						TOTAL
	Project Management		2	4				1						7
	Coordination/Meetings		1		2	2								5
	Geotechnical Research					4								4
	Safety Planning					2								2
	Utility Locates/Permits					6								6
	Mobilization/Demobilization					8								8
	Travel					16								16
	Test Pit Logging/Site Reconnaissance				2	12								14
	Laboratory Testing				1	4								5
	Geotechnical Analysis				8	14								22
	Report Preparation				8	14	4							26
	QC/Peer Review		2	4	4									10
	Geotechnical Support During Design				6									6
														0
														0
														0
														0
														0
														0
														0
														0
														0
TOTAL LABOR HOURS			5	8	31	82	4	1						131
* LABOR RATES (\$/HR)			\$195.00	\$180.00	\$180.00	\$135.00	\$90.00	\$160.00						
LABOR COSTS (\$)			\$975.00	\$1,440.00	\$5,580.00	\$11,070.00	\$360.00	\$160.00						\$19,585.00
EXPENSES														
SUB-TASK NO.	ITEM(S)		TRIPS	QUANTITY	UNIT PRICE	TOTAL PRICE	COMMENTS:							
1	Per Diem			4	\$ 125.00	\$500.00								
2	Lodging			3	\$ 230.00	\$690.00								
3	Vehicle rental			4	\$ 100.00	\$400.00								
4	Airfare			1	\$ 750.00	\$750.00								
5	Taxi, parking, Incidentals.			1	\$ 120.00	\$120.00								
							FIRM'S TOTAL COST OF LABOR (or Fixed Price):							\$19,585
							FIRM'S TOTAL EXPENSES (+10% markup)							\$2,706
SUB-CONTRACTORS: Firm Initials and Price Per Task							FIRM'S TOTAL COST (no Subcontracts or Fee)							\$22,291
FIRM:	ATL						TOTAL SUBCONTRACTOR PRICES (with 5% Mark-Up):							\$1,192
AMOUNT:	\$1,135	\$0					FIRM's TOTAL COST							\$23,483

COST ESTIMATE PER TASK														
FIRM: DOWL					PROJECT TITLE: Wrangell Water Treatment Plant Improvements									Item b.
TASK NO. 2		TASK DESCRIPTION: 65% Design										DATE: 1/3/2022		
GROUP A		METHOD OF PAYMENT: F <input checked="" type="checkbox"/> FPPE <input type="checkbox"/> T& <input type="checkbox"/> Cf <input type="checkbox"/> F							PREPARED BY: CAN					
SUB-TASK NO.	SUB-TASK DESCRIPTION	LABOR HOURS PER JOB CLASSIFICATION												
		PM (Eng VII) C. Nelson	Water Eng (VII)- S. Bradley	Design Eng- Eng III D. Wheeler	Design Eng II - G. Platt	Admin/Invoiving S. Ballon	QC (Eng IX) K. Johnson	CAD Support (Eng Tech II) - Rich?	Struct (Eng VIII) - M. Mettler	Design (Eng I) - V. Gates	Struct. QC (Eng X)- B. Wardell	Sr Review (Eng-IX) N. Robertso	TOTAL	
													0	
	Project Management	16				4							20	
	Project progress meetings	4	4	4	4			4	4	4			28	
													0	
	General Design Drawings	4	12	32	60								108	
	Demo Drawings	4	4	4	4				24	40			80	
	Civil Site Drawings	8	16	40				40					104	
	Structural Drawings	8	4	4	4			4	80	120			224	
	Process Mechanical Drawings	8	40	80	80			80					288	
													0	
	Specification package	8	40						40				88	
													0	
	Design Basis / Eng. Report Document	8	24										32	
													0	
	Design Workshop in Wrangell	32	32										64	
	Assembly Reports	8											8	
													0	
													0	
	Quality Control						32				8	4	32	
TOTAL LABOR HOURS			108	176	164	152	4	32	128	148	164	8	4	1076
* LABOR RATES (\$/HR)			\$195.00	\$195.00	\$150.00	\$130.00	\$110.00	\$195.00	\$105.00	\$215.00	\$120.00	\$255.00	\$225.00	
LABOR COSTS (\$)			\$21,060.00	\$34,320.00	\$24,600.00	\$19,760.00	\$440.00	\$6,240.00	\$13,440.00	\$31,820.00	\$19,680.00	\$2,040.00	\$900.00	\$174,300.00
EXPENSES														
SUB-TASK NO.	ITEM(S)	TRIPS	QUANTITY	UNIT PRICE	TOTAL PRICE	COMMENTS: -One Workshop in Wrangell. Two day site visit. No travel delays. -CBW to pay Newspaper ads for advertising procurement.								
	Billings- Wrangell	1	1	\$1,000.00	\$1,000.00									
	Anchorage- Wrangell	1	1	\$600.00	\$600.00									
	Parking/Vehicle Rental	2	1	\$200.00	\$400.00									
	Lodging	4	1	\$300.00	\$1,200.00									
	Per Diem	8	1	\$108.00	\$864.00									
	Estimations Inc. Vendor	1	1	\$8,930.00	\$8,930.00									
			TOTAL EXPENSES:		\$12,994	FIRM'S TOTAL COST OF LABOR (or Fixed Price):								\$174,300
						FIRM'S TOTAL EXPENSES (+10% markup)								\$12,994
SUB-CONTRACTORS: Firm Initials and Price Per Task						FIRM'S TOTAL COST (no Subcontracts or Fee)								\$187,294
FIRM:	RMC	Stanley				TOTAL SUBCONTRACTOR PRICES (with 5% Mark-Up):								\$179,582
AMOUNT:	\$38,800	\$132,230				FIRM's TOTAL COST								\$366,876

COST ESTIMATE PER TASK															
FIRM: DOWL					PROJECT TITLE: Wrangell Water Treatment Plant Improvements									Item b.	
TASK NO. 2		TASK DESCRIPTION: 95% Design										DATE: 1/3/2022			
GROUP B		METHOD OF PAYMENT: <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>						PREPARED BY: CAN							
SUB-TASK NO.	SUB-TASK DESCRIPTION	LABOR HOURS PER JOB CLASSIFICATION													
		PM (Eng VII) C. Nelson	Water Eng (VII)- S. Bradley	Design Eng- Eng III D. Wheeler	Design Eng II - G. Platt	Admin/Invoiving S. Ballon	QC (Eng IX) K. Johnson	CAD Support (Eng Tech II) - Rich?	Struct (Eng VIII) - M. Mettler	Design (Eng I) - V. Gates	Struct. QC (Eng X)- B. Wardell	Sr Review (Eng-IX) N. Robertso n	TOTAL		
													0		
	Project Management	16											16		
	Responses to review comments	16	4	8	8			8	8	8			60		
	Drawing Revisions	8	24	80	80			6	32	72			302		
	Specification Revisions	8	16	40					20	40			124		
	Quantities			8	8				16	8			40		
	Estimate Coordination	8	4	4	4				4	4			28		
													0		
	SOA Submittals	16	12	16	16			16	16	16			108		
	ADEC Pre-application Meeting	4	4										8		
	ADEC ATC Submittal	2	4	16	16			16	16	16			86		
	Fire Marshal Review Package	16	8										24		
													0		
	Quality Control						20				6	2	28		
													0		
													0		
													0		
													0		
TOTAL LABOR HOURS		94	76	172	132	0	20	46	112	164	6	2	816		
* LABOR RATES (\$/HR)		\$195.00	\$195.00	\$150.00	\$110.00	\$110.00	\$195.00	\$210.00	\$215.00	\$120.00	\$255.00	\$225.00	1980		
LABOR COSTS (\$)		\$18,330.00	\$14,820.00	\$25,800.00	\$14,520.00	\$0.00	\$3,900.00	\$9,660.00	\$24,080.00	\$19,680.00	\$1,530.00	\$450.00	\$132,770.00		
EXPENSES							COMMENTS: -CBW to cover ADEC Plan Review and SOA Fire Marshal Review Fees								
SUB-TASK NO.	ITEM(S)	TRIPS	QUANTITY	UNIT PRICE	TOTAL PRICE										
	Estimations Inc. Vendor		1	\$9,020	\$9,020.00										
FIRM'S TOTAL COST OF LABOR (or Fixed Price):									\$132,770						
TOTAL EXPENSES:							\$9,020		FIRM'S TOTAL EXPENSES (+10% markup)		\$9,020				
SUB-CONTRACTORS: Firm Initials and Price Per Task							FIRM'S TOTAL COST (no Subcontracts or Fee)							\$141,790	
FIRM:	RMC	Stanley					TOTAL SUBCONTRACTOR PRICES (with 5% Mark-Up):							\$152,569	
AMOUNT:	\$38,800	\$106,504					FIRM's TOTAL COST							\$294,359	

COST ESTIMATE PER TASK															
FIRM: DOWL					PROJECT TITLE: Wrangell Water Treatment Plant Improvements									Item b.	
TASK NO. 2		TASK DESCRIPTION: IFC Drawings and Specifications										DATE: 1/3/2022			
GROUP C		METHOD OF PAYMENT: F <input checked="" type="checkbox"/> FPPE <input type="checkbox"/> T&E <input type="checkbox"/> CPFF <input type="checkbox"/>						PREPARED BY: CAN							
SUB-TASK NO.	SUB-TASK DESCRIPTION	LABOR HOURS PER JOB CLASSIFICATION													
		PM (Eng VII) C. Nelson	Water Eng (VII)- S. Bradley	Design Eng- Eng III D. Wheeler	Design Eng II - G. Platt	Admin/Invoivin g S. Ballon	QC (Eng IX) K. Johnson	CAD Support (Eng Tech II) - Rich?	Struct (Eng VIII) - M. Mettler	Design (Eng I) - V. Gates	Struct. QC (Eng X)- B. Wardell	Sr Review (Eng-IX) N. Robertson	TOTAL		
													0		
	Project Management	16											16		
	Responses to review comments	12	16					2	4				34		
	Drawing Revisions	8	16	24	40			2	4	12			106		
	Specification Revisions	6	12					2	4				24		
	Quantities				12			2	2	4			20		
	Estimate Coordination	8							2				10		
													0		
	ADEC Coordination/Responses	8	8										16		
													0		
													0		
													0		
													0		
													0		
													0		
													0		
													0		
	Quality Control						16				4	2	22		
													0		
													0		
													0		
													0		
TOTAL LABOR HOURS		58	52	24	52	0	16	8	16	16	4	2	248		
* LABOR RATES (\$/HR)		\$195.00	\$195.00	\$150.00	\$110.00	\$110.00	\$195.00	\$210.00	\$110.00	\$100.00	\$255.00	\$225.00	1855		
LABOR COSTS (\$)		\$11,310.00	\$10,140.00	\$3,600.00	\$5,720.00	\$0.00	\$3,120.00	\$1,680.00	\$1,760.00	\$1,600.00	\$1,020.00	\$450.00	\$40,400.00		
EXPENSES							COMMENTS:								
SUB-TASK NO.	ITEM(S)	TRIPS	QUANTITY	UNIT PRICE	TOTAL PRICE										
					\$0.00										
FIRM'S TOTAL COST OF LABOR (or Fixed Price):									\$40,400						
				TOTAL EXPENSES:			\$0		FIRM'S TOTAL EXPENSES (+10% markup)			\$0			
SUB-CONTRACTORS: Firm Initials and Price Per Task							FIRM'S TOTAL COST (no Subcontracts or Fee)							\$40,400	
FIRM:		RMC	Stanley				TOTAL SUBCONTRACTOR PRICES (with 5% Mark-Up):							\$52,975	
AMOUNT:		\$6,480	\$43,972				FIRM's TOTAL COST							\$93,375	

COST ESTIMATE PER TASK												
FIRM: DOWL					PROJECT TITLE: Wrangell Water Treatment Plant Improvements							
TASK NO. 3		TASK DESCRIPTION: Construction Administration			PREPARED BY: FJC/EMV					DATE: 1/3/2022		
GROUP B		METHOD OF PAYMENT: FP <input type="checkbox"/> FPPE <input type="checkbox"/> T&E <input checked="" type="checkbox"/> CPFF <input type="checkbox"/>			REVIEWED BY: CAN							
SUB-TASK NO.	SUB-TASK DESCRIPTION	LABOR HOURS PER JOB CLASSIFICATION										
		PM C. Nelson	Const. PM E. Voorhees	Const. PM Assist F. Cook	Field Rep. J. Savage		Water Tech Lead S. Bradley	CAD G. Platt	Accounting S. Ballon	Struct Eng. - M. Mettler	TOTAL	
					RT	OT						
	Preliminary Activities											
	Coord. With Contractor/Contractor Management		6	4							10	
	Newforma Set-Up		4	16							20	
	SWPPP Review, Approval, Management		1	8							9	
	Preconstruction Meeting	20	20	4							44	
	Scheduling, Logistics, Mobilization		20	8							28	
	Safety Planning, Training, & Coordination		6	4							10	
	Construction Administation											
	Project Management, Invoicing, Scheduling	20	20	4				6			50	
	Assembly Reports- 2x (Zoom or coordinated with other visit)	8									8	
	Submittal Reviews		20	20			120		24		184	
	SWPPP Oversight & Management			20							20	
	RFIs, Change Orders						120	20	24		164	
	Pay Application Recommendations		8	24							32	
	Coord, With Contractor/Contractor Management		30	24							54	
	Design Engineer Site Visits	48									48	
	Quarterly Reports (8 Total)	16									16	
	Weekly Progress Meetings		52	52							104	
	Site Visit Travel Time	108									108	
	Close-Out											
	Develop Close-Out Documentation Summary/Checklist		6	8							14	
	Contractor As-built Coordination		2	10							12	
	Record Drawings	2	2	8				24	12		36	
	Substantial Completion Inspection	10	10								20	
	Final Completion Inspection	10	10								20	
	Completion Inspections Travel Time	36	30								66	
	Commisioning Coordination	12					60				72	
	Coordination with DEC for Approval to Operate	16									16	
	QA of Close-Out Documentation & Record Drawings	12	4	4							20	
	One Year Warranty Inspection	20									20	
TOTAL LABOR HOURS		338	251	218	0	0	300	44	6	60		
* LABOR RATES (\$/HR)		\$195.00	\$185.00	\$130.00	\$150.00	\$225.00	\$195.00	\$90.00	\$155.00	\$185.00		
LABOR COSTS (\$)		\$65,910.00	\$46,435.00	\$28,340.00	\$0.00	\$0.00	\$58,500.00	\$3,960.00	\$930.00	\$11,100.00	\$215,175.00	
EXPENSES							COMMENTS & ASSUMPTIONS: - 26-weeks of construction activities. - 6 monthly design engineer site visits *Also see assumptions included in scope of services letter.					
SUB-TASK NO.	ITEM(S)	QUANTITY	TOTAL PRICE									
	Airfare: Fairbanks-Wrangell (\$700 RT)	9	\$6,300.00									
	Airfare: Anchorage-Wrangell (\$600 RT)	2	\$1,200.00									
	Per diem (\$108/day)	10	\$1,080.00									
	Lodging (\$200/day)	8	\$1,600.00									
				FIRM'S TOTAL COST OF LABOR (or Fixed Price): \$215,175								
				FIRM'S TOTAL EXPENSES (with 10% mark-up) \$11,198								
SUB-CONTRACTORS: Firm Initials and Price Per Task							FIRM'S TOTAL COST (no Subcontracts or Fee) \$226,373					
FIRM:	ATL	RMC	Stanley			TOTAL SUBCONTRACTOR PRICES (with 5% Mark-Up): \$223,529						
AMOUNT:	\$10,000	\$42,800	\$160,085			FIRM's TOTAL COST \$449,902						

Exhibit A-1 Attachment 4
DOWL Sub-consultant Fee Proposals

Client: DOWL / City and Borough of Wrangell**Proposal: Q220106A**

Prepared by: Blake Rider

(907) 723-3442

blake@rmces.com

Project: Wrangell Water Treatment Plant Electrical Design Services

RMC is pleased to provide the following fee proposal for the Wrangell Water Treatment Plant design.

Services

RMC will provide all of the electrical drawings and the P&ID drawings as required to complete the Wrangell Water Treatment Plant design services. We anticipate, at a minimum, completing the following sheets:

P&ID*

- I&C Abbreviations General Notes, & Symbols
- SCADA block diagram
- SCADA Network Architecture
- Instrument Schematics
- DAF System Controls Integration
- Filtration System Controls Integration
- Filter Air Scour Blower P&ID
- Filter Backwash Pumps P&ID
- P&ID Support for controls development
- Instrument Connection Details
- Chemical Feed Pumps Connection Details

Electrical

- Electrical Abbreviations, General Notes, & Symbols
- Electrical Demolition Plan
- Electrical Temporary Power Plan
- Electrical Details
- Electrical One-Line Diagrams
- Electrical Panel Schedules
- Electrical Site Plan
- Admin Building Power Plan
- Treatment Building Power Plan
- Treatment Area Lighting Plan
- Treatment Area Hazardous Location Plan
- Chemical Area Hazardous Location Plan
- Admin Building Hazardous Location Plan
- Grounding / Lightning Protection Plan

- Standby Generator Site Plan
- Standby Generator One Line

RMC will also perform a site visit to Wrangell in Phase 1A / 35% Design Phase.

*We anticipate collaborating with Stanley and DOWL on the P&ID sheets as required for input on the processes.

Exclusions

Any services or equipment not explicitly mentioned in this proposal.

Fee Schedule

Invoices will be submitted at appropriate project milestones. Projects that require a full or partial payment upon order entry or release will be conditional on the following terms: amounts billed are due no later than thirty (30) days following billing. Late payments will be charged interest at a rate of 18% per annum, compounded monthly.

Fees

Design Drawings (Estimated Qty: 1 Sheets)

35% Design and Site Visit	\$45,360. ⁰⁰
65% Design	\$38,880. ⁰⁰
95% Design	\$38,880. ⁰⁰
100% IFC	\$6,480. ⁰⁰
Total	\$ 129,600.⁰⁰

Below are RMC's standard billing rates for services outside of this proposal.

Billing Rates

Principal Engineer	\$ 150/hr
Associate Engineer	\$ 135/hr

Exhibit A-1 Attachment 6
CBW SOW January 3, 2022



CITY & BOROUGH OF WRANGELL

INCORPORATED MAY 30, 2008

Capital Facilities Department

PO Box 531, Wrangell, AK 99929

Phone (907)-874-3902

January 3, 2022

Chase Nelson, PE
DOWL
4041 B Street
Anchorage, Alaska 99503

Re: Revised Scope of Work - Water Treatment Plant Improvements Design

Dear Chase:

The City and Borough of Wrangell wishes to express our appreciation to DOWL and your consultants for your continued engagement toward our Water Treatment Plant Improvements Design project. Following several months of project review and updating the PER, we are prepared to return to engage with DOWL and develop a fee proposal acceptable to each party.

Description of Project to be Designed and Constructed

This project will provide for the engineering design services for the construction of a new water treatment plant at the existing water treatment plant location in Wrangell. The work includes, but is not specifically limited to design, permitting, and construction administration of a Dissolved Air Flotation (DAF) water treatment system, to replace the existing Slow Sand Filtration treatment system in Wrangell, Alaska. Required services and deliverables produced by this project's engineering design phase shall include a detailed and comprehensive engineering design for the construction of the new water treatment facility. Design for this project shall replace the Slow Sand Filtration treatment system with a Dissolved Air Flotation (DAF) and Multimedia Filtration treatment system.

The project design criteria is based on the preferred project identified as the Dissolved Air Flotation (DAF) water treatment capable of producing the maximum day demand (MDD) of 2.26 MGD, with Backwash Disposal to the Wastewater Treatment Plant and all associated processes and components for the new treatment facility, as outlined in the Preliminary Engineering Report, and as updated through the CRW Engineering Group's PER Update Memorandum (in draft form attached here dated October 29, 2021).

DOWL is not required to provide the specific pre-engineering design tasks outlined in the original RFQ as 1) assess and reaffirm treatment plant flow capacity to meet the maximum daily water demand for Wrangell's 20-year projected future growth, 2) evaluate options for redundancy, and 3) assess and

reaffirm the associated backwash and waste disposal method since the updated PER provides for these tasks.

All aspects of the project designed by DOWL shall comply with the requirements of the two project funding agencies, USDA and EDA, as well as all local, state, and federal regulations related to the various engineering design criteria of the project.

The purpose of this document is to describe the standard procedures and instructions to accomplish the required engineering design, drawings, specifications, cost estimates, and related support tasks for the engineering services for the Water Treatment Plant Improvements project for the City and Borough of Wrangell. This outline should assist the designers with the approach to performing the design and developing the design related documents.

Negotiations shall be held to ensure a mutual understanding of the Scope of Work (SOW) and to reach an agreement on a fair and reasonable fee. During negotiations, the SOW shall be thoroughly reviewed and may be revised, as necessary.

The A&E is completely responsible for the professional quality, technical accuracy, and coordination of all designs, drawings, specifications, and other work or materials produced and furnished by their own staff and that of consultants and will be required to correct or revise any errors or deficiencies in their work, notwithstanding any review, approval, acceptance, or payment by the Owner. Therefore, the responsibility continues after final payment is made to the A&E.

The A&E shall furnish sufficient technical, supervisory, and administrative personnel to ensure satisfactory accomplishment of the work specified in the SOW, including accomplishment of work by agreed milestone dates and progress schedule. Additionally, the A&E shall furnish all services, materials, supplies, equipment, investigations, studies, and travel required in connection with the SOW. The fee for basic services must be based on a fixed price with a breakdown of compensation based on completion of specific milestones. I.e., preliminary design, final design, and construction management, including all necessary consultations, surveys, soil investigations, supervision, as-built drawings, and incidental costs.

Description of Professional Services

All engineering design work shall be complete and ready to solicit for construction bids no later than August 30, 2022.

The A&E services under this contract will be accomplished in three phases:

- **Phase I** – Engineering Design with 35% Design Development including Survey and Geotechnical explorations.
- **Phase II** – Engineering Design with 65%, 95%, and 100% Design Development
- **Phase III** – Construction Administration/Management

For each design development submittal, the following shall be provided:

- Design analysis as a written explanation of the project design, with expansion and revision for each submission. The justification for each major selection and design decision shall be clearly

stated. Narrative descriptions of design solutions and diagrams or sketches to convey design concepts may be provided to illustrate written material.

- Engineered drawings for each of the design phases.
- Construction Specifications Institute (CSI) 48 division formatted technical specifications for each of the design phases.
- Design schedule showing the various items included in the scope of work as a percentage of the total fee, the order in which the work will be carried out, and the dates on which the items of work will be started and completed. Significant milestones such as review design submittals will be shown. The schedule will provide for completion of all work within the time specified in the scope of work. An updated schedule shall also be submitted with each progress payment request.
- Construction schedule, as part of each design submittal phase. The schedule shall be task oriented, indicating the number of calendar days, after Notice to Proceed, by which milestones are to be achieved. The Critical Path Method (CPM) shall be used. The schedule will clearly show the critical path for the overall completion of construction.
- Final Contract Documents, Drawings and Specifications, Construction Schedules, and Cost Estimates shall be accurate and sufficient for soliciting construction bids.

Design Services Phases

1. Phase I - Engineering Design with 35% Design Development
 - A. Review the Preliminary Engineering Report and the 10-29-21 PER Memorandum, developed by CRW Engineering Group. This effort shall advance the project to a 35% level design phase and shall include construction costs for the project to be constructed. Special attention shall be given to the following design parameters:
 - i. Achieve a successful design that will meet the requirements of the EPA surface water treatment regulations with a treatment plant flow capacity to meet the maximum daily water demand for Wrangell's 20-year projected future growth, estimated in the updated CRW Engineering group's PER Memorandum to be 2.26 MGD.
 - ii. Achieve a design that will address backwash and solids handling through a gravity sewer line, with connection to the Wastewater Treatment Plant.
 - iii. Achieve a successful design with treatment process components that will place the treatment facility at no higher than a level 3 classification.
 - B. Conduct a field design Survey of the site to aid in refining the civil engineering design.
 - C. Conduct Geotechnical explorations of the site to aid in refining the civil engineering design. The A&E shall supervise any required subsurface explorations, such as borings and soil tests, to determine amounts of rock excavation or foundation conditions.

- D. Meet with Borough staff and funding agencies, as necessary. Conduct a workshop with the Owner and funding agencies to review the design and analysis.
 - E. Public Meetings.
 - i. Assume one oral presentations to the Public/Assembly equivalent to a one-hour work session at the 35% level design submittal time frame. The meeting should be conducted via Zoom or TEAMS with screen sharing interaction.
 - ii. Assume periodic written reports, one every other month throughout design, which would identify engineering services status, to be included in our Assembly's monthly agenda package along with my capital projects report.
 - F. Propose project timeline and preliminary construction budget, including pre-purchasing of long delivery items, if appropriate.
2. Phase II - Engineering Design with 65%, 95% and 100% Design Development
- A. Perform detailed engineering design and conduct workshops with key Borough staff to review design at key stages, as proposed by the Consultant.
 - B. Consultant shall perform planning, designing, and engineering of the construction project. Consultant shall submit both 65%, 95%, and 100% level design drawings, specifications, bid schedule and project cost estimates, in conformance with applicable federal and state requirements and applicable codes. Project design to include all environmental, civil, structural, mechanical, electrical, controls and related systems.
 - C. Public Meetings.
 - iii. Assume two oral presentations to the Public/Assembly equivalent to a one-hour work session, one each at both the 65% and 95% level design submittal time frame. The meetings should be conducted via Zoom or TEAMS with screen sharing interaction.
 - iv. Assume periodic written reports, one every other month throughout design, which would identify engineering services status, to be included in our Assembly's monthly agenda package along with my capital projects report.
 - D. Design a temporary water treatment necessary to replace the roughing filter process and maintain continuous operation of the existing treatment plant, during construction, until the new system has been commissioned and performance-tested for 30 days.
 - E. Prepare estimate of quantities to include mobilization, demolition, earthwork, water treatment system work, and other associated bid item summaries.
 - F. Review, for inclusion in the construction documents, the federal agencies' requirements related to construction projects, including "Buy America" and "American Iron and Steel" regulations.
 - G. Review, for inclusion in both the design and the construction work, the federal agencies' requirements related to environmental requirements.

- H. Obtain necessary ADEC Approval to Construct and State of Alaska Fire Marshal permits. The Consultant shall be responsible for developing and submitting an Engineering Review Plans to ADEC and the Fire Marshal. A professional engineer registered in the State of Alaska must stamp all design drawings. The Owner will pay for review fees.
 - I. Obtain necessary Jurisdictional Agency Review Permits and Environmental Permits. The Consultant shall be responsible for developing and submitting environmental permits necessary for the work. The environmental permits and /or consultation which *have* already been secured by the Owner and are currently being renewed and/or updated by the Owner are:
 - i. National Environmental Protection Agency (NEPA) review.
 - ii. A Section 106 of the National Historic Preservation Act (NHPA) review by the State Historical Preservation Office (SHPO), with findings concurrent with “No Historical Properties Affected” (associated with the full project, including the sewer discharge line to the Wastewater Treatment Plant backwash discharge alternative).
 - iii. A complete Environmental Review, including a US Army Corps of Engineers’ Jurisdictional Determination with a finding of “no navigable waters of the U.S. within Rivers and Harbors Act jurisdiction in the review area” (associated with the sewer discharge line to the Wastewater Treatment Plant).
 - J. Update project schedule and cost estimates, as necessary.
 - K. Construction Bidding Assistance
 - i. Prepare and tender construction bidding documents, including Project Manual and 11” x 17” drawing sets. Eight (8) complete construction document sets shall be published.
 - ii. Develop the agenda and lead the construction bidding-related public meetings, i.e. pre-bid public meeting.
 - iii. Supervise the construction bid advertising, conduct the pre-bid meeting, issue addenda.
 - iv. Evaluate bids and prepare bid tabulations. Review proof of bidder's qualifications and recommend approval.
3. Phase III - Construction Administration/Management services through the provision of engineering assistance and construction administration for the Dissolved Air Flotation water treatment system. Such services will begin at the Construction Contractor's start date and extend through commissioning of the treatment plant, and shall include the following:
- A. Construction Administration/Management
 - i. Conduct the pre-construction conference and weekly progress meetings, complete with agendas and meeting minutes document preparation.

- ii. Participate in public meetings:
 - a. Assume two oral presentations to the Public/Assembly, equivalent to a one-hour work session. Consider those to be one mid-way through the project and one in advance of Substantial Completion.
 - b. Assume six written reports (one every other month) describing the project status, concerns, scope changes, etc.
- c. DCVR development, review, and response.
- d. Review and approve all contractor submittals with application of the American Iron & Steel requirement, as required by RUS Bulletin 1780-35, Guidance for the Implementation of American Iron and Steel (AIS) Requirements with Rural Utilities Service (RUS) Financial Assistance.
- e. Review and approve all change orders and progress pay requests, recommending further approval by the Borough and the funding agencies.
- f. Prepare quarterly reports, to be submitted to the federal funding agencies, covering the general progress of the project, and describing any problems or factors contributing to delay.
- g. Coordinate commissioning and operator training.
- h. Perform substantial completion inspection by all engineers of record for their respective design discipline.
- i. Prepare and manage punch list.
- j. Provide reproducible plan drawings to the Borough upon project completion.
- k. Perform final completion inspection, testing, and commissioning of the new treatment system and associated processes.
- l. Prepare a final report and submit certified “as built” drawings to the Borough.
- m. Obtain ADEC-required Temporary Approval to Operate, as well as the Final Approval to Operate. The Consultant shall be responsible for developing and submitting Engineering Review Plans to ADEC for approvals related to the water treatment system improvements, Owner will pay for fees. A professional engineer registered in the State of Alaska must stamp all design drawings.
- n. Submit a report not less frequently than quarterly to the Owner covering the general progress of the job and describing any problems or factors contributing to delay. Quarterly reporting shall include a summary of reporting period activities and problems or delays and corrective measures being taken. Reports are due on a quarterly basis not later than January 31, April 30, July 31, and October 31 for the immediate previous quarter.

- o. Prepare final acceptance report with no deficiencies remaining from punch list.
- p. Prepare an operation and maintenance manual. All closeout documents shall be due no later than 90 days after acceptance of the project.
- q. Perform a one-year warranty inspection. This is a requirement of USDA, that the engineer perform a warranty inspection prior to the one-year anniversary of the substantial completion date. Please include this required warranty inspection in your proposal.

In lieu of DOWL providing a Resident Inspector, DOWL will concur with the City and Borough of Wrangell-proposed Resident Inspector and work with that person for the duration of the construction project. The Resident Inspector will be responsible for and maintaining on-site construction/record documentation. Contract files maintained by the Resident Inspector will be accessible to DOWL and reviewed to verify conformance with quality assurance procedures. The cooperative engagement between DOWL and the Resident Inspector will include the following:

- a. Review the Resident Inspector's daily construction inspection reports.
- b. Assist to resolve technical and contractual issues.
- c. Consult with the Borough regarding construction progress and quality.

The A&E will utilize the following during the design project and contract document development:

- Execute a copy of the Certification Regarding Lobbying as required by Section 1352, Title 31, of the U.S. Code. Execute US Department of Commerce CERTIFICATION REGARDING LOBBYING LOWER TIER COVERED TRANSACTIONS, Form CD-512 (attached).
- Modify as necessary and execute EJCDC® E-500, Agreement Between Owner and Engineer for Professional Services. Include RUS Certification Page stating the fees for engineering services and certifying that the required changes were made to the Owner-Engineer Agreement (attached).
- Use RUS Bulletin 1780-26 dated 2020.06.16 (attached) for guidance in developing the engineering agreement and the construction contracts.
- Use RUS Bulletin 1780-35 Guidance for the Implementation of American Iron and Steel (AIS) requirements with Rural Utilities Services (RUS) Financial assistance (attached)
- Comply with the required federal contract provisions of Appendix II to 2 CFR Part 200 - Contract Provisions for Non-Federal Entity Contracts under Federal Awards (attached).
- Utilize the Summary of EDA Construction Standards, July 2011, issued by the Economic Development Administration, as guidance in developing all construction contracts (attached).
- Utilize the Standard Terms and Conditions for Construction Documents, February 2016, issued by the Economic Development Administration (attached).
- The design shall comply with State of Alaska-adopted building codes:
 - 2012 International Building Code

- 2018 International Energy Conservation Code
- 2012 International Fire Code
- 2012 International Fuel Gas Code
- 2012 International Mechanical Code
- 2010 ADA Standards for Accessible Design

DOWL's lump sum fee proposal should be itemized, using the EJCDC Exhibit C, Lump Sum Compensation Packet BC-1 for Basic Engineering Services with Appendix 1 to EXHIBIT C for Reimbursable Expenses, as follows:

- Phase I
 - Subtask 1 Survey
 - Subtask 2 Geotechnical
 - Subtask 3 Engineering Design with 35% Design Submittals
- Phase II
 - Subtask 1 Engineering Design with 65% Design Submittals
 - Subtask 2 Engineering Design with 95% Design Submittals
- Phase III
 - Subtask 1 Construction Administration/Management

The proposal shall be accompanied by a design schedule, showing significant milestones, within a six-month engineering design period.

Please call us to review any of the requirements that may be unclear or require further clarification as you finalize your proposal. We look forward to confirming with you the scope of work and to reviewing DOWL's proposal.

Best,

Amber Al-Haddad

Amber Al-Haddad
Capital Facilities Department
City and Borough of Wrangell

Copy: Jeff Good, Interim Borough Manager
Tom Wetor, Public Works Director

Exhibit A-1 Attachment 7
Revised EJCDC Agreement- To Be Included

Water Treatment Plant Funding Overview <i>City and Borough of Wrangell, Alaska</i>														
Engineering and Design Cost Estimate: \$1,547,000	Borough Funds/ARPA													
	Water Fund Reserve	\$119,000												
	American Rescue Plan Act (ARPA)	\$603,963												
Construction and Administrative Costs Estimate: \$14,000,000	Interfund Loan <A>	\$824,037												
	Economic Development Administration (EDA)													
	EDA Water Treatment Plant Grant	\$2,900,000												
	EDA Water Treatment Plant Loan	\$4,000,000												
	United States Department of Agriculture (USDA)													
	USDA Water Treatment Plant Grant	\$6,975,000												
	USDA Water Treatment Plant Loan 	\$3,800,000												
Total Project Cost: Estimated: \$15,547,000	Borough Funds	\$325,000												
	Funding Summary:													
	Borough Funds	\$1,268,037												
	Grants	\$10,478,963												
	Loan/Financing	\$3,800,000												
	Total Funding Package***	\$15,547,000												
Tickmark Legend: <A> An interfund loan can be issued by the General Fund that is paid back using a predetermined percentage of water sales The USDA loan with a \$200,000 contribution from the Borough will be used to extinguish the EDA loan. Interim financing for the USDA loan will be provided by the DEC's Drinking Water Loan program funded by the State Revolving Fund (SRF) *** As a source of contingency funds, the Borough hopes to use grant funds obtained through the DCCED-DCRA Local Government Lost Revenue Program assuming the Borough achieves those funds. Issuance of a Revenue Bond through the AMBBA is another option to cover any shortfall in funding due to any overage incurred.														
		WTP Funding By Source <table border="1"> <caption>WTP Funding By Source Data</caption> <thead> <tr> <th>Source</th> <th>Amount</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Grants</td> <td>\$10,478,963</td> <td>67%</td> </tr> <tr> <td>Loan/Financing</td> <td>\$3,800,000</td> <td>25%</td> </tr> <tr> <td>Borough Funds</td> <td>\$1,268,037</td> <td>8%</td> </tr> </tbody> </table>	Source	Amount	Percentage	Grants	\$10,478,963	67%	Loan/Financing	\$3,800,000	25%	Borough Funds	\$1,268,037	8%
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CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	January 25, 2022
	<u>Agenda Section</u>	15

EXECUTIVE SESSION: Discussion on the Proposed Borough Manager's Contract

SUBMITTED BY:

Kim Lane, Borough Clerk

FISCAL NOTE:

Expenditure Required:

FY 20: \$	FY 21:	FY22:

Amount Budgeted:

	FY22 \$0
--	----------

Account Number(s):

Account Name(s):

Unencumbered Balance(s) (prior to expenditure): See Agenda Statement

Reviews/Approvals/Recommendations

☐

Name(s)

Name(s)

☐

Attorney

☐

Insurance

ATTACHMENTS:

RECOMMENDATION MOTION:

I move, pursuant to 44.62.320 (c) (2), that we recess into executive session to discuss matters that may tend to prejudice the reputation and character of any person, specifically to discuss the Borough Manager's Proposed Contract.

Clerks Note:

After the Executive Session, if the Assembly tabled the motion to approve the Manager's Contract, an assembly member would need to make the following motion "**I move to remove Item 13a from the table to consider it**". That motion would need to be seconded and voted on before consideration.

SUMMARY STATEMENT:

On January 12, 2022, the Borough Assembly (in Executive Session) interviewed candidates for the Borough Manager's position.

The Assembly came out of Executive Session and approved moving forward with offering the Borough Manager's position to one of the candidates and approving Assembly members Gilbert and Morrison to make the offer of employment and negotiate the contract.

The Assembly will discuss the proposed Borough Manager's Contract in Executive Session and then they will come out and may take action to approve it.

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	January 25, 2022
	<u>Agenda Section</u>	15

EXECUTIVE SESSION: Meet with the Borough Attorney to receive advice about how the Assembly and its members might avoid legal liability by not violating the Separations of Powers Doctrine and to discuss goal setting with the Borough Manager

<p><u>SUBMITTED BY:</u></p> <p>Kim Lane, Borough Clerk</p>	<p><u>FISCAL NOTE:</u></p> <p>Expenditure Required:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border-bottom: 1px solid black;">FY 20: \$</td> <td style="width: 33%; border-bottom: 1px solid black;">FY 21:</td> <td style="width: 33%; border-bottom: 1px solid black;">FY22:</td> </tr> <tr> <td style="height: 15px;"></td> <td></td> <td></td> </tr> </table> <p>Amount Budgeted:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;"></td> <td style="width: 40%; border-bottom: 1px solid black;">FY22 \$0</td> </tr> </table> <p>Account Number(s):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;"></td> <td style="width: 40%; border-bottom: 1px solid black;"></td> </tr> </table> <p>Account Name(s):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;"></td> <td style="width: 40%; border-bottom: 1px solid black;"></td> </tr> </table> <p>Unencumbered Balance(s) (prior to expenditure): See Agenda Statement</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black;"></td> <td style="width: 40%; border-bottom: 1px solid black;"></td> </tr> </table>	FY 20: \$	FY 21:	FY22:					FY22 \$0						
FY 20: \$	FY 21:	FY22:													
	FY22 \$0														

<u>Reviews/Approvals/Recommendations</u>	
<input type="checkbox"/>	
Name(s)	
Name(s)	
<input checked="" type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS:

RECOMMENDATION MOTION:

I move to go into Executive Session with the Borough Attorney and the Borough Manager to receive advice about how the Assembly and its members might avoid legal liability by not violating the Separations of Powers doctrine and to discuss Setting Goals with the Manager to be used in future performance evaluations.

SUMMARY STATEMENT:

None.