



City and Borough of Wrangell  
Regular Borough Assembly Meeting  
AGENDA

Tuesday, September 27, 2022  
6:00 PM

Location: Borough Assembly Chambers

**1. CALL TO ORDER**

- a. PLEDGE OF ALLEGIANCE led by Assembly Member Anne Morrison
- b. CEREMONIAL MATTERS - None.

**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 particular 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. 09-22-1719** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY23 BUDGET OF THE WRANGELL MUNICIPAL LIGHT AND POWER (WML&P) DEPARTMENT BY TRANSFERRING \$28,937 FROM WML&P'S CASH RESERVES TO WML&P'S PROFESSIONAL SERVICES CONTRACTURAL ACCOUNT
- b. RESOLUTION No. 09-22-1720** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF 29,274 SQUARE FEET OF PUBLIC LANDS, A PORTION OF TRACT Y, USS 2321, WITHIN PARCEL NUMBER 03-006-303, TO ROBERT AND HELEN MOLINEK FOR \$45,000
- c. Final Plat approval** of the Byford Replat, a subdivision and replat of a portion of Tract Y, USS 2321 (Plat 64-112) creating Lots Y-A and Y-B zoned Rural Residential 1; Y-C zoned Light Industrial and Rural Residential 1, and Y-D zoned Rural Residential 1, owned by the City and Borough of Wrangell, Burrell and Maria Byford and Robert and Helen Molinek
- d. RESOLUTION No. 09-22-1721** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE SALE OF PUBLIC LAND ON THE PUBLIC SURPLUS WEBSITE IN CONFORMANCE WITH WRANGELL MUNICIPAL CODE CHAPTER 16.12, SPECIFICALLY, LOTS Y-A AND Y-B, BYFORD REPLAT, WRANGELL RECORDING DISTRICT

- [e.](#) Minutes from the September 13, 2022 Regular Assembly Meeting
- [f.](#) Minutes from the September 20, 2022 Special Assembly Meeting
- [g.](#) CORRESPONDENCE: Minutes from the June 20, 2020 Regular School Board Meeting
- [h.](#) CORRESPONDENCE: Minutes from the July 18, 2020 Special School Board Meeting
- [i.](#) CORRESPONDENCE: Minutes from the August 1, 2020 Special School Board Meeting
- [j.](#) CORRESPONDENCE - Regular School Board Meeting Minutes from Sept 19, 2022

## **7. BOROUGH MANAGER'S REPORT**

- [a.](#) Borough Managers Report

## **8. BOROUGH CLERK'S FILE**

- [a.](#) Borough Clerks Report

## **9. MAYOR AND ASSEMBLY BUSINESS**

## **10. MAYOR AND ASSEMBLY APPOINTMENTS - None.**

## **11. PUBLIC HEARING**

- [a.](#) **ORDINANCE No. 1032** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 3.05.020, ORDER OF BUSINESS AND 3.05.050, TELECONFERENCING, OF THE WRANGELL MUNICIPAL CODE

## **12. UNFINISHED BUSINESS**

## **13. NEW BUSINESS**

- [a.](#) APPROVAL OF A SOLE SOURCE PROFESSIONAL CONTRACT WITH MARINE SYSTEMS, INC. (MSI), IN CONFORMANCE WITH WRANGELL MUNICIPAL CODE, SECTION 5.10.050 IN THE AMOUNT OF \$28,936.99 FOR THE PURPOSE OF INSPECTING GENERATOR'S 1, 2, 3, 4, and SURPLUS GENERATORS
- [b.](#) Approve granting the City Manager the authority to negotiate a temporary use permit to Channel Construction Inc., on a portion of the 6-Mile-Deep Water Industrial site for continued scrap metal recycling and barge dismantling.
- [c.](#) Approval to Write Off Delinquent Accounts and Forward to Collection Agency
- [d.](#) Approval to hold a Special Assembly meeting on October 6, 2022 to Certify the October 4, 2022 Regular Election

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

## **15. EXECUTIVE SESSION - None.**

## **16. ADJOURNMENT**

## CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	September 27, 2022
	<u>Agenda Section</u>	<b>6</b>

**RESOLUTION No. 09-22-1719** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY23 BUDGET OF THE WRANGELL MUNICIPAL LIGHT AND POWER (WML&P) DEPARTMENT BY TRANSFERRING \$28,937 FROM WML&P'S CASH RESERVES TO WML&P'S PROFESSIONAL SERVICES CONTRACTURAL ACCOUNT

<u>SUBMITTED BY:</u>
Rod Rhoades, WML&P Director

<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>		
<b>Expenditure Required:</b> \$ 28,936.99		
FY 22: \$0	FY 23: \$ 28,936.99	FY24: \$ 0
<b>Amount Budgeted:</b>		
	\$ 21,000	
<b>Account Number(s):</b>		
	70000 202 7519	
<b>Account Name(s):</b>		
	Professional Services Contractual	
<b>Unencumbered Balance(s) (prior to expenditure):</b>		
	\$ 2,504,309.71	

ATTACHMENTS: 1. Resolution No. 09-22-1719, 2. MSI's estimate to inspect Generator's 1, 2, 3, 4, and Surplus Engines (Quote #6241848).

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. 09-22-1719.

**BACK STATEMENT:**

Due to Unit #5's two overheating events, an inspection of Unit #5 was done to assess how much damage was done. The inspection revealed that enough wear was evident to warrant the rebuilding of Unit #5's Center Section. This work was completed in the Spring of 2022.

The strong recommendation from MSI was that WML&P 'Baseline' all of our Generators, to determine the amount of wear that exist within each of WML&P's EMD Generators.

From this 'Baselining' assessment a rebuild/maintenance schedule will be planned and budgeted for.

**SUMMARY STATEMENT:**

\$21,000 was budgeted for this effort in WML&P's FY23 Budget; however, due to escalating costs this estimate is now at \$28,936.99

WML&P considered the opportunity to know more about WML&P's main assets, our EMD Generators, crucial to WML&P's long-term reliability goals.



## CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 09-22-1719

A RESOLUTION OF ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY23 BUDGET OF THE WRANGELL MUNICIPAL LIGHT AND POWER (WML&P) DEPARTMENT BY TRANSFERRING \$28,937 FROM WML&P'S CASH RESERVES TO WML&P'S PROFESSIONAL SERVICES CONTRACTURAL ACCOUNT

WHEREAS the Wrangell Municipal Code requires that the Borough Assembly approve any budget amendments over those amounts adopted; and

WHEREAS, the City and Borough of Wrangell's budget presumes that each department will, to the best of their ability, maintain its expenditures within its allocated budgeted level and exercise prudence in expending funds during the fiscal year and recognizes that, from time to time, circumstances and events may require the original budget to need revision; and

WHEREAS, the rebuilding of Generator Unit #5's Center Section revealed significant internal wear and

WHEREAS, the 'Subject Matter Experts' (SME), MSI, recommended that all WML&P's Generators be inspected for excessive internal wear and

WHEREAS, WML&P's FY23 Budget included funding to cover the cost of said inspections and

WHEREAS, cost escalations have caused MSI's estimate to go from \$20,900.00 to \$28,936.99.

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

The City and Borough of Wrangell will amend the FY23 budget in Wrangell Municipal Light and Power's Cash Reserves by transferring \$28,936.99 to the Professional Services Contractual Account (70000 202 7519) for the purpose of contracting with Marine Systems, Inc. (MSI) to inspect Generator's 1, 2, 3, 4, and 2-each EMD Surplus Generators.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 27<sup>th</sup> day of September 2023.

CITY & BOROUGH OF WRANGELL, ALASKA

---

Steve Prysunka, Borough Mayor

ATTEST: \_\_\_\_\_  
Kim Lane, MMC, Borough Clerk



## MARINE SYSTEMS, INC.

801 NW 42<sup>nd</sup> St., Suite 211, Seattle, WA 98107 Phone (260) 784-3302 Fax (260) 784-3358



Item a.

To: Rod Rhodes  
City & Borough of Wrangell  
P O Box 531 – Brueger Street  
Wrangell, AK. 99929  
United States  
Email: RRHODES@WRANGELL.COM

Customer Account # 13371/ Quote #6241848

Dear: Rod Rhodes

Marine Systems, Inc. appreciates the opportunity to provide you with the following estimate for inspections of Gen Units 1,2,3,4, And Navy Surplus Engines.

As an authorized EMD distributor, Marine Systems, Inc. provides genuine OEM parts. All rebuilt components will conform to OEM dimensions, tolerances, and specifications

### **TURBO ENGINE INSPECTIONS**

#### **GENERAL INFORMATION**

- Obtain information from Plant Operator on any abnormal observations.
- Inspect and advise on any abnormal observations as required.
- Generate Priority recommendations per machine after inspections

#### **1 REV - AIRBOX INSPECTION**

- Perform visual inspection of liner, pistons, and rings.
- Measure Top Ring Clearance and Piston-to-Head Clearance (lead-wire method).
- Inspect condition of blower air ducts and blower lobes.
- Record all readings on Standard Air Box Data Sheet (1 per engine).

#### **TOP DECK INSPECTION**

- Perform visual inspection of all top deck components.

**Quality Performance with Pride**

MSI.F.720-018.004  
12/27/2021



## MARINE SYSTEMS, INC.

801 NW 42<sup>nd</sup> St., Suite 211, Seattle, WA 98107 Phone (260) 784-3302 Fax (260) 784-3358



Item a.

- Perform injector leak down test using EMD pop test tool.
- Check injector fuel racks and reset as required.
- Inspect valve covers, head frame latches, and gaskets.
- Inspect exhaust gaskets and flex joints for leaks.

### **LOWER DECK INSPECTION**

- Perform visual inspection of all lower deck components.
- Measure and record crankshaft thrust.
- Inspect all sections of oil pan for metal debris by using a magnet.

### **ACCESSORY DRIVE END INSPECTION**

- Inspect all accessory pumps and piping for leaks.
- Inspect fuel pump coupling for wear.
- Check fuel control linkage for worn levers, bearings, and fasteners.
- Inspect lube oil strainers for debris.
- Check gear damper for proper motion.

### **CAMSHAFT DRIVE END INSPECTION**

- Visually inspect piping.
- Inspect lube oil separator.
- Check condition of air filters and air filter housings.
- Inspect ring gear for chipped and/or broken teeth.

### **INSPECT GENERATOR END**

- Visually inspect Generator Bearings
- Check clearances to the extent allowed.

### **TEST RUN** (if engines are in operating condition)

- Run engines up to normal idle operating temperature (150F – 160F).
- Document all pressure readings at idle once the engine is warmed up.
- Measure and document crankcase vacuum at 900rpm.
- Test Exhaust back pressure of units.

**Quality Performance with Pride**

MSI.F.720-018.004  
12/27/2021



# MARINE SYSTEMS, INC.

801 NW 42<sup>nd</sup> St., Suite 211, Seattle, WA 98107 Phone (260) 784-3302 Fax (260) 784-3358



Item a.

## Scope of Supplies

12	EA	KNITGLOVE	GLOVE, WORK, KNIT
1	EA	8243661	WIRE, LEAD, 1/8, 5LB SPOOL

**Total Estimated cost to make outlined repairs on Unit ..... \$ 28,936.99**

- Estimate based on 1 MSI Techs working at Plant site, Wrangell, AK.
- Performing out lined repairs with the assistance of plant personnel 1 tech 6 ,12-hour days
- 1 Day travel from Seattle.
- 1 Day Travel to Seattle.

## CUSTOMER RESPONSIBILITIES

The Customer is responsible for the following:

1. Providing a safe work environment for our service personnel.
2. Providing crane services and/or services to facilitate material movement at the job site.
3. Providing adequate space and working conditions to effectively execute the scope of work.
4. Delays not the fault of Marine Systems, Inc.
5. Delays due to plant orientation and safety classes.
6. Providing adequate ventilation, compressed air for tooling, and lighting.
7. Providing diesel fuel oil for cleaning.
8. Removing and disposing of waste material and fluids associated with the engine services.
9. Removing and replacing any interferences.

**NOTE: Marine Systems will not be responsible for removal or replacement of any fluids (oil or coolant)**

**Quality Performance with Pride**

MSI.F.720-018.004  
12/27/2021



## MARINE SYSTEMS, INC.

801 NW 42<sup>nd</sup> St., Suite 211, Seattle, WA 98107 Phone (260) 784-3302 Fax (260) 784-3358



Item a.

### COMMENTS

1. \* Prices are based on the return of useable like-cores for unit exchange items. Core charges would apply for items that are non-rebuildable.
2. Non-exchange items deemed missing or non-rebuildable will be charged as additional.
3. Environmental charges, overtime, travel expenses, travel time, waiting time, mileage, freight, conversions, and installation parts and labor **are not** included in the above cost and will be additional.
4. **\*All items cleaned, inspected, and reused are not covered by warranty**
5. The customer is responsible for all applicable sales and use taxes related to this order.

### PAYMENT TERMS

Upon establishment of an account with acceptable credit limits, payment is due thirty (30) days after receipt of invoice unless otherwise mutually agreeable payment terms are negotiated.

Marine Systems, Inc. Standard Terms and Conditions are an integral part of this quote. They are included herein by reference and are available at <https://kirbycorp.com/wp-content/uploads/2021/12/MSI-Terms-12.06.21.pdf>

**This quote is valid for a period of thirty (30) days.**

The payment is due thirty (30) days after receipt of invoice unless otherwise mutually agreeable payment terms are negotiated.

Thank you for giving us the opportunity to serve you. Should you have any questions or require further information, please contact me at your convenience.

Sincerely,

*Chris Strahan*

MSI West Coast - Service  
(206) 788-2132



**Quality Performance with Pride**

MSI.F.720-018.004  
12/27/2021

## CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	September 27, 2022
	<u>Agenda Section</u>	<b>6</b>

RESOLUTION No. 09-22-1720 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF 29,274 SQUARE FEET OF PUBLIC LANDS, A PORTION OF TRACT Y, USS 2321, WITHIN PARCEL NUMBER 03-006-303, TO ROBERT AND HELEN MOLINEK FOR \$45,000

### SUBMITTED BY:

Jeff Good, Borough Manager &  
Carol Rushmore, Economic Development  
Director

### FISCAL NOTE:

**Expenditure Required:** \$XXX Total

FY 22: \$	FY 23: \$	FY24: \$
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### **Amount Budgeted:**

FY23 \$XXX

### **Account Number(s):**

XXXXX XXX XXXX

### **Account Name(s):**

Enter Text Here

### **Unencumbered Balance(s) (prior to expenditure):**

\$XXX

### Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1)RES 09-22-1720 2)Approved Recommendation from P&Z 3) Appraisal 4) Proposed Final Plat Byford Replat

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 09-22-1720.**

## Summary Statement:

This summary statement provides a summary of the events over the last three years that are also relevant to Agenda items 6C and 6D.

In 2018, Department of Environmental Conservation completed the clean-up of the former junkyard site. In October 2019, the Planning and Zoning Commission presented a plan to the Assembly for the development and sale of the property:

- 1) Sell that portion of the property behind Molinek and Byford to them for the cost of the survey and land value per appraisal.
- 2) Subdivide the property such that the area behind Molinek and Byford will be included into their existing lots, portion of the survey cost to be born by them. Each owner would purchase approximately 15,000 square feet of land.
- 3) Sell the remaining approximately 86,000 square feet of land as one parcel with development requirements.

The Assembly supported the rezone and the sale of the land behind existing landowners if they were interested. Mr. Molinek and Mr. Byford had submitted letters for two years previous, seeking to purchase that land. Three letters went out to Mr. Molinek, Mr. Byford and Ms. Wood in April of 2021 formally seeking their interest in the purchase of land directly behind them. Mr. Molinek and Mr. Byford both responded positively. Estimates of the cost of the land was provided to each landowner and clearly identified as estimates.

The selling of the remaining portion of the former junkyard land area with development requirements (type of development, time period) was not supported by the Assembly. Staff subsequently presented several of many development options. Creating more than three lots would require construction of a right-of-way and installation of utilities per WMC19.30 Flag Lot Subdivision. In 2019-2020 I believe the estimated utility installation was a minimum of \$250,000 for the simplest of subdivisions. Further discussions with the Planning Commission and Assembly ended up with creating two lots for sale by the Borough, both with road frontage such that the purchasers could install utilities as necessary. They could also further subdivide if they so choose. The minimum lot size in the RR1 district is 10,000 sq ft with sewer and water.

A subdivision survey was conducted in June 2021, as well as an appraisal by Ramsey and Associates of the former junkyard parcel (Portion of Tract Y, USS 2321, Parcel No. 03-006-303). The borough-owned property of the former junkyard was rezoned to Rural Residential 1 in June 2021, but Mr. Molinek and Mr. Byford were not interested in rezoning their lots from Light Industrial to RR1. During the rezone process, Mr. Byford indicated he was no longer able to purchase the land behind his lot, but an agreement was reached with Mr. Molinek to assume his purchase.

In September of 2021, after the Planning and Zoning Commission had approved a preliminary plat, Mr. Byford approached the Borough to resolve the encroachment issue of his house, rock wall, and shop. His attorney contacted the Borough and negotiations began to resolve the encroachments on Borough property. It wasn't until April of 2022 that a negotiated agreement was reached and



approved by the Assembly. The Assembly approved Mr. Byford's purchase of the land where the encroachment was; an easement was created for Mr. Byford to access the back his property and for access to the Borough's back lot; Mr. Byford's property was rezoned to RR1 (June 2022); and an easement maintenance agreement was developed to determine the rules for the shared access between Mr. Byford, and the two Borough owned parcels that will be sold.

A new preliminary subdivision plat had to be surveyed to address the negotiated agreement (paid for by Mr. Byford). The Planning and Zoning Commission approved the final plat July 2022.

Signatures were finally obtained by all parties and the plat is being presented to the Assembly for approval under Agenda Item 6C, as is the resolution to put the Borough lands up for auction under Agenda Item 6D.

The value of the lots is identified below using the Sales Comparison Approach (p. 51) of the Appraisal. However, one of the lots is adjusted per square foot value as a portion of the lot as appraised was purchased by Mr. Byford in the negotiated sale.

Lot Y-A (which is Y-1 in the appraisal) is valued at \$120,000

Lot Y-B (which is Y -2 in the appraisal) is valued at \$96,885 (adjusted for the portion purchased by Byford)

Lot Y-C (which is Y-3 in the appraisal) is valued at \$45,000 to be purchased by Molinek

Mr. Molinek's purchase includes 29,274 square feet of a portion of Tract Y, USS 2321. In the final plat it is the upper portion of Lot Y-C as the area is being combined with his existing lot.

Land Value	\$45,000
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Survey cost	<u>\$ 3,259</u>
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TOTAL	\$ 48,259
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## CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 09-22-1720

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF 29,274 SQUARE FEET OF PUBLIC LANDS, A PORTION OF TRACT Y, USS 2321, WITHIN PARCEL NUMBER 03-006-303 TO ROBERT AND HELEN MOLINEK FOR \$45,000

WHEREAS, at the meeting held October 22, 2019, the Borough Assembly considered the disposition and development plan for the Borough-Owned property that was approved and submitted to them by the Planning & Zoning Commission; and

WHEREAS, the disposition and development plan included offering to sell the borough owned property behind the adjacent landowners to Bill Byford and Robert Molinek and Michelle Woods; and

WHEREAS, letters were sent to the adjacent property owners to inquire if they were interested in purchasing the two adjacent lots; and

WHEREAS, Mr. Byford voiced an interest to purchase the lot adjacent to his property, only to withdraw that interest later; and

WHEREAS, Ms. Wood never responded to the inquiry to purchase; and

WHEREAS, Robert and Helen Molinek chose to purchase the lot adjacent to their existing lot and to purchase the portion that is adjacent to Mr. Byford's existing lot; and

WHEREAS, the Borough Manager stated that Robert and Helen Molinek could in fact purchase the adjacent lot to their existing property and the portion that Mr. Byford chose not to purchase; and

WHEREAS, an appraisal was completed in 2021 for a portion of Tract Y, USS 2321, based on the preliminary plat for the parcel; and

WHEREAS, the 29,274 square feet of property for Robert and Helen Molinek which will be combined with their existing lot and access provided through their existing lot was valued at \$45,000; and

WHEREAS, the portion of the Survey owed by Robert and Helen Molinek is \$3,259; and

WHEREAS, the Borough Assembly is approving the sale of the above described parcel to Robert and Helen Molinek, P.O. Box 1319, Wrangell, Alaska 99929, consisting of 29,274 square feet for the amount of \$45,000; and

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 Robert and Helen Molinek to convey the following public lands when payment in full of \$48,259 (\$3,259(portion of the survey) + \$45,000(land)) is received:

Portion of Tract Y, USS 232, consisting of 29,274 square feet, Wrangell Recording District.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA THIS 27th DAY OF SEPTEMBER 2022.

CITY & BOROUGH OF WRANGELL

\_\_\_\_\_  
Stephen Prysunka, Borough Mayor

ATTEST:

\_\_\_\_\_  
Kim Lane, MMC, Borough Clerk

## *City and Borough of Wrangell, Alaska*

Date: July 3, 2019

To: Lisa Von Barga, Borough Manager

From: Carol Rushmore, Economic Development Director

Re: Former Junk Yard Site

---

The Planning and Zoning Commission at their meeting in June moved to recommend to the Assembly the following regarding the former junkyard property:

- 1) Moved to recommend to sell that portion of the junkyard property behind two adjacent landowners (Molinek and Byford) as they have requested interest in purchasing the property for several years. Note: Molinek and Byford properties, are zoned Light Industrial while their use is Residential. Mr. Byford has indicated he wants his property to remain Light Industrial because of the shop building he has located behind his residence. The Commission indicated the parcels would need to be joined with the existing privately owned parcels along Zimovia Highway rather than requiring a City access to the back lots be provided through the former junk yard site.
- 2) Moved to recommend to rezone the lot to Rural Residential and sell for residential development. Note: They did not discuss their preferred option regarding potential subdivision of the remaining portion of the property.

**APPRAISAL REPORT  
REAL ESTATE APPRAISAL**

**Of**  
**Byford Property**



4-mile Zimovia Highway, 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:**  
RAR File # 21-016-P5

## RAMSEY APPRAISAL RESOURCE

10615 Horizon Drive  
Juneau,  
AK, 99801

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

July 8, 2021

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

Re: Appraisal Report, Real Estate Appraisal  
Byford Property  
4-mile Zimovia Highway,  
Wrangell, AK, 99929

File Name: RAR File # 21-016-P5

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 property is a vacant parcel that has had all of its topsoil removed, has been backfilled with rock and is ready for development.

Please reference page 10 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 8). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Hypothetical Conditions:

- The subject is currently zoned Light Industrial, but is in the process of being changed to Rural Residential 1 and so far, there appears to be no hang ups in the process. So far it is approved by Planning and Zoning. This appraisal will appraise the property with the hypothetical that the zoning is Rural Residential 1.

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

**Two Hundred Five Thousand Dollars (\$205,000)**

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:**

Byford Property  
4-mile Zimovia Highway, Wrangell,  
AK, 99929

The subject property is a vacant parcel that has had all of its topsoil removed, has been backfilled with rock and is ready for development.

**Owner:**

City and Borough of Wrangell

**Legal Description:**

All of Tract Y according to the approved plat of Survey No. 2321, Wrangell Homesites, Zimovia S of Wrangell, Alaska, Wrangell Recording District, Judicial District, State of Alaska.

EXCEPTING THEREFROM: A portion of Tract Y, U.S. Survey No. 2321 deeded to Kenneth E. and Norma J. Dorman on April 4, 1955, more particularly described as follows:

BEGINNING at official Corner No. 4 of Tract Y, official Corner No. 1 of Tract Z, thence N 52° distance of 200 feet as Corner No. 1 of this portion of Tract Y; thence S 52°41' W a distance of 200 feet to Corner No. 2 (the same as aforementioned Corner No. 4); thence approximately NW along the U.S.B.P.R. right-of-way of the road commonly known as Zimovia Highway, a distance of 100 feet to Corner No. 3; thence N 52°41' E a distance of 200 feet to Corner No. 4; thence a distance of approximately 100 feet to Corner No. 1, the boundary between Tracts Y and Z, the point of beginning.

ALSO EXCEPTING THEREFROM: A portion of Tract Y, U.S. Survey No. 2321 deeded to Edgar F. and Arlene E. Dorman on September 20, 1956, more particularly described as follows:

BEGINNING at the west corner of said Tract Y, official Corner No. 1 of this portion of Tract Y; thence SE along the U.S.B.P.R. right-of-way 75 feet to Corner No. 2; thence N 52°17' E 250 feet to Corner No. 3; thence NW (approximately N 41°21' W) a distance of 250 feet, more or less to Corner No. 4; thence S 52°17' E a distance of 250 feet to Corner No. 1; the point of beginning.

ALSO EXCEPTING THEREFROM: The Northwesterly 7/8 of Tract Y running parallel to the boundary line between Tracts Y and X in U.S. Survey No. 2321, Wrangell Recording District, Judicial District, State of Alaska.

ALSO EXCEPTING THEREFROM: That portion conveyed to C. Byford and Danelle A. Byford by deed recorded on July 8, 2021 at Page 23, described as follows: A portion of Tract Y according to the plat of U.S. Survey No. 2321 of the Group of Homesites, accepted on August 29, 1954, file in the U.S. General Land Office and more particularly described as follows:

BEGINNING at the NW corner of said Tract Y, official Corner No. 1 of this portion of Tract Y; thence SE along U.S.B.P.R. right-of-way, a distance of 75 feet to Corner No. 2; thence N 52°17' E a distance of 250 feet to Corner No. 3; thence NW (approximately N 41°21' W) a distance of 250 feet, more or less to Corner No. 4; thence S 52°17' E a distance of 250 feet to Corner No. 1; the point of beginning.

**Date of Report:**

July 8, 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
03-006-303	\$44,000	\$0	\$44,000	\$12.75	\$561

Notes:

**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)	Usable Land Area (Acres)	Usable Land Area (Sq Ft)	Topography	Shape
Lot Y2	2.51	109,336	2.51	109,336	Gently sloping up from the	Irregular T shape

Notes:

**Zoning:**

The subject zoning is light industrial and is in the process of transitioning to Rural Residential. I have been asked to appraise it as if it is Rural Residential 1.

**Highest and Best Use of the Site:**

Subdivision

**Type of Value:**

Market value

VALUE INDICATIONS	
<b>Unit sales Approach:</b>	\$230,000

**Reconciled Value(s):**

**As Is**

Value Conclusion(s) \$205,000  
 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 this property on 4/27/2021
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 this approach was considered only in the aspect of site prep costs.

Sales Comparison Approach:	A sales approach was applied as there is adequate data to develop a value estimate using this approach for the potential lots which could be subdivided from the subject
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.
Unit Sales Approach	This is the best approach for determining the market value of the subject property as is. The determination of potential lot values is reasonable and there is good information in the market for this. The cost encumbered to generate sales of these lots is reasonable and market based.
Hypothetical Conditions:	<ul style="list-style-type: none"> <li>The subject is currently zoned Light Industrial, but is in the process of being changed to Rural Residential 1 and so far, there appears to be no hang ups in the process. So far it is approved by Planning and Zoning. This appraisal will appraise the property with the hypothetical that the zoning is Rural Residential 1.</li> </ul>
Extraordinary Assumptions:	<ul style="list-style-type: none"> <li>There are no Extraordinary Assumptions for this appraisal.</li> </ul>

## Comments

The subject property was formerly a junkyard. The area of the parcel was cleaned and capped the appraiser reviewed the cleanup procedure as documented in the Decision Document from AKDEC dated 4/19/2019 (see Addendum).

From the actions taken and revealed in this document, the appraiser made a determination developed an opinion that the market would perceive the property as clean and without risk to health. This appraisal is based on that opinion.

From talking with local developers and review of the property's attributes, the appraiser determined that the highest and best use of the subject would be to subdivide the property into 5 residential lots.

The appraiser talked with local contractors and utility companies to determine costs for this potential subdivision.

I spoke with Mike Howell to get an idea of what it would cost from this point to do a subdivision of the property, to final plat, with 5 code complying lots. He thought the cost would be around \$3,000 from this point.

The appraiser researched what the sellout value would be by looking at proximate individual lots sold recently. The appraiser researched what developers would require for compensation to estimate a value for the subject as is.



## 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 Kotzlitza, 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 1995)  
 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 2000)  
 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

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"> <li>• Fire Alarm System Upgrades</li> <li>• Elevator Replacement</li> </ul>
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.

Currently with the cost of construction lot values are not appreciated the same way that fully developed residential properties are.

## Location Map





## Property Description

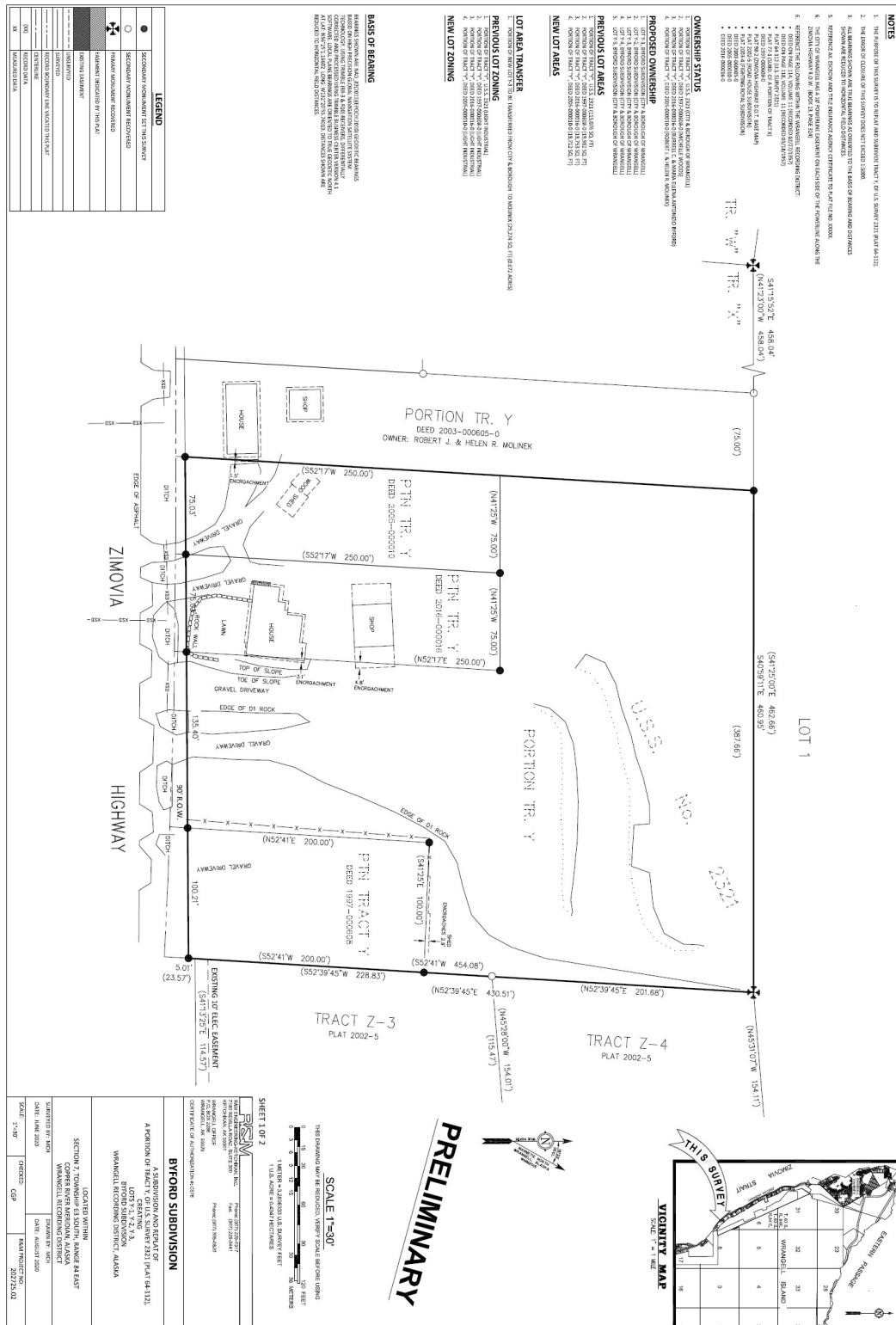
The subject property is a vacant parcel that has had all of its topsoil removed, has been backfilled with rock and is ready for development.

SITE	
Location:	The subject is located approximately 4 miles from the Wrangel ferry terminal, on Zimovia Highway
Current Use of the Property:	The subject is currently vacant.
Site Size:	Total: 2.51 acres; 109,336 square feet  Usable: 2.51 acres; 109,336 square feet
Shape:	Irregular, T shaped.
Frontage/Access:	The subject property has Good access with frontage as follows: <ul style="list-style-type: none"> <li>• Zimovia Highway: 135 feet</li> <li>•</li> </ul>
Visibility:	Good
Topography:	Gently Sloping
Soil Conditions:	The soil conditions observed at the subject are filled rock to a supportive clay substraight.
Utilities:	Electricity: The site is served by public electricity. Sewer: City sewer Water: City water Adequacy: The subject's utilities are typical and adequate for the market area. There is public water and sewer stub to the subject at Zimovia Hwy.
Site Improvements:	<ul style="list-style-type: none"> <li>• The subject site has been improved by removing all topsoil and bringing in rock to make most all of its surface navigable</li> </ul>
Flood Zone:	The subject is located in an area that is not a flood zone.
Wetlands/Watershed:	No wetlands were observed during our site inspection.
Environmental Issues:	The subject was formerly used a Junkyard for autos and other

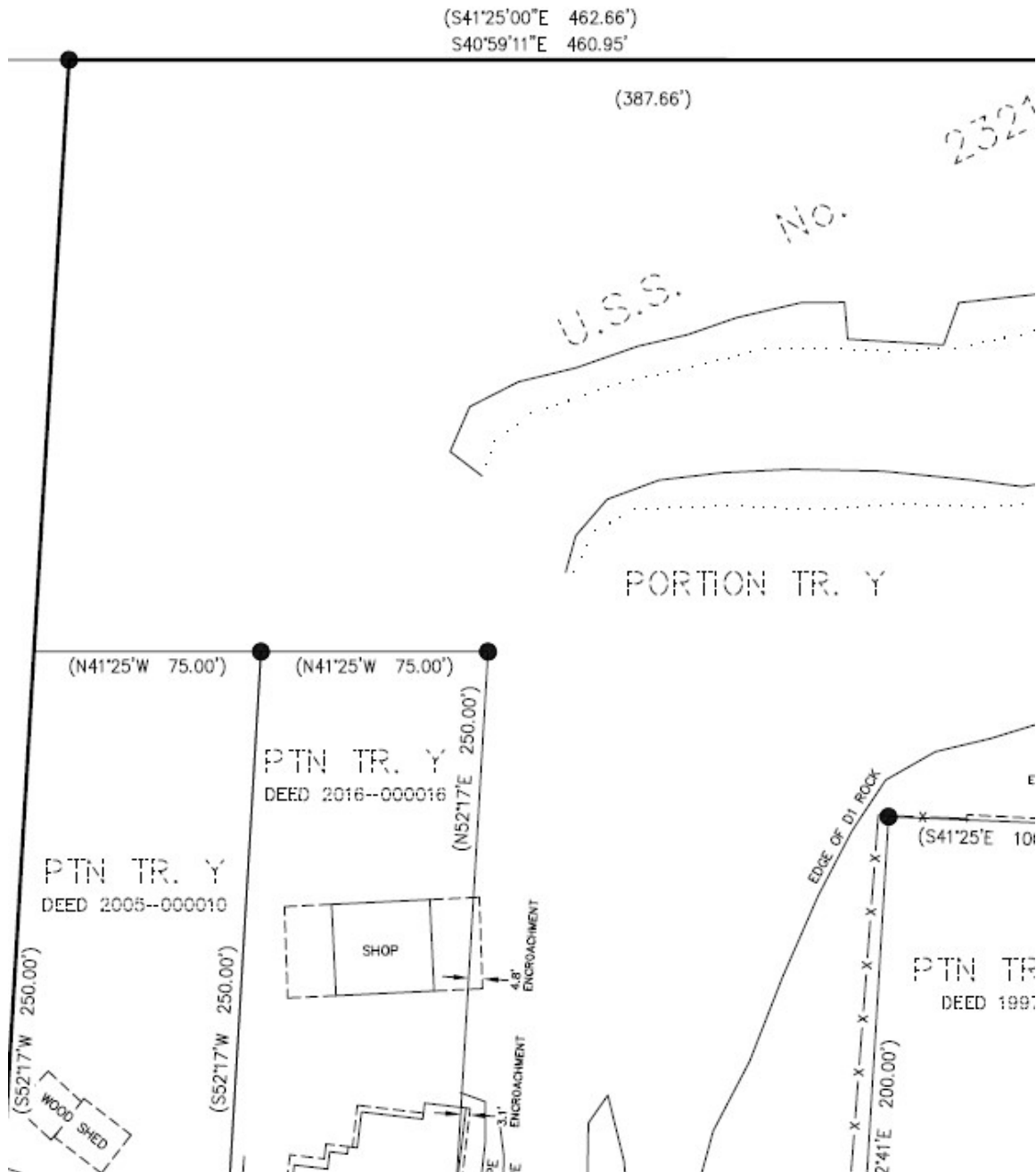
	<p>polluting stuff was stored and spilled there. This has all been cleaned up (See Wrangell Junkyard Cleanup Determination in the addendum).</p>
Encumbrance / Easements:	<p>There are two buildings on the western edge of the subject that encroach on the subject. One encroaches 4.8 feet and the other 3.1 feet. There is also a shed that encroaches on the southern part of the eastern part of the subject T (See preliminary plat).</p>
Site Comments:	<p>The subject site is fully developable, with most of its area padded out and ready for development. Very little if any overburden is remaining and most of its surface has been rocked. This would be a very easy site, with much of the risk removed, to develop from this point. The subject has very good views of the water and is south facing. Subdivision of this property and the potential lots, should be very desirable in the Wrangell market.</p>



## Site Plan



The above site plan was given to the appraiser by Mike Howell of R&M Engineering



Above is a excerpt of the drawing of the subject property from the drawing on the forgoing page. As can be seen there is two driveway access points with areas unfilled by rock as noted. Also shown are encroachments onto the subject property. Significant grade changes occur at the point of the line (top of slope) and dotted line (bottom of slope), in the body of the site.

### **Americans with Disabilities Act**

Please reference the Limiting Conditions and Assumptions section of this report on page 9.

### **Hazardous Substances**

Please reference the Limiting Conditions and Assumptions section of this report on page 9.

**Subject Photographs** (Taken by appraiser 4/27/2021)

Above left is the subject driveway that goes up on the eastern portion of the parcel. Pictured right above is the highway frontage in front of the subject. Note there is a bike path on the subject side and a separated path on the waterside.



Above left is a picture from the east looking west through the middle of the back portion of the site. Note the sharp grading slopes which support level tiers on the property. Pictured right above is a view from the rear of the parcel looking toward the front and showing the very good water views afforded to the subject site.





Pictured left above is the rear eastern corner of the site. It is level and would be very easy to develop on. Pictured right above is the rear of the subject looking into towards its west side.



Pictured left above is looking towards the east front portion of the upper area. Pictured above right is the driveway the goes up the eastside of the site. The fence pictured is encroaching a bit on the subject.

## Assessment and Taxes

**Taxing Authority** City and Borough of Wrangell

**Assessment Year** 2021

Real Estate Assessment and Taxes					
Tax ID	Land	Improvements	Total Assessment	Tax Rate	Taxes
03-006-303	\$44,000	\$0	\$44,000	\$12.75	\$561

Notes:

### Comments

The subject is owned by the Wrangell Borough, which is exempt and for this reason the accuracy of the assessment is not important and appears to be way below market.

## Zoning

LAND USE CONTROLS	
Zoning Code	The subject zoning is light industrial and is in the process of transitioning to Rural Residential. I have been asked to appraise it as if it is Rural Residential 1.
Zoning Description	The rural residential district is intended to provide for low impact land and water uses and activities in areas that are not suitable or desirable for intensive development due to their distance from established utility service areas, existing large lot development or existing rural lifestyles. These areas shall be protected from high density or incompatible development in order to maintain their character and avoid the high public costs associated with utility service for outlying or scattered development. Within the RR-1 district, low density uses, compatible with the character of the district, are encouraged provided they will not require public sewers, water systems or high volume traffic arteries
Zoning Density	The minimum lot area in either of the rural residential districts shall be 15,000 square feet, except that the minimum lot area may be 10,000 square feet for lots served by public water and sewer service
Zoning Change Likely	As discussed earlier the subject current zoning is light industrial, but in the process of changing to Rural Res. 1
Set Back Distance	20 feet from front and rear lines and 5 feet from side yards
Zoning Comments	The subject zoning allows for lots sizes as small as 10,000 SF, when served by public sewer. In speaking with Carol Rushmore, it sounds like they planning department would prefer lots over 15,000 SF in this area.

## 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 Subdivision.

The subject is a 2.51-acre parcel, that is all stripped of overburden down to its blue clay substrate and then filled back with rock to make a usable surface throughout much of the property. The subject is currently zoned light industrial, but the Borough is planning to petition for it to be changed to Rural Residential 1 to fit in with the surrounding neighbors and have asked me to appraise it as such. The shape of the property would allow 5 residential lots over 15,000 SF. from my perspective this will be the legally permissible, physically feasible use that would bring the greatest value. Raw lots in this area sell for around \$35K to \$50K. Padding out a lot will cost an average of \$15K without bringing in utilities. Therefore, a padded-out lot would bring between \$50 and \$65K. Since we can develop 5 lots from this site the sellout value will be between \$250K and \$325K. The surveyor cost to subdivide is around \$3000 with the preliminary work that has already been done per Mike Howell.

Another cost required would be to bring water and sewer up to the sites. Per discussions with Todd white the cost would be about \$70,000 to get water and sewer to the individual lots.

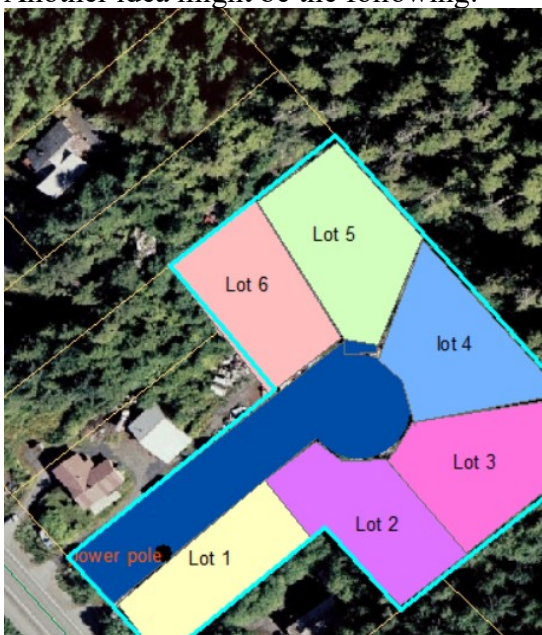
Following are a couple ideas thought up by the appraiser and following those are ideas given to the appraiser by CBW.





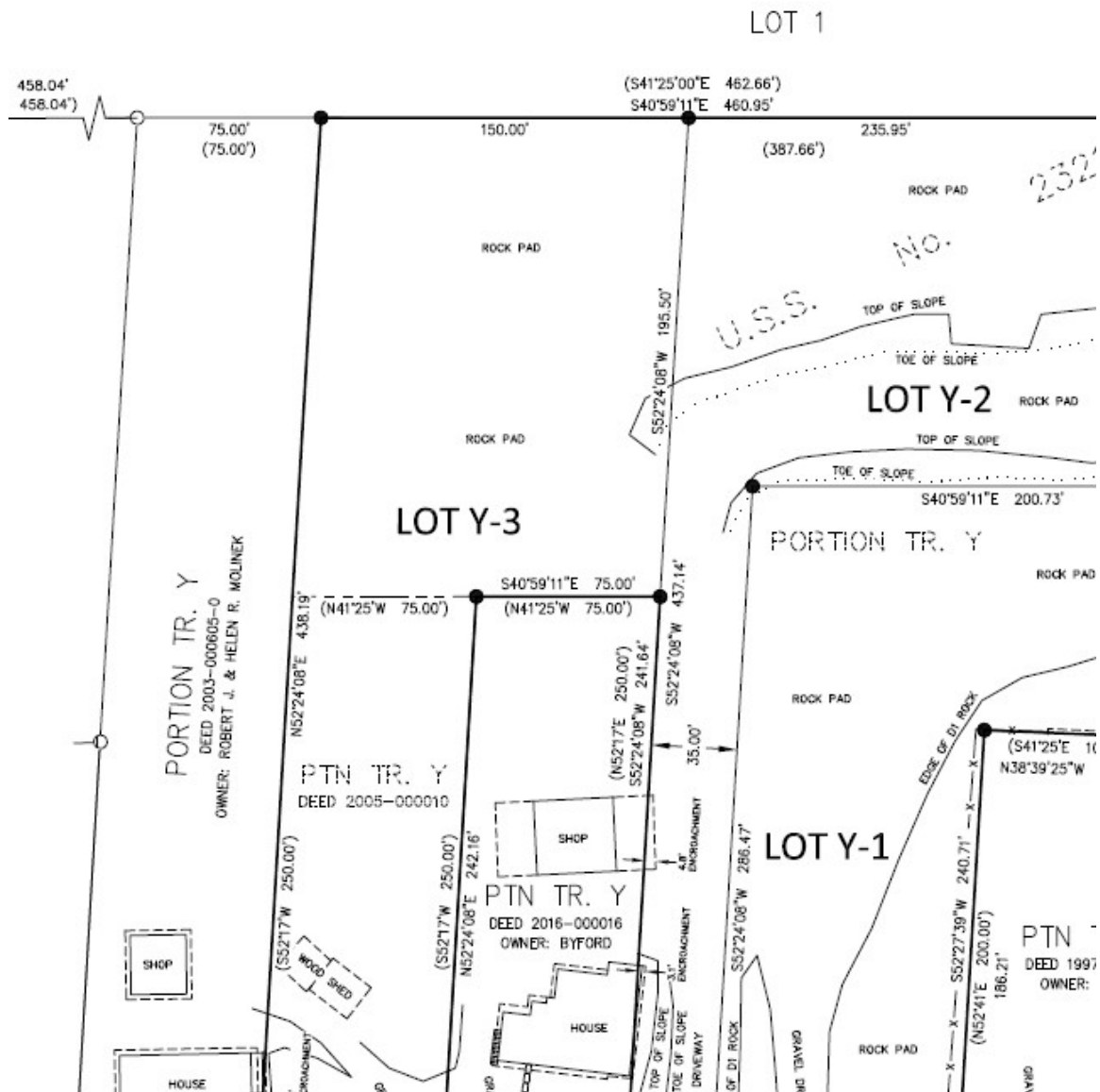
Above is the a rough idea the appraiser came up. Each lot is over 15,000 SF and should allow reasonable roominess for the Wrangell market.

Another idea might be the following:



This would give an extra lot to sell, with lots 3 through six all being over 15,000 SF and lots 1 and 2 being around 13,000 SF each.

The borough is considering and has considered different ideas.



Above is their recent idea which they are considering. It would subdivide the property into 3 lots. One of the lots would be added to a neighboring lot, the owners of which own the lot going up the west side of Lot Y-3 shown above, as well. This would make the contiguous area owned by the owners of lot Y-3 1.93 acres. This would give the Y-3 owners a lot that has good potential for subdivision and in the end give it similar utility to Y-1 and Y-2.



Another idea proposed by the Borough, is for four lots with the back lots accessed by easement. This idea is good, though the lot furthest west would be better if it were larger and the middle lot smaller, making them more similar in size.



Something more like this. In this scenario the cost of utilities would be passed on to the lot owners. They could potentially work together and do it much cheaper than a contractor who would need to be hired to do it if it were in the right of way, as a part of a major subdivision. The lots would be larger and bring a higher dollar amount than smaller lots.

Running rough, but accurate enough, numbers on the two scenarios considered by the appraiser to be potential H&B uses, can be seen following.

<b>Byford Wrangell, AK Scenario: As Is</b>		<b>Prepared By: Roger Ramsey Analysis Date: 6/17/2021 Cash Flows: Semi-Annual</b>			
<b>Cash Flows Beginning</b>		<b>Jun-2021</b>		<b>Dec-2021</b>	
	<b>Inventory</b>	<b>Unit Value</b>	<b># of Sales</b>	<b>Unit Value</b>	<b># of Sales</b>
	smaller lots	\$60,000	1	\$60,000	1
	Larger lots	\$70,000	2	\$70,000	2
<b>Appreciation --&gt;</b>					
	<b>Revenues</b>	<b>\$200,000</b>	<b>3</b>	<b>\$200,000</b>	<b>3</b>
	<b>Expenses</b>	<b>Period 1</b>	<b>Period 2</b>		
	Subdivision	\$3,000			
	Water	\$26,250			
	Sewer	\$35,000			
	Power	\$20,000			
	Expense 6				
	Expense 7				
	Marketing/Commissions 5.0%	\$10,000	\$10,000		
	Developer's Profit 15.0%	\$30,000	\$30,000		

The net present value indicated from developing the subject with a major subdivision (greater than 4 lots with right of way access and all utilities to the sites appears to indicate a net present value at \$206,000.



<b>Byford Wrangell, AK</b>		<b>Prepared By:</b> Roger Ramsey			
<b>Scenario:</b> As Is		<b>Analysis Date:</b> 6/17/2021			
		<b>Cash Flows:</b> Annual			
<b>Cash Flows Beginning</b>		<b>Jun-2021</b>		<b>Jun-2022</b>	
<b>Inventory</b>	<b>Unit Value</b>	<b># of Sales</b>	<b>Unit Value</b>	<b># of Sales</b>	
1	\$45,000	1			
1	\$120,000	1			
1	\$120,000		\$120,000	1	
Appreciation -->					
<b>Revenues</b>	<b>\$165,000</b>	<b>2</b>	<b>\$120,000</b>	<b>1</b>	
<b>Expenses</b>	<b>Period 1</b>	<b>Period 2</b>			
Finish subdivision	\$3,000				
Expense 2					
Expense 3					
Expense 4					
Expense 5					
Expense 6					
Expense 7					
Marketing/Commissions 6.0%	\$9,900	\$7,200			
Developer's Profit 10.0%	\$16,500	\$12,000			

The above scenario uses the minor subdivision and each lot has access to the highway and utilities at the highway. In this case the lots are much larger, which is a significantly superior attribute in the Wrangell market, and each have potential for further subdivision. The appraiser found comparables, which are documented following and adjustment grids indicate value for these potential lots. The sell out indicates two of the lots being sold in the first period and the 3<sup>rd</sup> lot being sold in the second period by June 2022. In this scenario the indicated value as is, is \$204,000, which is very similar to the major subdivision. It is so close that either is considered the highest and best use.

### Highest and Best Use Conclusion

The appraiser considered the idea presented by CBW in the preliminary plat and has concluded it is potentially as much the highest and best use as a major subdivision. The major difference will be the borough will get less property tax off into the future, as compared with a major subdivision scenario.

There is sufficient demand in the market for lots like the ones drawn up in the appraiser's plan as a major subdivision, which all have good views, are mostly all padded out and have access already developed. The only real expense to make these lots marketable is to

bring utilities to each lot and adjust the grading a bit for the cul-de-sac. As indicated after assuming this expense and other expenses required to sell the lots, the net present value is estimated at \$206,000.

With the subject being subdivided with a minor subdivision, with larger lots that have potential for further subdivision, the net present value appears to be \$204,000.

Therefore, it is my opinion that the highest and best use could be either option. I will develop the comparables used for the CBW scenario and present its potential lot values to assist the City in future negotiations.

## 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:

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

### 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.

### Unit Sales Approach

This approach is a common approach for estimating a value of properties which have a highest and best use of subdivision. It looks at the potential lots values, determines absorption rates and cost to develop, subdivide, market, hold and estimates profit required for doing so by the developer. In the end the net incomes are discounted to present.

### 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 this approach was considered only in the aspect of site prep costs.

A **sales comparison analysis** was considered and was developed because there is adequate data to develop a value estimate using this approach for the potential lots which

could be subdivided from the subject

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.

The **unit sales approach** is the best approach for determining the market value of the subject property as is. The determination of potential lot values is reasonable and there is good information in the market for this. The cost encumbered to generate sales of these lots is reasonable and market based.



## 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 Selected to value the Molinek Lot***

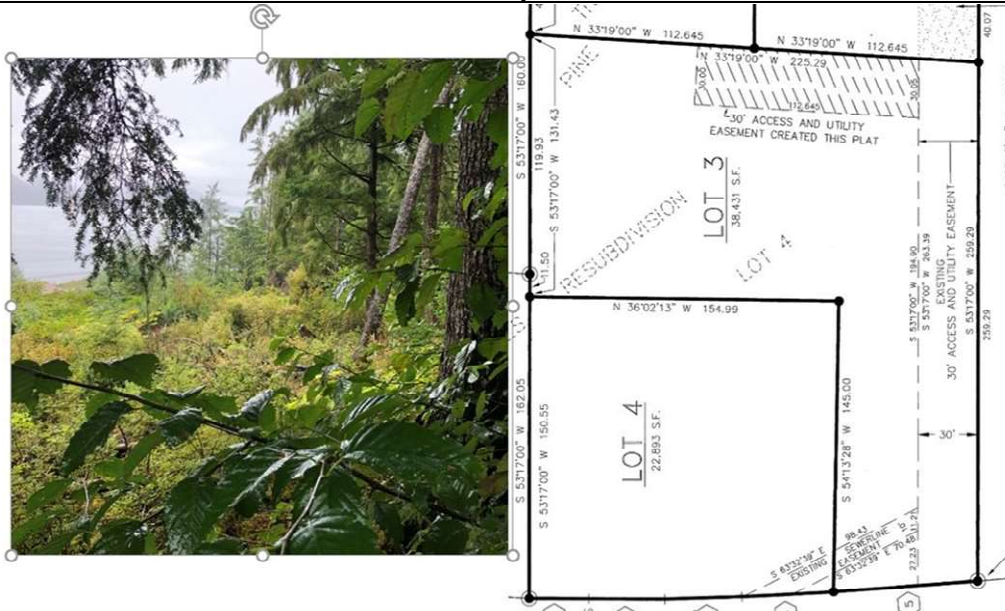
The subject is a very unique property in the Wrangell market. It is a large piece with potential for subdivision. Most all its area is completely prepped and ready for development. The area where a right of way would go, already has a road bed in place. There is extra rock on the site that could be regraded for the right of way and access to the lots. Most anyone looking to acquire this parcel would base its value on the potential lots which could be subdivided from it.

As shown earlier the highest and best use could easily be the major subdivision or the a use similar to the one shown in the preliminary plat presented by the Borough to the appraiser, they are both very close in values. Since this is the case I will present how I determined the portion of Lot Y-3 was determined for this analysis and the values of Lots Y-1 and Y-2.

Portions of Y-3, are not part of the subject property and instead are owned by the Molinek's. Therefore to determine the value of the portion of the subject owned by the Borough, we will need to take the following steps. 1<sup>st</sup> determine the value of the Molinek portion. 2<sup>nd</sup> determine the value of the lot with the CBW portion added. Subtract the Molinek portion and we will have the market value of the CBW portion.

I have researched numerous comparables for this valuation. four comparables for the analysis to determine the value of the Molinek portion of Lot Y-3; 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

<b>ID</b>	1087	<b>Date</b>	2/19/2019
<b>Address</b>	zimovia hwy	<b>Price</b>	\$50,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$1.30
<b>State</b>	AK	<b>Financing</b>	Cash
<b>Tax ID</b>	03-006-215	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	MILLER DAVID J	<b>Days on Market</b>	--
<b>Grantee</b>	HEIDEAIN VALERIE A	<b>Verification</b>	David Miller
<b>Legal Description</b>	Lot: 3, Plat: 2009-5		

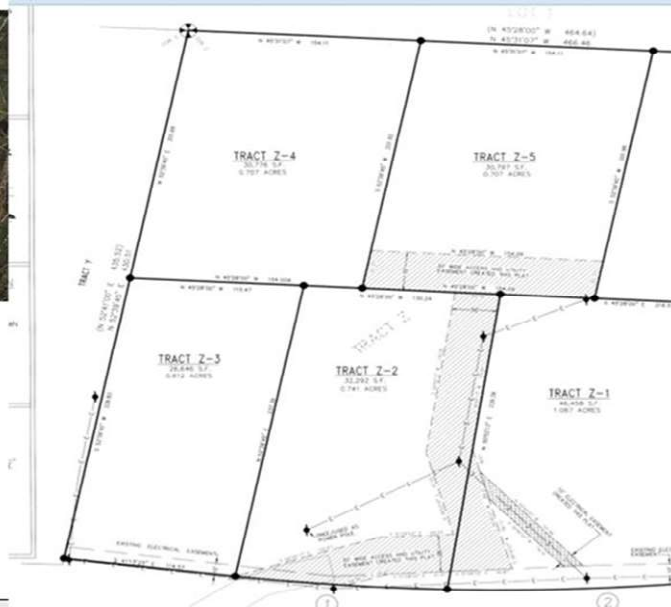
## Site

<b>Acres</b>	0.88	<b>Topography</b>	Sloping
<b>Land SF</b>	38,431	<b>Zoning</b>	Residential
<b>Road Frontage</b>	72	<b>Flood Zone</b>	No
<b>Shape</b>	pan handle	<b>Encumbrance or</b>	None
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None known

## Comments

This site had water, sewer and power to it. The seller, is a contractor in Palmer. He bought the property with a house on it and subdivided it into 4 lots. He was planning on using this lot for a fishing lodge and had done the subdivision of this lots with intentions of keeping this one. He wanted \$75K for the lot but got talked down by the buyer over time. He thinks he sold it low

## Land Comparable 2



## Transaction

<b>ID</b>	1004	<b>Date</b>	8/10/2018
<b>Address</b>	4 mile Zimovia Hwy	<b>Price</b>	\$45,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$1.46
<b>State</b>	AK	<b>Financing</b>	Cash
<b>Tax ID</b>	--	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	SHERER DONALD	<b>Days on Market</b>	--
<b>Grantee</b>	EVERSON MERTON E	<b>Verification</b>	Merton Everson
<b>Legal Description</b>	Tract: Z-4, Plat: 2002-5		

## Site

<b>Acres</b>	--	<b>Topography</b>	Sloping
<b>Land SF</b>	30,776	<b>Zoning</b>	Residential
<b>Road Frontage</b>	30 foot access easement	<b>Flood Zone</b>	No
<b>Shape</b>	--	<b>Encumbrance or</b>	None
<b>Utilities</b>	City water & sewer in	<b>Environmental Issues</b>	None known

## Comments

\$45K for upper. Todd white removed 16 loads of piled up wood pushed onto lot from adjoining lots The upper lot has an easement and can use an existing driveway over neighboring property. the lot had been logged and had regrowth of small trees. This lot has decent views and southern exposure. The cost to get all utilities to the site is estimated at \$15K

## Land Comparable 3



## Transaction

<b>ID</b>	1003	<b>Date</b>	3/15/2018
<b>Address</b>	4 mile zimovia Hwy	<b>Price</b>	\$50,000
<b>City</b>	Wrangel	<b>Price Per SF</b>	\$1.87
<b>State</b>	AK	<b>Financing</b>	cash
<b>Tax ID</b>	--	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	SHERER DONALD	<b>Days on Market</b>	--
<b>Grantee</b>	EVERSON MERTON E	<b>Verification</b>	Mertan Everson
<b>Legal Description</b>	Tract: Z-3 Plat: 2002-		

## Site

<b>Acres</b>	--	<b>Topography</b>	Mixed
<b>Land SF</b>	26,646	<b>Zoning</b>	Residential
<b>Road Frontage</b>	114	<b>Flood Zone</b>	No
<b>Shape</b>	rectangular	<b>Encumbrance or</b>	None
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None known

## Comments

He paid \$50K for lower lot which already had a pad in place but no developed access to the pad. Todd white removed 16 loads of piled up wood pushed onto lot from adjoining lots and brought gravel for lower driveway and did excavating for \$10K. The lower lot has difficult access due to the requirement of a steep driveway. It had access over neighboring lot but it wasn't legal. The upper lot has an easement and can use an existing driveway over neighboring property. Both lots had been logged and had regrowth of small trees. These lots have great views and southern exposure.

## Land Comparable 4



## Transaction

<b>ID</b>	1001	<b>Date</b>	4/9/2018
<b>Address</b>	3.8 mile Zimovia	<b>Price</b>	\$62,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$3.06
<b>State</b>	AK	<b>Financing</b>	Cash
<b>Tax ID</b>	03-006-216	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	Kelly, Ryan and Lorraine	<b>Days on Market</b>	--
<b>Grantee</b>	PROULX ROBERT T	<b>Verification</b>	Robert Proulx
<b>Legal Description</b>	Lot: 2, Plat: 2009-5		

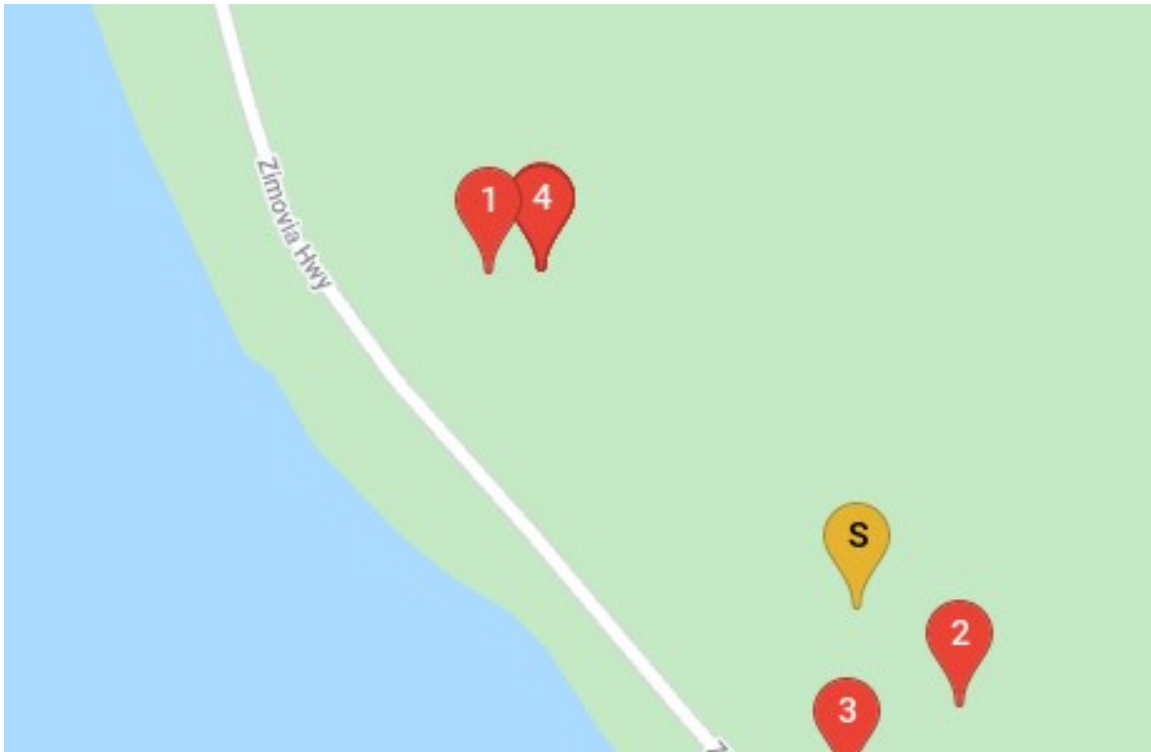
## Site

<b>Acres</b>	--	<b>Topography</b>	Sloping
<b>Land SF</b>	20,276	<b>Zoning</b>	Residential
<b>Road Frontage</b>	easement	<b>Flood Zone</b>	no
<b>Shape</b>	rectangular	<b>Encumbrance or</b>	none
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	none known

## Comments

This lot was purchased with the trees removed and some site prep done, which the buyer valued at \$8K to \$10K and it also came with a container that the buyer thought contributed \$2000. Indicating a raw land value of \$50,000. According to the buyer there is water and sewer to the site and conduit in the ground for electricity.

### ***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 molinek lot as is, the comparables and the adjustments applied. The following grid compares the Molinek to the foregoing sales.

The determined value will then be subtracted from the determined value of the Lot Y-3 as proposed in the preliminary subdivision and considered in a unit sales analysis, to determine the Net Present Value of the subject, with the highest and best use of that proposed by the Borough.



Land Analysis Grid		Comp 1		Comp 2		Comp 3		Comp 4	
Address	4-mile Zimovia	zimovia hwy		4 mile Zimovia Hwy		4 mile zimovia Hwy		3.8 mile Zimovia	
City	Wrangell	Wrangell		Wrangell		Wrangel		Wrangell	
State	AK	AK		AK		AK		AK	
Date	4/27/2021	2/19/2019		8/10/2018		3/15/2018		4/9/2018	
Price	--	\$50,000		\$45,000		\$50,000		\$62,000	
Land Units	1	1		1		1		1	
Price per Unit	\$0	\$50,000		\$45,000		\$50,000		\$62,000	
<b>Transaction Adjustments</b>									
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Cash	0.0%	0	0.0%	cash	0.0%	Cash	0.0%
Conditions of Sale	Cash	See Narrative	0.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%
<b>Adjusted Price per Unit</b>		<b>\$50,000</b>		<b>\$45,000</b>		<b>\$50,000</b>		<b>\$62,000</b>	
Market Trends Through	4/27/2021	0.0%	0.0%	0.0%		0.0%		0.0%	
<b>Adjusted Price per Unit</b>		<b>\$50,000</b>		<b>\$45,000</b>		<b>\$50,000</b>		<b>\$62,000</b>	
Location	4 mile	Similar		Similar		Similar		Similar	
% Adjustment		0%		0%		0%		0%	
\$ Adjustment		\$0		\$0		\$0		\$0	
Land SF	20250	38431		30776		26646		20276	
% Adjustment		0%		0%		0%		0%	
\$ Adjustment		\$0		\$0		\$0		\$0	
Topography	Gently sloping up	Sloping		Similar		Similar		Sloping	
% Adjustment		5%		0%		0%		5%	
\$ Adjustment		\$2,500		\$0		\$0		\$3,100	
Shape	Narrow, long	pan handle		Superior		Superior		Superior	
% Adjustment		0%		-5%		-5%		-5%	
\$ Adjustment		\$0		-\$2,250		-\$2,500		-\$3,100	
Utilities	Water and sewer at highway	Similar		Inferior		Similar		Similar	
% Adjustment		0%		10%		0%		0%	
\$ Adjustment		\$0		\$4,500		\$0		\$0	
Site prep	drive way and some site prep	inferior		Inferior		inferior		Similar	
% Adjustment		5%		15%		10%		0%	
\$ Adjustment		\$2,500		\$6,750		\$5,000		\$0	
<b>Adjusted Price per Unit</b>		<b>\$55,000</b>		<b>\$54,000</b>		<b>\$52,500</b>		<b>\$62,000</b>	
Net Adjustments		10.0%		20.0%		5.0%		0.0%	
Gross Adjustments		10.0%		30.0%		15.0%		10.0%	



***Comparable Land Sale Adjustments valuing the Molinek lot*****Property Rights**

All of the comparable properties were purchased for their fee simple interest.

**Financing**

All the comparables were purchased with cash to the seller

**Conditions of Sale**

No duress was noted in any of the sales.

**Economic Trends**

The Wrangell market for land and lots has been fairly flat. Matched paired sale found by the appraiser and retained in the file, indicate no appreciation at this time for the last 5 years.

**Location**

All of the sales have a similar location to the subject

**Land SF**

While the SF areas of the comparables vary a bit. The usable areas of these lots are all considered similar to the subject overall

**Topography**

Sales 1 and 4 have lots with steeper topography and utilizing the full area of the lot would be more costly and challenging.

**Shape**

All are considered similar overall

**Utilities**

The Molinek lot is right on the highway and has all utilities to its site. Comparable 2 has the potential to hook into utilities in the right of way, but they are not stubbed to the subject and development would be more costly.

**Site Prep**

The subject site has a driveway onto its site. Comparable 1 is inferior with just the beginning of a driveway onto its site and utilities in the easement. Lot 2 had significant overburden piled on it from the adjoining site development and had utilities in the easement a ways back and not to its lot's edge. Lot 3 had utilities in the highway which it abuts but no driveway built, though it did have a pad. Sale 4 is the most similar with a bit of a pad and utilities to the site.

The adjustments made in the grid are based on the appraisers estimates of what the market considerations for these differing aspects would be. There is too little data available to make market adjustments based on paired sales with the differing attributes.

### ***Sales Comparison Approach Conclusion – Land Valuation potential Lot 1***

Following adjustments, the comparables indicated prices per land units of \$52,500 to \$62,000, with a median value of \$54,500.

All of the value indications have been considered in the valuation of the Molinek lot and in the final analysis, all the comparables have been weighted in arriving at my final reconciled per land units value of \$60,000.

<b>Land Value Ranges &amp; Reconciled Value</b>				
<b>Number of Comparables:</b>	<b>4</b>	<b>Unadjusted</b>	<b>Adjusted</b>	<b>% Δ</b>
<b>Low:</b>		\$45,000	\$52,500	17%
<b>High:</b>		\$62,000	\$62,000	0%
<b>Average:</b>		\$51,750	\$55,875	8%
<b>Median:</b>		\$50,000	\$54,500	9%
<b>Reconciled Value/Unit Value:</b>			\$60,000	land units
<b>Subject Size:</b>			1.00	
<b>Indicated Value:</b>			\$60,000	

### ***Land Comparables Selected to value for the Lots in preliminary Plat given to the appraiser from the Borough.***

The subject is a very unique property in the Wrangell market. It is a large piece with potential for subdivision. The borough has given the appraiser a preliminary plat and in the foregoing portion of the appraisal I valued the portion of Lot Y-3 owned by the Molinek's. Now I must determine a value for Lots Y-1, Y-2 and Y-3 as shown in the preliminary plat.

I have researched two comparables for this valuation. 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. These comparables will be compared to the subject Lot Y-1 in the following grid, as a the key parcel and then adjustments made from there to reflect the value of Lots Y-2 and Y-3.

Land Comparable 1



## Transaction

<b>ID</b>	437	<b>Date</b>	2/5/2007
<b>Address</b>	2 mile zimovia Hwy	<b>Price</b>	\$55,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$1.30
<b>State</b>	AK	<b>Financing</b>	--
<b>Tax ID</b>	03-003-203	<b>Property Rights</b>	Fee Sim
<b>Grantor</b>	Bakke	<b>Days on Market</b>	--
<b>Grantee</b>	Bloom	<b>Verification</b>	David N
<b>Legal Description</b>	Lot B-1BB, Survey 2321,		

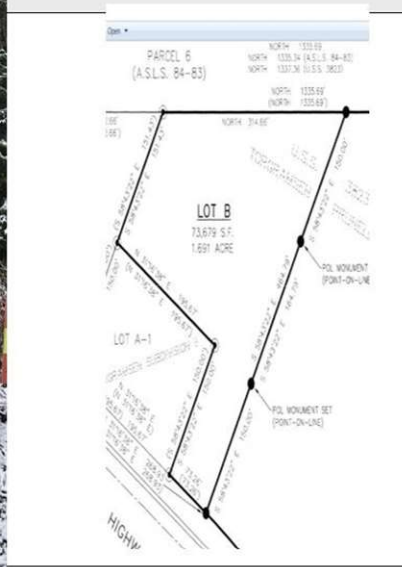
## Site

<b>Acres</b>	2.13	<b>Topography</b>	Sloping
<b>Land SF</b>	92,562	<b>Zoning</b>	Residen
<b>Road Frontage</b>	72	<b>Flood Zone</b>	No
<b>Shape</b>	pan handle	<b>Encumbrance or Easement</b>	None
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None kn

## Land Comparable 2



within borders



## Transaction

<b>ID</b>	1010	<b>Date</b>	8/27/2015
<b>Address</b>	zimovia highway	<b>Price</b>	\$70,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$1.46
<b>State</b>	AK	<b>Financing</b>	Cash
<b>Tax ID</b>	03-002-304	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	TORGRAMSEN LISA	<b>Days on Market</b>	--
<b>Grantee</b>	Smith, Bruce	<b>Verification</b>	Merton Everson
<b>Legal Description</b>	Lot: B Plat: 2015-8		

## Site

<b>Acres</b>	--	<b>Topography</b>	Mixed
<b>Land SF</b>	73,679	<b>Zoning</b>	SFR
<b>Road Frontage</b>	73	<b>Flood Zone</b>	No
<b>Shape</b>	--	<b>Encumbrance or</b>	None
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None known

## Comments

This is a large lot in the SFR zone, which has a minimum lot size of 5000SF. It has adequit frontage to develop a ROW for potential significant subdivision. While the buyer said it was purchased to develop a SFR, it could definately be developed with much greater density in the future, as it has 73 feet of frontage on its panhandle. When I talked to the buyer in 2019, he said he has about a half acre filled, with a driveway and a pad, at a cost of around \$60K

Land Analysis Grid		Comp 1		Comp 2	
Address	4-mile Zimovia	2 mile zimovia Hwy		zimovia highway	
City	Wrangell	Wrangell		Wrangell	
State	AK	AK		AK	
Date	4/27/2021	2/5/2007		8/27/2015	
Price	--	\$55,000		\$70,000	
Land Units	1	1		1	
Price per Unit	\$0	\$55,000		\$70,000	
<b>Transaction Adjustments</b>					
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	0	0.0%	\$45k seller financed	0.0%
Conditions of Sale	Cash	See Narrative	0.0%	Normal	0.0%
<b>Adjusted Price per Unit</b>		<b>\$55,000</b>		<b>\$70,000</b>	
Market Trends Through	4/27/2021	0.0%	10.0%		0.0%
<b>Adjusted Price per Unit</b>		<b>\$60,500</b>		<b>\$70,000</b>	
Location	4 mile	Superior		Superior	
% Adjustment		-5%		-10%	
\$ Adjustment		-\$3,025		-\$7,000	
Land SF	45499	92562		73679	
% Adjustment		-20%		-15%	
\$ Adjustment		-\$12,100		-\$10,500	
Topography	Gently sloping up	Similar		Similar	
% Adjustment		0%		0%	
\$ Adjustment		\$0		\$0	
Shape	Irregular	pan handle		Panhandle	
% Adjustment		0%		0%	
\$ Adjustment		\$0		\$0	
Utilities	Water and sewer at highway	Inferior		Inferior	
% Adjustment		20%		20%	
\$ Adjustment		\$12,100		\$14,000	
Site prep	Gravel pad through out	Inferior		Inferior	
\$ Adjustment		\$60,000		\$60,000	
View	Good	Similar		inferior	
% Adjustment		0%		-10%	
\$ Adjustment		\$0		-\$7,000	
<b>Adjusted Price per Unit</b>		<b>\$117,475</b>		<b>\$119,500</b>	
Net Adjustments		94.2%		70.7%	
Gross Adjustments		144.2%		140.7%	

## **Comparable Land Sale Adjustments**

### **Property Rights**

All of the comparable properties were purchased for their fee simple interest.

### **Financing**

All the comparables were purchased with cash to the seller

### **Conditions of Sale**

No duress was noted in any of the sales.

### **Economic Trends**

The Wrangell market for land and lots has been fairly flat. Matched paired sale found by the appraiser and retained in the file, indicate no appreciation at this time for the last 5 years. That said sale 1 is 13 years old and the appraiser has noted some appreciation in this time period. Therefore, a bit of an adjustment was made to reflect this.

### **Location**

Sale 1 is closer to town and more convenient. Sale 2 is even closer to the towns off site amenities and both were adjusted for this aspect.

### **Land SF**

The subject lot Y-1 is much smaller than the comparables. This gives it less utility for potential subdivision. More than likely only minor subdivisions would be developed, but there is a chance that a major subdivision would be considered and the comps both have wide enough access to allow for it, making them superior in both area and potential for major subdivisions. Adjustments were made to reflect these aspects

### **Topography**

Both sales were considered similar overall

### **Shape**

All are considered similar overall

### **Utilities**

Lot Y-1 is right on the highway and has all utilities to its site. Both comparables have pan handles and required utilities ran down that and an adjustment was made for that based roughly on cost found by speaking with Todd White.

### **Site Prep**

The subject site has a gravel pad through most of its entirety. It offers utility and functionality as is throughout the site as is. This is vastly superior to the comparables. My adjustment for this was found in the actual cost to develop a pad on comp 2 after acquisition.

**Conclusion**

So the two comparable sales indicate a value for the subject from \$114,750 to \$19,500. The appraiser has ropunded and concluded to \$120,000 for the subject lot Y-1.

**Comparison of potential Lot Y-1 to Lots Y-2 and Y-3****Utilities**

Y-2 and Y-3 potential lots will need utilities run up from the highway as opposed to lot Y-1 which front the highway and has utilities available to it now, though it would still require getting them to its actual building site. An adjustment for this aspect in comparison to lot 1 could reasonably be estimated at \$15,000, per potential back lot.

Lot Y-2 is up high and has unobstructed views which are considered significantly superior to Lot Y-1 and in my opinion would offset the fact that utilities would need to be run much further to get to the building site and I have concluded the value for this site also at \$120,000.

Lot Y-3 would have a view but it would be more similar to that of Y-1, but it would still have the cost to run utilities. Therefore, if we adjust the value for that we end up with a value of \$105,000 for Y-3 as proposed. No if we subtract the value of the Molinek lot, which is estimated at \$60K, that gives us a market value for the portion of Lot Y-3 owned by CBW at \$45,000

**Conclusion**

After making the adjustments comparing the potential lot Y-1 to the potential lots Y-2 and Y-3, we come to the following conclusion.

Potential lot	Potential sell out value CBW ownership
Y-1	\$120,000
Y-2	\$120,000
Y-3	\$45,000

With the above concluded information we can estimate the subject value using the unit sales approach. This is the best approach for valuing the subject, which has no comparable sales in the market with attributes even closely similar. Most larger lot sales are in a different zoning district or were raw lots lacking frontage.

As indicated in the Highest and best use analysis, the indicated net present value to the subject site as is would be approximately **\$205,000**, when developed using the unit sales approach.

## 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

**Unit Sales Approach – Land Value:** \$205,000

### Unit Sales Approach

This is the best approach for valuing the subject. It represents the mostly likely approach potential buyers would use when determining the value of the subject. The marketing costs are market based and the estimated developers profit is reasonable. The subdivision cost is reasonable and based on interviews with Mike Howell. This approach was developed in the Highest and Best Use section of the report and that is where the concluded value for the subject was developed, using the forgoing concluded lot values.

### 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: \$205,000  
Two Hundred Five 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



THE STATE  
of **ALASKA**  
GOVERNOR MICHAEL J. DUNLEAVY

**Department of  
Environmental Conservation**  
DIVISION OF SPILL PREVENTION AND RESPONSE  
Contaminated Sites Program

P.O. Box 111800  
Juneau, AK 99811-1800  
Phone: 907-465-5590  
Fax: 907-465-5218  
www.dec.alaska.gov

File no: 1529.38.006

April 19, 2019

Lisa Von Borgen  
Borough Manager  
City and Borough of Wrangell  
P.O. Box 531  
Wrangell, AK 99929

Re: Decision Document: Wrangell Junkyard  
Cleanup Complete Determination

Dear Lisa:

The Alaska Department of Environmental Conservation, Contaminated Sites Program (DEC) has completed a review of the environmental records associated with the Wrangell Junkyard, located at mile 4 Zimovia Highway in Wrangell. Based on the information provided to date, the department has determined that the contaminant concentrations remaining on site do not pose an unacceptable risk to human health or the environment and no further remedial action will be required unless new information becomes available that indicates residual contaminants may pose an unacceptable risk.

This Cleanup Complete determination is based on the administrative record for the Wrangell Junkyard, which is located in the DEC office in Juneau, Alaska. This decision letter summarizes the site history, cleanup actions and levels, and standard site closure conditions that apply.

**Site Name and Location:**  
Wrangell Junkyard  
4 Mile Zimovia Highway  
Wrangell, Alaska

**Name and Mailing Address of Contact Party:**  
Lisa Von Borgen, Borough Manager  
City and Borough of Wrangell  
P.O. Box 531  
Wrangell, AK 99929

**DEC Site Identifiers:**  
File No.: 1529.38.006  
Hazard ID.: 3295

**Regulatory Authority for Determination:**  
18 AAC 75

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**Site Description and Background**

The 2.51-acre Wrangell Junkyard contaminated site is located on a west facing hillside in a residential area approximately four miles south of Wrangell on Zimovia Highway. The property is zoned residential and is bordered by residential parcels to the north and south; Mental Health Land Trust (MHLT) property on the upper eastern boundary, and slopes down to Zimovia Highway toward Zimovia Strait to the west, approximately 150 feet west of the Site (see aerial image below). Upgradient of the site, on MHLT land, forested wetlands are present, with extensive bogs and ponds. Surface water drainages carry water from the MHLT parcel along the north and south sides of the property. The site is underlain by a shallow clay/till layer that is present at depths of three to five feet throughout the site. Productive groundwater is reported present at the site at a depth of 15 feet within a clay/silt layer based on historic information about the nearest well. This well was located on the Byford residence immediately to the north, but has been out of service since at least 2002. No wells in the vicinity were in service as of the early 2000s.

**Photo 1: Aerial view of the Wrangell Junkyard***Photo credit: City and Borough of Wrangell*

The Wrangell Junkyard was operated as Byford Salvage from the early 1960s to the mid-1990s by Virgil Byford. The facility accepted drums of various oils, lubricants and other wastes; polychlorinated biphenyl (PCB) transformers, tires, batteries, boats, and miscellaneous scrap metal. In addition, the owner operated a foundry in one of the two main shop buildings and also salvaged approximately 1,500 automobiles at the site. By the late 1990s, Byford was deceased and the property had transferred to a new owner, Mr. Curtis Gibb, who shipped out the marketable metal for salvage for a short period of time before abandoning the property and leaving the state. No effort was made by either owner/operator to properly store and contain wastes. A large volume of lead acid batteries were stockpiled, crushed, and in some cases partially burned on the property. All materials including potentially hazardous wastes were poorly contained and allowed to be crushed, to leak, and to spill on the property, which drains toward Zimovia Strait. Following a DEC site inspection in 1999, the department initiated steps to conduct a preliminary assessment at the site.

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**Contaminants of Concern and Cleanup Levels**

The highest concentrations of contaminants identified at the site over the course of three investigations are identified in the table below, compared with approved cleanup levels. The contaminants listed are established as the Contaminants of Concern for the site.

Wrangell receives an estimated 83 inches of precipitation annually. The cleanup levels approved for the site are the most restrictive of the migration to groundwater pathway or human health pathway for the method two, >40" precipitation climate zone at 18 AAC 35.341; the Table C Groundwater Cleanup levels under 18 AAC 75.345; and NOAA SQiRT sediment criteria in accordance with 18 AAC 75.340(i) and 18 AAC 75.345(e).

**Table 1: Contaminants of Concern, Site Concentrations, and Cleanup Levels**

Contaminant	Location	Media	Concentration	Cleanup Level	Units (Source)
Antimony	subsurface	soil	2460	4.6	mg/kg (method 2)
Aroclor 1242 (PCB)	surface Area 6	soil	140	1	mg/kg (method 2)
Aroclor 1254 (PCB)	surface	soil	4	1	mg/kg (method 2)
Arsenic	subsurface	soil	314	0.2	mg/kg (method 2)
Benzo(a)pyrene	drum cache	soil	14	0.17	mg/kg (method 2)
Benzo(b)fluoranthene	drum cache	soil	19	1.7	mg/kg (method 2)
Bis(2-ethylhexyl)phthalate	surface	soil	690	88	mg/kg (method 2)
Cadmium	surface	soil	11.1	9.1	mg/kg (method 2)
Chromium (total)	subsurface	soil	4950	1X10 <sup>5</sup>	mg/kg (method 2)
Chromium (total)	Zimovia	sediment	61	15.9	mg/kg (NOAA SQiRT)
Copper	subsurface	soil	24900	370	mg/kg (method 2)
Copper	Zimovia	sediment	19	18.7	mg/kg (NOAA SQiRT)
Dibenzo(a,h)anthracene	drum cache	soil	4.6	0.17	mg/kg (method 2)
Dibenzo(a,h)anthracene	drainage	surface water	0.95	0.25	ug/l (Table C)
Diesel Range Organics	drum cache	soil	40,000	230	mg/kg (method 2)
Lead	drainage	surface water	719	15	ug/l (Table C)
Lead	subsurface	soil	155000	400	mg/kg (method 2)
Lead	Zimovia	sediment	1200	30.24	mg/kg (NOAA SQiRT)
Mercury	drum cache	soil	4.2	0.36	mg/kg (method 2)
Naphthalene	surface	soil	0.19	0.038	mg/kg (method 2)
Nickel	Zimovia	sediment	35	15.9	mg/kg (NOAA SQiRT)
Pentachlorophenol	surface	soil	0.71	0.0043	mg/kg (method 2)
Silver	subsurface	soil	247	11	mg/kg (method 2)
Thallium	subsurface	soil	6.8	0.19	mg/kg (method 2)
Zinc	subsurface	soil	8850	4900	mg/kg (method 2)

**Characterization and Cleanup Activities**2000 CERCLA Preliminary Assessment

In 2000, the DEC attempted to reach then-owner Curtis Gibb to gain access to the site, but the owner, having moved out of state, was not responsive. DEC contracted with Ecology and Environment to conduct a Preliminary Site Assessment under the requirements of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). In 2001, the final Preliminary Assessment report was submitted documenting the results of 18 soil and sediment samples collected for a variety of



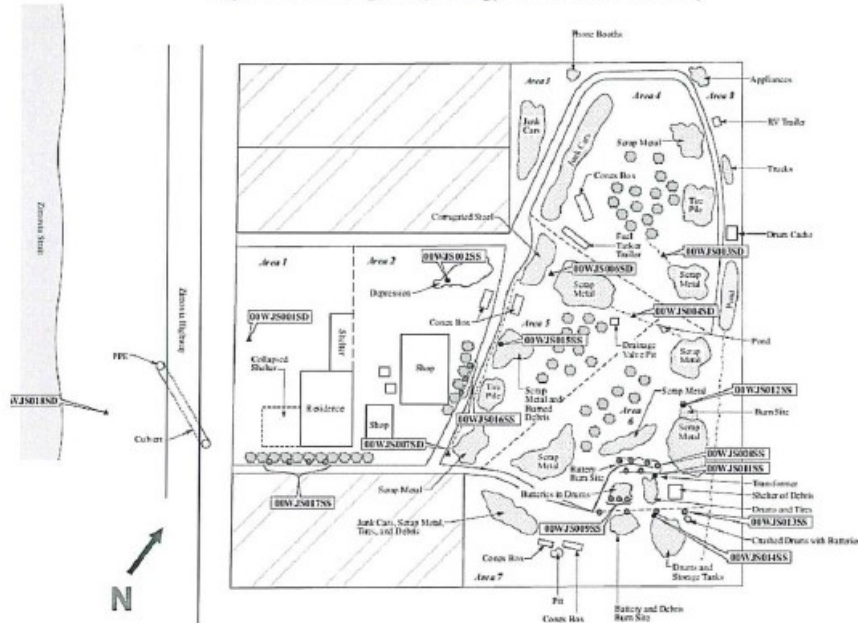
Ms. Lisa Von Bargen, Borough Manager

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analyses. Contamination was reported above DEC cleanup levels for semi-volatile organic compounds (SVOCs), PCBs, and several heavy metals, particularly lead, which was found as high as 120,000 mg/kg. The PCB Aroclor 1242 was found at a concentration of 140 mg/kg in a battery burn site called Area 6. A concentration of 1200 mg/kg lead was found in Zimovia beach sediments downgradient of the site. Significant concentrations of lead in soil found throughout the site were determined the result of large amounts of crushed batteries and poor handling practices over decades of salvage operations. No water samples were collected. Figure 1, taken from the report provides a diagram of the site, with sample locations and areas of concern.

Figure 1: Site Diagram (Ecology & Environment 2000)



## 2002 Site Characterization and Removal Cost Estimate

In 2002, Ecology & Environment conducted a follow-up site characterization and removal estimate for DEC, documented in a report titled, *Wraggell Junkyard Site Characterization and Removal Cost Estimate*. Extensive debris, scrap metal and other solid waste impeded a complete site characterization during this effort. Sixty-four surface samples and 11 subsurface samples were collected. No operating drinking water wells were identified within 1/8 mile of the site. Intertidal groundwater was sampled from a temporary wellpoint installed near Zimovia Strait.

Lead concentrations in soil exceeding the DEC cleanup level of 400 mg/kg were measured in 43 of 65 sample locations, with concentrations as high as 98,500 mg/kg, although only two subsurface samples, had concentrations above the 400 mg/kg cleanup level. Concentrations of lead in the downgradient

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wellpoint were non-detect for the filtered sample. The total volume of soil contaminated with lead was estimated at 3,490 cubic yards. See Figure 2.

**Figure 2: Site Diagram of the Wrangell Junkyard, denoting contaminated areas (Ecology & Environment, June 2002)**



The second owner, Curtis Gibb, abandoned the property sometime around 2000 and moved to the lower '48. After an accumulation of unpaid property taxes, the parcel was foreclosed by the City of Wrangell in approximately 2009. Mr. Gibb could not be located and later research showed he passed away in 2015.

#### 2014-15 EPA Targeted Brownfields Assessment

Upon assuming possession of the property, the City, which lacked the funding to carry out the necessary environmental work, collaborated with DEC to obtain the services of EPA's Targeted Brownfields Assessment program. However, due to the large volume of debris on the site, EPA could not proceed with the work until the property was cleared. Over the next several years, the City worked to clear metal debris from the site. Finally in 2014, the site was sufficiently cleared for EPA to conduct a more comprehensive assessment and estimate of the volume of contaminated soil present at the site. Results of this effort were documented in the report, *Wrangell Junkyard Targeted Brownfields Assessment*, dated July 2015. Samples were analyzed for 21 metals, diesel and residual range organics, dioxins, PCBs, and semi-volatile compounds. Large areas of soil across the site were found to be saturated with lead contamination, and contamination from other metals, petroleum, and semi-volatile organic compounds was also present. In addition, elevated concentrations of heavy metals were documented in sediments in the intertidal area across the highway from the site. The volume of soil contaminated with lead, the primary contaminant of concern, was estimated by EPA at 4,000 cubic yards. The highest



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Contamination at the site has been cleaned up to concentrations meeting approved cleanup levels suitable for residential land use. This site will receive a "Cleanup Complete" designation on the Contaminated Sites Database. The following standard condition applies:

**Standard Condition**

Groundwater throughout Alaska is protected for use as a water supply for drinking, culinary and food processing, agriculture including irrigation and stock watering, aquaculture, and industrial use. Contaminated site cleanup complete determinations are based on groundwater as a potential drinking water source. Should groundwater from this site be used for other purposes, such as aquaculture, additional testing and treatment may be required to ensure the water is suitable for its intended use.

This this cleanup complete determination is in accordance with 18 AAC 75.380 and does not preclude DEC from requiring additional assessment and/or cleanup action if future information indicates that contaminants at this site may pose an unacceptable risk to human health, safety, or welfare or to the environment.

**Appeal**

Any person who disagrees with this decision may request an adjudicatory hearing in accordance with 18 AAC 15.195 – 18 AAC 15.340 or an informal review by the Division Director in accordance with 18 AAC 15.185. Informal review requests must be delivered to the Division Director, 410 Willoughby Avenue, Suite 303 or by mail to P.O. Box 111800, Juneau, Alaska, 99811-1800, within 20 days after receiving the department's decision reviewable under this section. Adjudicatory hearing requests must be delivered to the Commissioner of the Department of Environmental Conservation, 410 Willoughby Avenue, Suite 303, or by mail to P.O. Box 111800, Juneau, Alaska 99811-1800, within 30 days after the date of issuance of this letter, or within 30 days after the department issues a final decision under 18 AAC 15.185. If a hearing is not requested within 30 days, the right to appeal is waived.

If you have questions about this closure decision, please feel free to contact me at (907) 465-5076 or email me at [sally.schlichting@alaska.gov](mailto:sally.schlichting@alaska.gov).

Sincerely,



Sally Schlichting  
Unit Manager

cc: Burrell C. Byford, adjacent property owner: P.O. Box 231, Wrangell, AK 99929-0231  
Michelle Woods, adjacent property owner: P.O. Box 108, Wrangell 99929  
David Griffin, Southeast Area Lands Manager Trust Land Office, adjacent property owner  
Dan Strucher, Senior Project Manager NRC Alaska  
Shane O'Neill, Superintendent of Projects, NRC Alaska  
Jason Ginter, Principal, Nortech  
John Halverson, Contaminated Sites Program Manager  
Spill Prevention and Response, Cost Recovery Unit

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level in the confirmation sampling. Five other samples collected near this sample showed levels of benzene and other petroleum contaminants that met cleanup levels, therefore the elevated concentration of benzene found represents a de-minimis volume of contaminated soil.

**Table 2: Highest Concentrations of COCs**

Contaminant	Location	Media	Concentration	Cleanup Level	Units (Source)
Aroclor 1254 (PCB)	confirmation sample	soil	0.23	1	mg/kg (method 2)
Benzene	confirmation sample	soil	<b>0.0594</b>	0.022	mg/kg (method 2)
Diesel Range Organics	confirmation sample	soil	176	230	mg/kg (method 2)
Lead	confirmation sample	soil	327	400	mg/kg (method 2)
Residual Range Organics	confirmation sample	soil	402	8300	mg/kg (method 2)
Toluene	confirmation sample	soil	0.03	6.7	mg/kg (method 2)

**Cumulative Risk Evaluation**

Pursuant to 18 AAC 75.325(g), a cumulative risk determination must be made that the risk of any remaining concentrations of hazardous substances does not exceed a cumulative carcinogenic risk standard of 1 in 100,000 across all exposure pathways and does not exceed a cumulative noncarcinogenic risk standard at a hazard index of one across all exposure pathways. Cumulative risk was calculated using the concentrations above for Aroclor 1254, benzene, and toluene. Petroleum and lead are not included in cumulative risk calculations. The results for this site met the cumulative risk standards, with a total carcinogenic risk calculated at less than 1 in 100,000 and a noncarcinogenic risk of less than one across all exposure pathways.

**Exposure Pathway Evaluation**

Following investigation and cleanup at the site, exposure to the remaining contaminants was evaluated using DEC's Exposure Tracking Model (ETM). Exposure pathways are the conduits by which contamination may reach human or ecological receptors. ETM results show all pathways to be one of the following: De-Minimis Exposure, Exposure Controlled, or Pathway Incomplete.

**DEC Decision**

Nearly all soil across the entire site was removed down to the confining clay layer present throughout the property at depths ranging from 3-5 feet. Due to these site features and the cleanup, no groundwater was present, therefore no groundwater samples were collected. Previous groundwater seep sampling conducted by Ecology & Environment (2002) downgradient of the site found no detectable concentration of lead in a filtered groundwater sample. Furthermore, soil concentrations for contaminants meet migration to groundwater cleanup levels, with the exception of one sample on the adjacent parcel to the north, which had a concentration of 0.0594 mg/kg for benzene that was 2.7 times the migration to groundwater cleanup level of 0.022 mg/kg, but well below the human health level of 8.1 mg/kg. The confirmation sample was collected from the excavation floor in the dense clay till layer, and represents a de-minimis volume, based on the results of five other samples in the vicinity which were below the applicable cleanup levels for BTEX, DRO, and RRO.

In terms of surface water and sediments near the site, removal of the contaminant source area throughout the site included all surface water drainage pathways (which were subsequently re-routed) and has stopped contaminant migration off site. This will allow any residual concentrations of metals in downgradient marine sediments to naturally recover.

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facility located about two miles southeast of the junkyard site where they were staged for barge transport south.

By October of 2018, NRC had completed transport and disposal of 26,912 tons of soil, stockpile liners, and investigation derived waste. These wastes were loaded at the site into 2,482 FIBC's and 80, 20' open top shipping containers, then transported to the Silver Bay facility where they were loaded onto a series of four barges and shipped south to a disposal facility in Arlington, Oregon.

Post-stockpile verification sampling was conducted to ensure no lead contaminated soil above cleanup levels remained onsite. Eighteen samples were collected, of which 10 were analyzed for total lead based on XRF screening, and 10 were analyzed for DRO and RRO based on photoionization detector (PID) field screening. Total lead concentrations ranged from 2.65 mg/kg to 13.9 mg/kg. DRO and RRO were detected in four samples ranging from 18.4 mg/kg to 26.7 mg/kg for DRO and from 9.08 mg/kg to 14.3 mg/kg for RRO.

Following results of the verification sampling, the site was re-contoured according to a site restoration plan approved by the City and DEC. The restoration plan included subsurface drainage features and preserving and enhancing drive ways on the site. In April 2019, NRC Alaska submitted the final *Site Restoration and Closure Sampling Report*, approved by DEC on April 19, 2019. The report documented the above results and restoration work.

**Photo 3: Drone aerial of final site conditions – October 2018**



*Image courtesy of NRC Alaska*

#### Highest Concentrations Remaining at the Site

Sample results following the cleanup effort in 2016 and the shipment and disposal effort in 2018 were reviewed. The highest concentrations of contaminants remaining at the site are shown in the table below, along with approved cleanup levels. Benzene, which was not previously identified as a contaminant of concern at the site, was the only contaminant detected above the applicable cleanup



Ms. Lisa Von Barga, Borough Manager

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one sample at the site. The same sample had a 0.0314 mg/kg detection for toluene, and was non-detect for DRO, RRO, ethylbenzene and total xylenes.

Following the confirmation sampling, each area of the excavation was backfilled with clean material from an offsite quarry. Simultaneously, the stockpile for the treated material was constructed on the closed out areas of the site. Following completion of the cleanup, backfilling and removal of equipment and staging areas, the site was graded and contoured around the stockpile. The post cleanup site conditions are shown below.

**Photo 2: Drone aerial of site following 2016 cleanup**



*Image courtesy of NRC Alaska*

#### 2018 Stockpile Sampling

In March of 2018, soil and pore water within the stockpile were sampled for total RCRA 8 and Toxicity Characteristic Leaching Procedure (TCLP) metals, DRO, RRO, volatile organic compounds (VOCs), and PAHs in support of one of the proposed disposal alternatives. Soil sample results from the waste showing exceedances of applicable cleanup levels included: Total lead at a maximum of 6,250 mg/kg; cadmium at 3.22 mg/kg; total chromium at 191 mg/kg; DRO at 313 mg/kg; naphthalene at 2.65 mg/kg; benzo(a)anthracene at 0.424 mg/kg; and benzo(a)pyrene at 0.382 mg/kg. All other analytes were below the cleanup levels.

#### 2018 Shipping and Disposal Effort

The 18,350 cubic yards were stockpiled onsite from 2016 to 2018, during which time DEC worked with EPA, contractors, the City and Borough of Wrangell, the Wrangell Cooperative Association, community members, the Department of Natural Resources, and the U.S. Forest Service on options for economically disposing of the volume of lead polluted soil. In late May 2018, DEC issued a contract with NRC Alaska to ship all the treated lead soil to a permitted solid waste facility in Oregon.

Beginning June 2, 2018, DEC contractors mobilized to Wrangell to initiate transport and disposal of the stabilized, lead-contaminated soil from the former junkyard site to Columbia Ridge Landfill in Arlington, Oregon. The work consisted of loading the material into heavy-duty, reinforced sacks called Flexible Intermodal Bulk Containers (FIBCs) each with an approximate capacity of 8 cubic yards. The FIBCs were transported along the Wrangell road system to the former Silver Bay Logging sawmill

Ms. Lisa Von Barga, Borough Manager

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concentrations found at the site that exceeded approved cleanup levels are documented in Table 1 above.

Following the results of the 2014-15 work by EPA, the agency initiated the process to conduct an emergency removal action. In 2015, the EPA Region 10 Emergency Removal Program, (ERP), invoked its CERCLA authority and began preparing a Comprehensive Time Critical Removal Action (TCRA) to implement removal of contaminated soil from the Wrangell Junkyard that exhibited concentrations exceeding the Resource Conservation and Recovery Act (RCRA) thresholds for hazardous materials requiring remedial disposal at a RCRA approved facility. The EPA ERP and its contractors met with DEC and the City in Wrangell in July 2015.

However, EPA's ERP was unable to secure year-end funding to implement the TCRA. To mitigate the risk of contaminant migration off-site, DEC proceeded to take immediate steps using the emergency account of the Oil & Hazardous Response Fund to initiate cleanup work. The department's objective was to complete cleanup of hazardous liquid and solid debris and contaminated soil to residential land use cleanup standards with minimal site restoration. The proposed work included excavation, shipment, and disposal of contaminated soil, sediments, and wastes present at the site. Upon approval to access the emergency account, the department proceeded to issue a term contract to NRC Alaska to carry out the cleanup, which included stabilizing all lead contaminated soil with a phosphate-based product called EcoBond. When applied to the soil, it renders the lead non-leachable, and changes the waste characteristic from hazardous to polluted, non-hazardous material.

#### 2016 Removal Action

The excavation and cleanup took place in 2016. Nearly the entire 2.51-acre site was saturated with lead down to the underlying clay/silt layer. In addition, batteries, drums, tires, automotive parts, construction materials, and other solid wastes buried at the site were removed, disposed of locally, or shipped out. A total of 22 drums and 57 containers of contaminated debris were shipped to permitted facilities in the lower 48. Lead contaminated soil was found to be significantly more extensive than previously estimated. Contamination extended onto adjacent residential properties, to the east and upgradient onto MHLT Land, and to the west into the DOT right-of-way. Cleanup was not conducted in the intertidal sediments, in order to allow this area to undergo natural recovery.

Upon completion of the cleanup, the total volume of lead contaminated soil treated with Ecobond was approximately 18,350 cubic yards. This included 300 cubic yards from the MHLT parcel and 620 cubic yards from the two neighboring residential properties. The treated soil was stockpiled on site. Results of the cleanup effort were documented in the September 30, 2016 cleanup report from NRC titled, *Remedial Action Report Wrangell Junkyard*, approved by DEC on December 21, 2016.

Confirmation samples for total lead were collected throughout the excavation base (268 samples) and sidewalls (46 samples) based on field screening with an x-ray fluorescence detector (XRF). Results for all the samples met the DEC cleanup level of 400 mg/kg for total lead. In addition, samples were collected for benzene, toluene, ethylbenzene, and xylenes (BTEX), diesel range organics (DRO), residual range organics (RRO), PCBs, and RCRA-8 metals. Polycyclic aromatic hydrocarbons (PAHs) were not included because results during characterization at the start of the project were below cleanup levels.

All confirmation sampling results met applicable cleanup levels, with the exception of benzene, which exceeded the 0.022 mg/kg cleanup level for migration to groundwater with a result of 0.0594 mg/kg in

## 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*. 13<sup>th</sup> ed. Chicago: Appraisal Institute, 2008. Print.
- Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 5<sup>th</sup> 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)

NOTES

1. THE PURPOSE OF THIS SURVEY IS TO REPLAT AND SUBDIVIDE A PORTION OF TRACT Y, OF U.S. SURVEY 2321 (PLAT 64-112).
2. THE ERROR OF CLOSURE OF THIS SURVEY DOES NOT EXCEED 1:5000.
3. ALL BEARINGS SHOWN ARE TRUE BEARINGS AS ORIENTED TO THE BASIS OF BEARING AND DISTANCES SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES.
4. THE CITY OF WRANGELL HAS A 10' POWERLINE EASEMENT ON EACH SIDE OF THE POWERLINE ALONG THE ZIMOVIYA HIGHWAY R.O.W. (BOOK 13, PAGE 324)
5. REFERENCE THE FOLLOWING WITHIN THE WRANGELL RECORDING DISTRICT:
  - DEED ON PAGE 114, VOLUME 11 (RECORDED 02/27/1957)
  - DEED ON PAGE 118, VOLUME 11 (RECORDED 09/18/1957)
  - PLAT 64-112 (U.S. SURVEY 2321)
  - PLAT 77-1 (SUBD. OF A PORTION OF TRACT X)
  - PLAT 2002-5 (ZIMOVIYA HIGHWAY D.O.T. BASE MAP)
  - PLAT 2002-5 (ROAD HOUSE SUBDIVISION)
  - PLAT 2003-4 (FIGHTING ROYAL SUBDIVISION)
  - DEED 2003-000605-0
  - DEED 2005-000010-0
  - DEED 2016-000016-0

OWNERSHIP STATUS

1. PORTION OF TRACT "Y", U.S.S. 2321 (CITY & BOROUGH OF WRANGELL)
2. PORTION OF TRACT "Y", DEED 2005-000010-0 (ROBERT J. & HELEN R. MOLINEK)
3. PORTION OF TRACT "Y", DEED 2016-000016-0 (BURRELL C. & MARIA E. ANTONIZIO BYFORD)

PROPOSED OWNERSHIP

1. LOT Y-A, BYFORD REPLAT (CITY & BOROUGH OF WRANGELL)
2. LOT Y-B, BYFORD REPLAT (CITY & BOROUGH OF WRANGELL)
3. LOT Y-C, BYFORD REPLAT (ROBERT J. & HELEN R. MOLINEK)
4. LOT Y-D, BYFORD REPLAT (BURRELL C. & MARIA E. ANTONIZIO BYFORD)

PREVIOUS LOT AREAS

1. PORTION OF TRACT "Y", U.S.S. 2321 (115.076 SQ. FT.)
2. PORTION OF TRACT "Y", DEED 2005-000010-0 (18,213 SQ. FT.)
3. PORTION OF TRACT "Y", DEED 2016-000016-0 (18,111 SQ. FT.)

NEW LOT AREAS

1. LOT Y-A, BYFORD REPLAT (38,843 SQ. FT.) (0.892 ACRES)
2. LOT Y-B, BYFORD REPLAT (36,996 SQ. FT.) (0.849 ACRES)
3. LOT Y-C, BYFORD REPLAT (47,424 SQ. FT.) (1.089 ACRES)
4. LOT Y-D, BYFORD REPLAT (28,564 SQ. FT.) (0.6510 ACRES)

LOT AREA TRANSFER

1. PORTION OF NEW LOT Y-3 TO BE TRANSFERRED FROM CITY & BOROUGH TO MOLINEK (29,274 SQ. FT.) (0.672 ACRES)
2. PORTION OF NEW LOT Y-4 TO BE TRANSFERRED FROM CITY & BOROUGH TO BYFORD (8,453 SQ. FT.) (0.194 ACRES)

PREVIOUS LOT ZONING

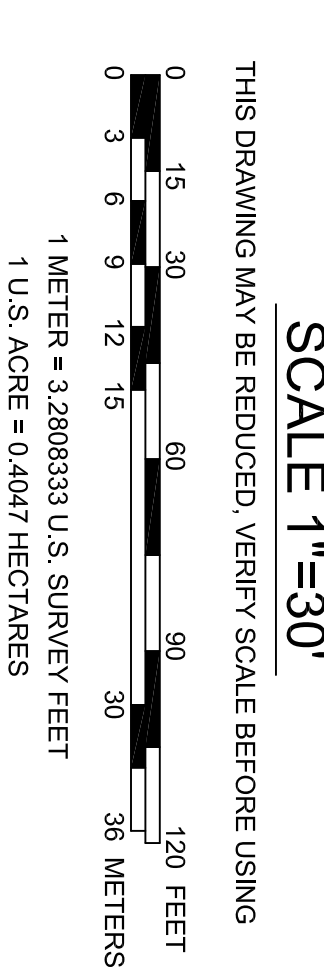
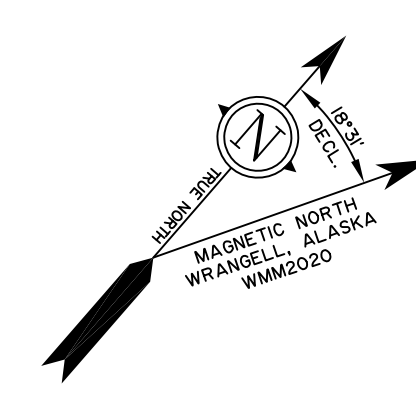
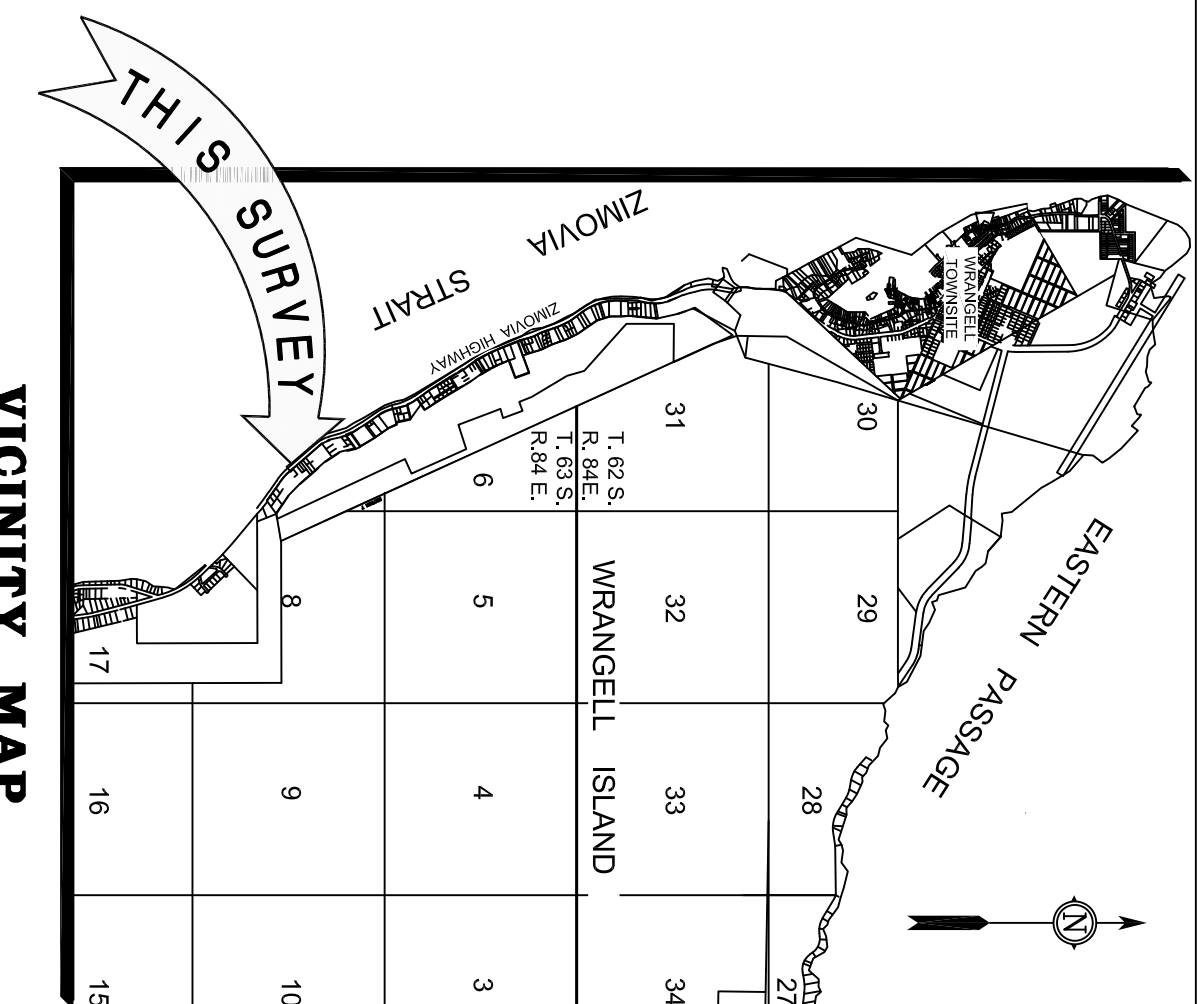
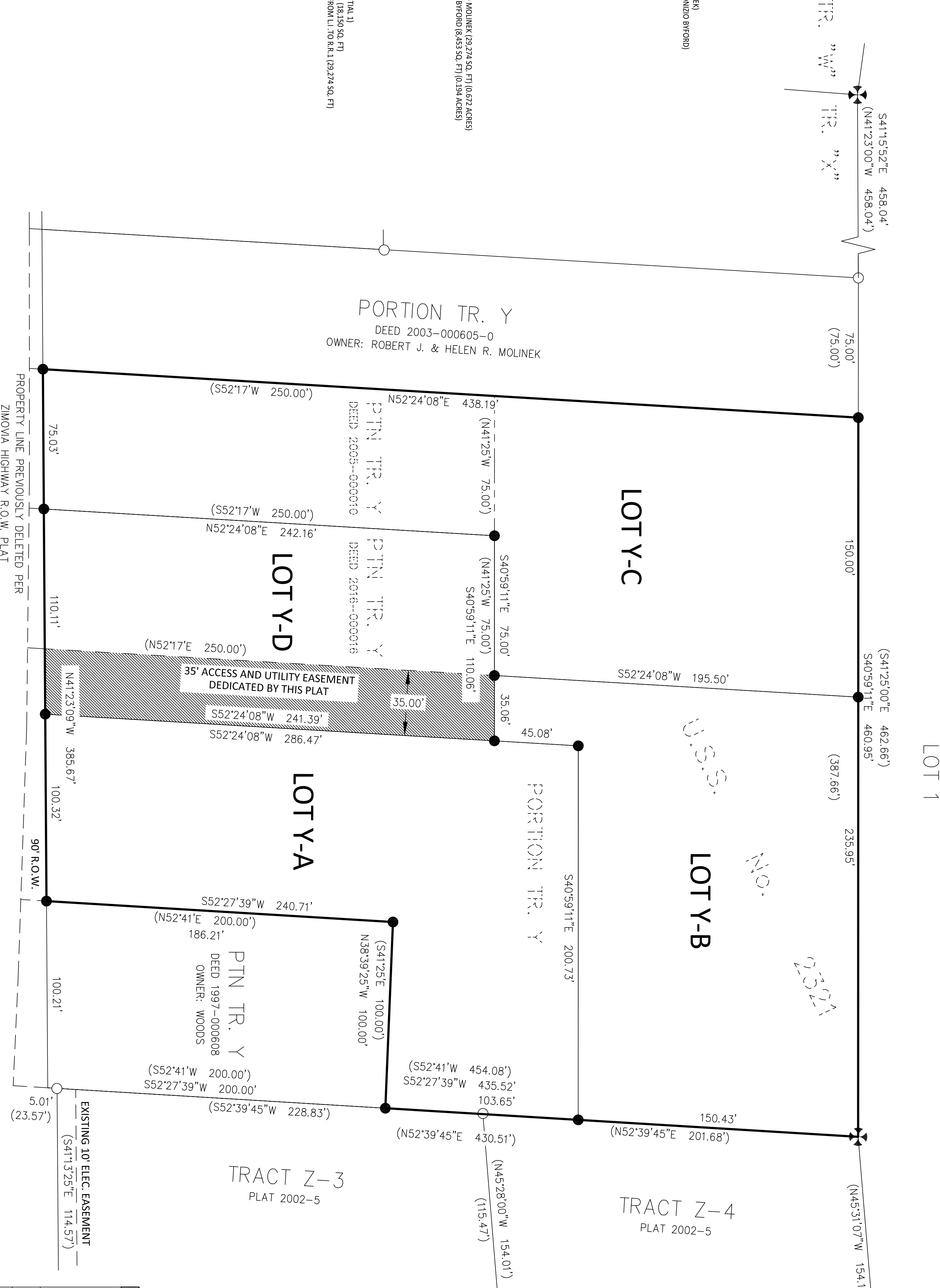
1. PORTION OF TRACT "Y", U.S.S. 2321 (LIGHT INDUSTRIAL)
2. PORTION OF TRACT "Y", DEED 2005-000010-0 (LIGHT INDUSTRIAL)
3. PORTION OF TRACT "Y", DEED 2016-000016-0 (LIGHT INDUSTRIAL)

NEW LOT ZONING

1. LOT Y-A, BYFORD REPLAT (LIGHT INDUSTRIAL)
2. LOT Y-B, BYFORD REPLAT (LIGHT INDUSTRIAL)
3. LOT Y-C, BYFORD REPLAT (MIXTURE OF LIGHT INDUSTRIAL & RURAL RESIDENTIAL 1)  
PREVIOUS PORTION OWNED BY ROBERT MOLINEK WILL REMAIN L.I. (18,150 SQ. FT.)  
PREVIOUS PORTION OWNED BY C&B OF WRANGELL WILL CHANGE FROM L.I. TO R.1 (29,274 SQ. FT.)
4. LOT Y-D, BYFORD REPLAT (LIGHT INDUSTRIAL)

BASIS OF BEARING

BEARINGS SHOWN ARE NAD 83 (2011) FPC04-2010 GEODETIC BEARINGS. BEARINGS SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES. ALL BEARINGS AND DISTANCES WERE MEASURED AND CHECKED BY THE SURVEYOR. TECHNICAL SURVEYING (R&B & R10) REQUIRES DIFFERENTIALY CORRECTED AND PROCESSED USING TRIMBLE BUSINESS CENTER VERSION 4.1 SOFTWARE. LOCAL PLANE BEARINGS ARE ORIENTED TO TRUE GEODETIC NORTH AT LAT: N65°25'1.16602 LONG: W137°20'55.74019. DISTANCES SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES.



LEGEND	
●	SECONDARY MONUMENT SET THIS SURVEY
○	SECONDARY MONUMENT RECOVERED
⊕	PRIMARY MONUMENT RECOVERED
	EASEMENT DEDICATED BY THIS PLAT
---	UNSURVEYED
---	SURVEYED
---	RECORD BOUNDARY LINE VACATED THIS PLAT
(XX)	CENTERLINE
XX	RECORD DATA
XX	MEASURED DATA

<b>RS&amp;M</b> RALPH S. MCDONALD & SONS, INC. 7180 REVILLA ROAD, SUITE 300 KETCHIKAN, AK 99901 WRANGELL OFFICE P.O. BOX 2286 WRANGELL, AK 99329 CERIFICATE OF AUTHORIZATION #: C576		Phone: (907) 725-2917 Fax: (907) 225-3441 Phone: (907) 305-0820
<b>BYFORD REPLAT</b>		
A SUBDIVISION AND REPLAT OF A PORTION OF TRACT Y, OF U.S. SURVEY 2321 (PLAT 64-112), CREATING LOTS Y-A, Y-B, Y-C, AND Y-D, BYFORD REPLAT WRANGELL RECORDING DISTRICT, ALASKA		
LOCATED WITHIN SECTION 7, TOWNSHIP 63 SOUTH, RANGE 84 EAST COPPER RIVER MERIDIAN, ALASKA WRANGELL RECORDING DISTRICT		
SURVEYED BY: MCH	DRAWN BY: MCH	
DATE: JUNE 2020 - JULY 2022	DATE: AUGUST 2020 - JULY 2022	
SCALE: 1"=30'	CHECKED: CGP	R&M PROJECT NO: 202725-02

## CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	September 27, 2022
	<u>Agenda Section</u>	<b>6</b>

Final Plat approval of the Byford Replat, a subdivision and replat of a portion of Tract Y, USS 2321 (Plat 64-112) creating Lots Y-A and Y-B zoned Rural Residential 1; Y-C zoned Light Industrial and Rural Residential 1, and Y-D zoned Rural Residential 1, owned by the City and Borough of Wrangell, Burrell and Maria Byford and Robert and Helen Molinek

### SUBMITTED BY:

Jeff Good, Borough Manager &  
Carol Rushmore, Economic Development  
Director

### FISCAL NOTE:

**Expenditure Required:** \$XXX Total

FY 22: \$	FY 23: \$	FY24: \$
-----------	-----------	----------

### **Amount Budgeted:**

FY23 \$XXX

### **Account Number(s):**

XXXXX XXX XXXX

### **Account Name(s):**

Enter Text Here

### **Unencumbered Balance(s) (prior to expenditure):**

\$XXX

### Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1) Byford Replat

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 the Byford Replat

## Summary Statement:

The following summary was provided in Agenda Item 6B but is relevant to Agenda items 6C and 6D and is repeated here.

The Planning and Zoning Commission approved the Final Plat of the Byford Replat at their July 2022 meeting.

Lot Y-A is owned by the Borough

Lot Y-B is owned by the Borough

Lot Y-C consists of Borough land being purchased by Mr. Molinek and Mr. Molinek's original parcel

Lot Y-D consists of Borough land purchased by Mr. Byford and his original parcel.

### BACKGROUND:

In 2018, Department of Environmental Conservation completed the clean-up of the former junkyard site. In October 2019, the Planning and Zoning Commission presented a plan to the Assembly for the development and sale of the property:

- 1) Sell that portion of the property behind Molinek and Byford to them for the cost of the survey and land value per appraisal.
- 2) Subdivide the property such that the area behind Molinek and Byford will be included into their existing lots, portion of the survey cost to be born by them. Each owner would purchase approximately 15,000 square feet of land.
- 3) Sell the remaining approximately 86,000 square feet of land as one parcel with development requirements.

The Assembly supported the rezone and the sale of the land behind existing landowners if they were interested. Mr. Molinek and Mr. Byford had submitted letters for two years previous, seeking to purchase that land. Three letters went out to Mr. Molinek, Mr. Byford and Ms. Wood in April of 2021 formally seeking their interest in the purchase of land directly behind them. Mr. Molinek and Mr. Byford both responded positively. Estimates of the cost of the land was provided to each landowner and clearly identified as estimates.

The selling of the remaining portion of the former junkyard land area with development requirements (type of development, time period) was not supported by the Assembly. Staff subsequently presented several of many development options. Creating more than three lots would require construction of a right-of-way and installation of utilities per WMC19.30 Flag Lot Subdivision. In 2019-2020 I believe the estimated utility installation was a minimum of \$250,000 for the simplest of subdivisions. Further discussions with the Planning Commission and Assembly ended up with creating two lots for sale by the Borough, both with road frontage such that the purchasers could install utilities as necessary. They could also further subdivide if they so choose. The minimum lot size in the RR1 district is 10,000 sq ft with sewer and water.

A subdivision survey was conducted in June 2021, as well as an appraisal by Ramsey and Associates of the former junkyard parcel (Portion of Tract Y, USS 2321, Parcel No. 03-006-303). The borough

owned property of the former junkyard was rezoned to Rural Residential 1 in June 2021, but Mr. Molinek and Mr. Byford were not interested in rezoning their lots from Light Industrial to RR1. During the rezone process, Mr. Byford indicated he was no longer able to purchase the land behind his lot, but an agreement was reached with Mr. Molinek to assume his purchase.

In September of 2021, after the Planning and Zoning Commission had approved a preliminary plat, Mr. Byford approached the Borough to resolve the encroachment issue of his house, rock wall, and shop. His attorney contacted the Borough and negotiations began to resolve the encroachments on Borough property. It wasn't until April of 2022 that a negotiated agreement was reached and approved by the Assembly. The Assembly approved Mr. Byford's purchase of the land where the encroachment was; an easement was created for Mr. Byford to access the back his property and for access to the Borough's back lot; Mr. Byford's property was rezoned to RR1 (June 2022); and an easement maintenance agreement was developed to determine the rules for the shared access between Mr. Byford, and the two Borough owned parcels that will be sold.

A new preliminary subdivision plat had to be surveyed to address the negotiated agreement (paid for by Mr. Byford). The Planning and Zoning Commission approved the final plat July 2022. Signatures were finally obtained by all parties and the plat is being presented to the Assembly for approval.

NOTES

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2. THE ERROR OF CLOSURE OF THIS SURVEY DOES NOT EXCEED 1:5000.
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4. THE CITY OF WRANGELL HAS A 10' POWERLINE EASEMENT ON EACH SIDE OF THE POWERLINE ALONG THE ZIMOVIYA HIGHWAY R.O.W. (BOOK 13, PAGE 324)
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  - PLAT 2002-5 (ROAD HOUSE SUBDIVISION)
  - PLAT 2003-4 (FIGHTING ROYAL SUBDIVISION)
  - DEED 2003-000605-0
  - DEED 2005-000010-0
  - DEED 2016-000016-0

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3. PORTION OF TRACT "Y", DEED 2016-000016-0 (BURRELL C. & MARIA E. ANTONIZIO BYFORD)

PROPOSED OWNERSHIP

1. LOT Y-A, BYFORD REPLAT (CITY & BOROUGH OF WRANGELL)
2. LOT Y-B, BYFORD REPLAT (CITY & BOROUGH OF WRANGELL)
3. LOT Y-C, BYFORD REPLAT (ROBERT J. & HELEN R. MOLINEK)
4. LOT Y-D, BYFORD REPLAT (BURRELL C. & MARIA E. ANTONIZIO BYFORD)

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3. PORTION OF TRACT "Y", DEED 2016-000016-0 (18,111 SQ. FT.)

NEW LOT AREAS

1. LOT Y-A, BYFORD REPLAT (38,843 SQ. FT.) (0.892 ACRES)
2. LOT Y-B, BYFORD REPLAT (36,996 SQ. FT.) (0.849 ACRES)
3. LOT Y-C, BYFORD REPLAT (47,424 SQ. FT.) (1.089 ACRES)
4. LOT Y-D, BYFORD REPLAT (28,564 SQ. FT.) (0.6510 ACRES)

LOT AREA TRANSFER

1. PORTION OF NEW LOT Y-3 TO BE TRANSFERRED FROM CITY & BOROUGH TO MOLINEK (29,274 SQ. FT.) (0.672 ACRES)
2. PORTION OF NEW LOT Y-4 TO BE TRANSFERRED FROM CITY & BOROUGH TO BYFORD (8,453 SQ. FT.) (0.194 ACRES)

PREVIOUS LOT ZONING

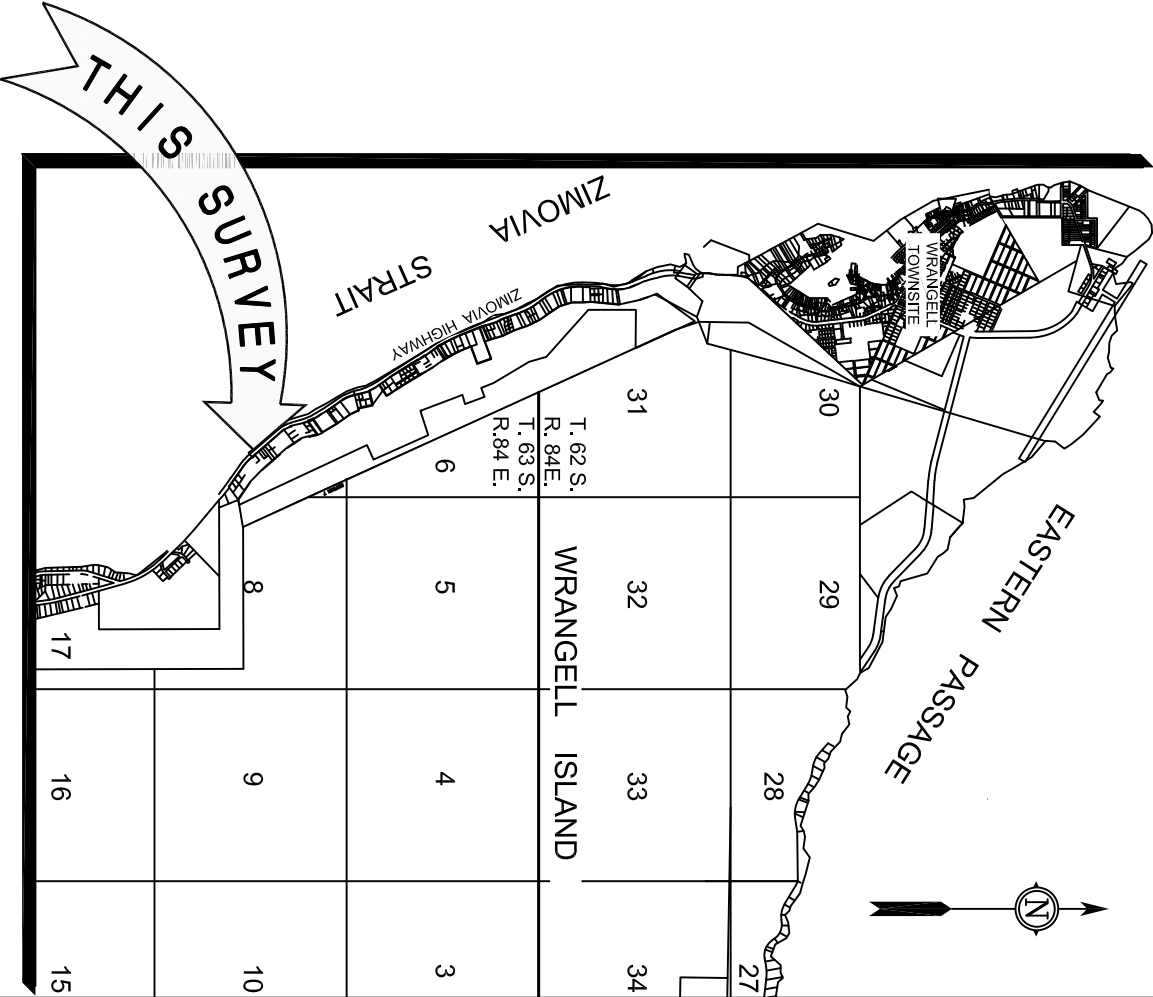
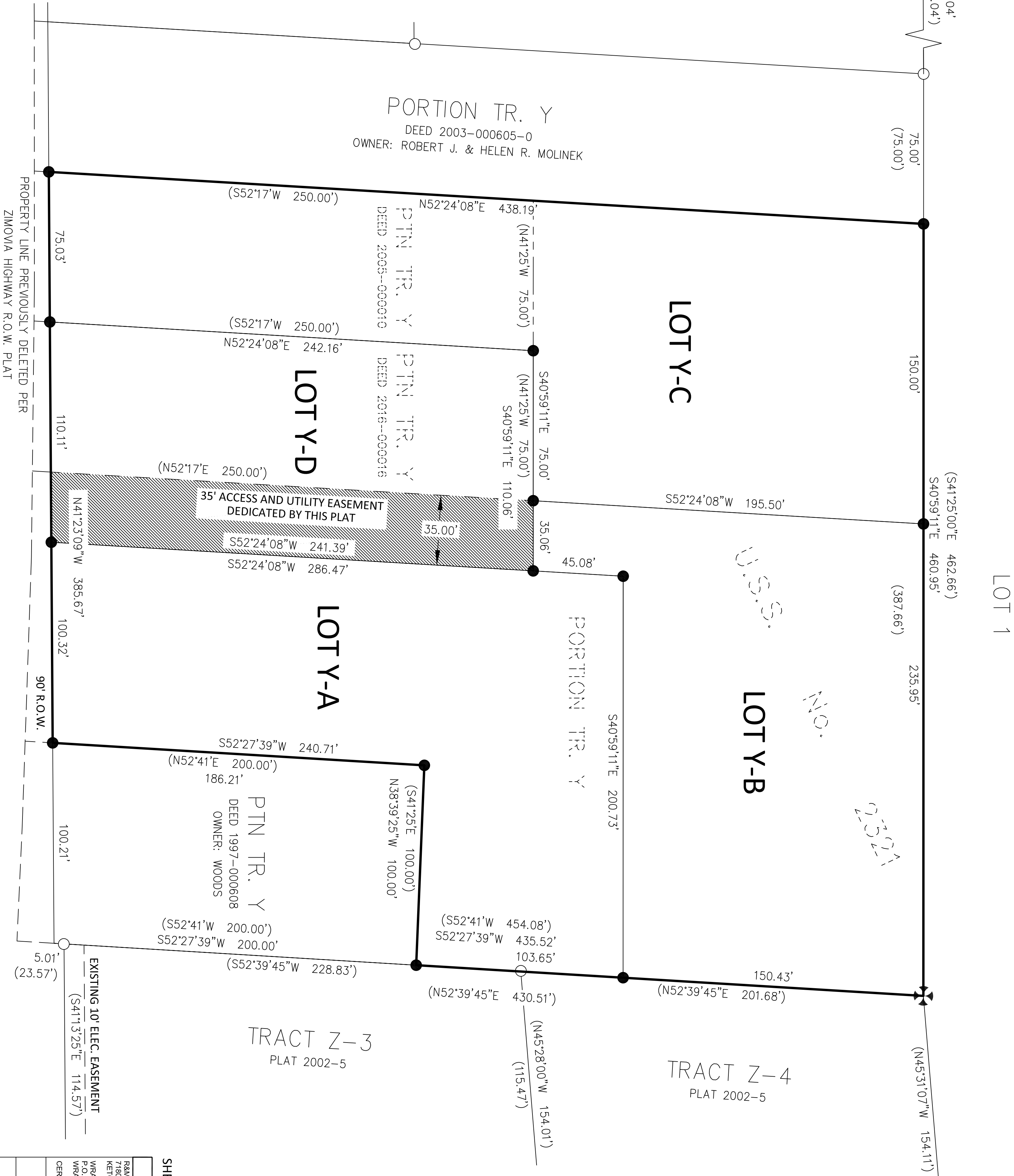
1. PORTION OF TRACT "Y", U.S.S. 2321 (LIGHT INDUSTRIAL)
2. PORTION OF TRACT "Y", DEED 2005-000010-0 (LIGHT INDUSTRIAL)
3. PORTION OF TRACT "Y", DEED 2016-000016-0 (LIGHT INDUSTRIAL)

NEW LOT ZONING

1. LOT Y-A, BYFORD REPLAT (LIGHT INDUSTRIAL)
2. LOT Y-B, BYFORD REPLAT (LIGHT INDUSTRIAL)
3. LOT Y-C, BYFORD REPLAT (MIXTURE OF LIGHT INDUSTRIAL & RURAL RESIDENTIAL 1)  
PREVIOUS PORTION OWNED BY ROBERT MOLINEK WILL REMAIN L.I. (18,150 SQ. FT.)  
PREVIOUS PORTION OWNED BY C&B OF WRANGELL WILL CHANGE FROM L.I. TO R.1 (29,274 SQ. FT.)
4. LOT Y-D, BYFORD REPLAT (LIGHT INDUSTRIAL)

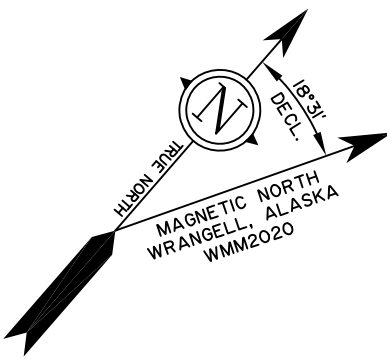
BASIS OF BEARING

BEARINGS SHOWN ARE NAD 83 (2011) FPCU-2010 GEODETIC BEARINGS. BEARINGS SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES. TECHNICAL SURVEYING (R&B & R10) REQUIRES DIFFERENTIALY CORRECTED AND PROCESSED USING TRIMBLE BUSINESS CENTER VERSION 4.1 SOFTWARE. LOCAL PLANE BEARINGS ARE ORIENTED TO TRUE GEODETIC NORTH AT LAT: N56°25'1.16602 LONG: W137°055.74019. DISTANCES SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES.



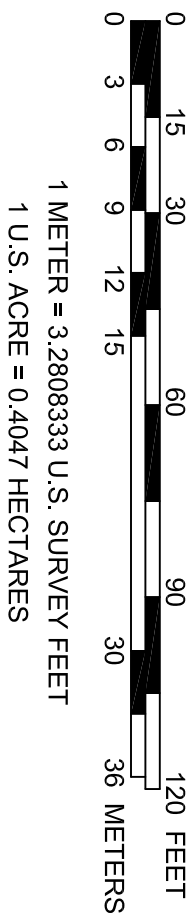
VICINITY MAP

SCALE: 1" = 1 MILE




SCALE 1"=30'

THIS DRAWING MAY BE REDUCED, VERIFY SCALE BEFORE USING



SHEET 1 OF 2

		RA&M ENGINEERING-KETCHIKAN, INC. 7801 REVILLA ROAD, SUITE 300 KETCHIKAN, AK 99901		Phone: (907) 225-7917 Fax: (907) 225-3441
		WRANGELL OFFICE P.O. BOX 2286 WRANGELL, AK 99929		Phone: (907) 305-0820
		CERIFICATE OF AUTHORIZATION #: C576		
		BYFORD REPLAT		
A SUBDIVISION AND REPLAT OF A PORTION OF TRACT Y, OF U.S. SURVEY 2321 (PLAT 64-112), CREATING LOTS Y-A, Y-B, Y-C, AND Y-D, BYFORD REPLAT WRANGELL RECORDING DISTRICT, ALASKA				
LOCATED WITHIN SECTION 7, TOWNSHIP 63 SOUTH, RANGE 84 EAST COPPER RIVER MERIDIAN, ALASKA WRANGELL RECORDING DISTRICT				
SURVEYED BY: MCH		DRAWN BY: MCH		DATE: JUNE 2020 - JULY 2022
SCALE: 1"=30'	CHECKED:	CGP	RA&M PROJECT NO:	202725-02

LEGEND

●	SECONDARY MONUMENT SET THIS SURVEY
○	SECONDARY MONUMENT RECOVERED
⊕	PRIMARY MONUMENT RECOVERED
	EASEMENT DEDICATED BY THIS PLAT
---	UNSURVEYED
---	SURVEYED
---	RECORD BOUNDARY LINE VACATED THIS PLAT
(X)	CENTERLINE
XX	MEASURED DATA



**CERTIFICATE OF OWNERSHIP AND DEDICATION**

WE HEREBY CERTIFY THAT WE ARE THE OWNERS 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, WALLS, FENCES, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE \_\_\_\_\_ CITY & BOROUGH OF WRANGELL

DATE \_\_\_\_\_ PRINTED NAME & 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 OWNERSHIP AND DEDICATION**

WE HEREBY CERTIFY THAT WE ARE THE OWNERS 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, WALLS, FENCES, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE \_\_\_\_\_ ROBERT J. MOUNIK

DATE \_\_\_\_\_ HELEN R. MOUNIK

**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 OWNERS 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, WALLS, FENCES, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE \_\_\_\_\_ BIRELL C. BYFORD

DATE \_\_\_\_\_ MARIA ELENA ANTONIZIO BYFORD

**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

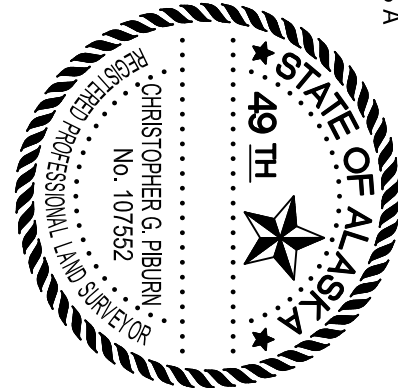
MY COMMISSION EXPIRES \_\_\_\_\_.

**SURVEYOR'S CERTIFICATE**

I HEREBY CERTIFY THAT I AM PROPERLY REGISTERED AND LICENSED TO PRACTICE LAND SURVEYING IN THE STATE OF ALASKA, THAT THIS PLAN REPRESENTS A TRUE AND CORRECT SURVEY OF THE LAND SHOWN AND THAT THE MONUMENTS SHOWN HEREON ACTUALLY EXIST AS DESCRIBED, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT.

DATE \_\_\_\_\_

CHRISTOPHER G. PIBURN, P.L.S. # 107552



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

I THE UNDERSIGNED AS THE PROPERTY TAX CLERK FOR THE CITY AND BOROUGH OF WRANGELL, HEREBY CERTIFY THAT ACCORDING TO THE RECORDS IN MY POSSESSION, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE TAX RECORDS 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 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 AS RECORDED IN WITHOUT BOOK \_\_\_\_\_ PAGE \_\_\_\_\_ DATED \_\_\_\_\_, 20\_\_\_\_, AND THAT SAID PLAT HAS BEEN APPROVED BY THE COMMISSION BY \_\_\_\_\_ SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT COURT, EX-OFFICIO RECORDER, WRANGELL, ALASKA.

DATE \_\_\_\_\_ MAYOR, CITY AND BOROUGH OF WRANGELL

ATTEST:

CITY CLERK \_\_\_\_\_

**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 AS RECORDED IN WITHOUT BOOK \_\_\_\_\_ PAGE \_\_\_\_\_ DATED \_\_\_\_\_, 20\_\_\_\_, AND THAT SAID PLAT HAS BEEN APPROVED BY THE COMMISSION BY \_\_\_\_\_ SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, WRANGELL, ALASKA.

DATE \_\_\_\_\_ CHAIRMAN, PLANNING COMMISSION

SECRETARY \_\_\_\_\_

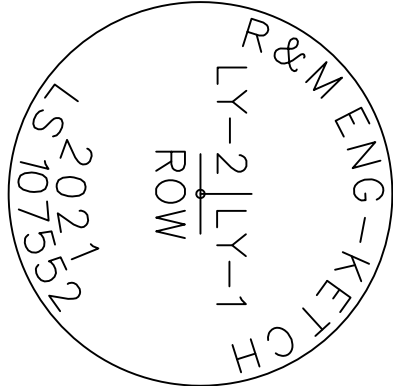
**CERTIFICATE OF APPROVAL BY THE PLANNING COMMISSION**

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 AS RECORDED IN WITHOUT BOOK \_\_\_\_\_ PAGE \_\_\_\_\_ DATED \_\_\_\_\_, 20\_\_\_\_, AND THAT SAID PLAT HAS BEEN APPROVED BY THE COMMISSION BY \_\_\_\_\_ SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, WRANGELL, ALASKA.

DATE \_\_\_\_\_ CHAIRMAN, PLANNING COMMISSION

SECRETARY \_\_\_\_\_

**TYPICAL SECONDARY MONUMENT  
SET THIS SURVEY**



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

SHEET 2 OF 2

**PRSM**  
REAL ESTATE PROFESSIONAL SERVICES, INC.  
7180 REVILLA ROAD, SUITE 100  
KETCHIKAN, AK 99901

Phone: (907) 725-2917  
Fax: (907) 225-3441  
WRANGELL OFFICE  
P.O. BOX 2286  
WRANGELL, AK 99293  
Phone: (907) 305-0820  
CERTIFICATE OF AUTHORIZATION #: C576

**BYFORD REPLAT**

A SUBDIVISION AND REPLAT OF  
A PORTION OF TRACT Y, OF U.S. SURVEY 2321 (PLAT 64-112),  
CREATING

LOTS Y-A, Y-B, Y-C, AND Y-D,  
BYFORD REPLAT  
WRANGELL RECORDING DISTRICT, ALASKA

LOCATED WITHIN

SECTION 7, TOWNSHIP 63 SOUTH, RANGE 84 EAST  
COPPER RIVER MERIDIAN, ALASKA  
WRANGELL RECORDING DISTRICT

SURVEYED BY: MCH DRAWN BY: MCH

DATE: JUNE 2020 - JULY 2022 DATE: AUGUST 2020 - JULY 2022

SCALE: 1"=30' CHECKED: CGP R&M PROJECT NO: 202725-02



## CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	September 27, 2022
	<u>Agenda Section</u>	<b>6</b>

**RESOLUTION No. 09-22-1721** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE SALE OF PUBLIC LAND ON THE PUBLIC SURPLUS WEBSITE IN CONFORMANCE WITH WRANGELL MUNICIPAL CODE CHAPTER 16.12, SPECIFICALLY, LOTS Y-A AND Y-B, BYFORD REPLAT, WRANGELL RECORDING DISTRICT

SUBMITTED BY:

Carol Rushmore, Economic Development  
Director; Jeff Good, Borough Manager

FISCAL NOTE:

**Expenditure Required:** \$XXX Total

FY 20: \$	FY 21: \$	FY22: \$
-----------	-----------	----------

**Amount Budgeted:**

	FY20 \$XXX
--	------------

**Account Number(s):**

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

**Account Name(s):**

	Enter Text Here
--	-----------------

**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. 09-22-1721; 2. 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 09-22-1721.**

## SUMMARY STATEMENT:

The appraisal was completed by Ramsey Appraisal Resource in July of 2021. The subdivision and sale of these lots was held up during negotiations with the adjacent landowner to resolve encroachment issues on the Borough owned property. Because the negotiated sale with adjacent landowners was based on this appraisal, staff is recommending proceeding with land sale based on the existing appraisal. It is attached for review by the Assembly for two lots.

Administration has prepared the resolution (No. 09-22-1721) authorizing the sale of the lots. Administration is recommending the property be sold on the Public Surplus Auction Site, with pre-registration and a (refundable) registration fee required.

The minimum bid for these properties shall be the appraised values as found on p. 51 of the appraisal using the Sales Comparison Approach:

Lot Y-A (which is Y-1 in the appraisal) is valued at \$120,000

Lot Y-B (which is Y -2 in the appraisal) is valued at \$96,885 (adjusted for the portion purchased by Byford)

The auction will be listed on the Public Surplus Site for no less than 30 days. Wrangell Municipal Code requires thirty-day public notice prior to the sale of Borough-owned property. The auction will not commence until the plat and other required documents are recorded with the State's recording office.

Posting property on the Public Surplus Site means that the buyer will pay a 5% premium fee if we collect the payment at auction end. There is the option to have Public Surplus collect the final payment however, the buyer's premium would then be 8%. We are asking that we collect the final payment. Therefore, the premium that the buyer would be required to pay is 5%.

All the terms and conditions of the auction/sale of the property are outlined in Resolution No. 09-22-1721, which is attached.

Background:

The following summary was provided in Agenda Item 6B but is relevant to Agenda items 6C and 6D and is repeated here.

This summary statement provides a summary of the events over the last three years that are also relevant to Agenda items 6C and 6D.

In 2018, Department of Environmental Conservation completed the clean-up of the former junkyard site. In October 2019, the Planning and Zoning Commission presented a plan to the Assembly for the development and sale of the property:

- 1) Sell that portion of the property behind Molinek and Byford to them for the cost of the survey and land value per appraisal.
- 2) Subdivide the property such that the area behind Molinek and Byford will be included into their existing lots, portion of the survey cost to be born by them. Each owner would purchase approximately 15,000 square feet of land.
- 3) Sell the remaining approximately 86,000 square feet of land as one parcel with development requirements.

The Assembly supported the rezone and the sale of the land behind existing landowners if they were interested. Mr. Molinek and Mr. Byford had submitted letters for two years previous, seeking to purchase that land. Three letters went out to Mr. Molinek, Mr. Byford and Ms. Wood in April of 2021 formally seeking their interest in the purchase of land directly behind them. Mr. Molinek and Mr. Byford both responded positively. Estimates of the cost of the land was provided to each landowner and clearly identified as estimates.

The selling of the remaining portion of the former junkyard land area with development requirements (type of development, time period) was not supported by the Assembly. Staff subsequently presented several of many development options. Creating more than three lots would require construction of a right-of-way and installation of utilities per WMC19.30 Flag Lot Subdivision. In 2019-2020 I believe the estimated utility installation was a minimum of \$250,000 for the simplest of subdivisions. Further discussions with the Planning Commission and Assembly ended up with creating two lots for sale by the Borough, both with road frontage such that the purchasers could install utilities as necessary. They could also further subdivide if they so choose. The minimum lot size in the RR1 district is 10,000 sq ft with sewer and water.

A subdivision survey was conducted in June 2021, as well as an appraisal by Ramsey and Associates of the former junkyard parcel (Portion of Tract Y, USS 2321, Parcel No. 03-006-303). The borough owned property of the former junkyard was rezoned to Rural Residential 1 in June 2021, but Mr. Molinek and Mr. Byford were not interested in rezoning their lots from Light Industrial to RR1. During the rezone process, Mr. Byford indicated he was no longer able to purchase the land behind his lot but an agreement was reached with Mr. Molinek to assume his purchase.

In September of 2021, after the Planning and Zoning Commission had approved a preliminary plat, Mr. Byford approached the Borough to resolve the encroachment issue of his house, rock wall, and shop. His attorney contacted the Borough and negotiations began to resolve the encroachments on Borough property. It wasn't until April of 2022 that a negotiated agreement was reached and approved by the Assembly. The Assembly approved Mr. Byford's purchase of the land where the encroachment was; an easement was created for Mr. Byford to access the back his property and for access to the Borough's back lot; Mr. Byford's property was rezoned to RR1 (June 2022); and an easement maintenance agreement was developed to determine the rules for the shared access between Mr. Byford, and the two Borough owned parcels that will be sold.

A new preliminary subdivision plat had to be surveyed to address the negotiated agreement (paid for by Mr. Byford). The Planning and Zoning Commission approved the final plat July 2022.

Signatures were finally obtained by all parties and the plat is being presented to the Assembly for approval under Agenda Item 6C, as is the resolution to put the Borough lands up for auction under Agenda Item 6D.

The value of the lots is identified below using the Sales Comparison Approach (p. 51) of the Appraisal. However, Lot Y-B is adjusted per square foot value, as a portion of the lot as appraised was purchased by Mr. Byford in the negotiated sale.

Lot Y-A (which is Y-1 in the appraisal) is valued at \$120,000

Lot Y-B (which is Y -2 in the appraisal) is valued at \$96,885 (adjusted for the portion purchased by Byford)

## CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO: 09-22-1721

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE SALE OF PUBLIC LAND ON THE PUBLIC SURPLUS WEBSITE IN CONFORMANCE WITH WRANGELL MUNICIPAL CODE CHAPTER 16.12, SPECIFICALLY, LOTS Y-A AND Y-B OF BYFORD REPLAT, WRANGELL RECORDING DISTRICT

WHEREAS, the Borough is the owner of the following described real property: LOTS Y-A AND Y-B, BYFORD REPLAT, Wrangell Recording District; and

WHEREAS, the Borough Assembly has determined it is in the public interest for the Borough to divest itself of this property; and

WHEREAS, the appropriate pre-sale work obtaining an Appraisal has been completed; and

WHEREAS, the Borough Assembly desires to sell said property via Public Surplus platform; and

WHEREAS, the requirements for the sale of public lands have been followed in conformance with Wrangell Municipal Code Chapter 16.12.

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

Section 1.     **AUTHORIZATION.** The Assembly of the City and Borough of Wrangell, Alaska authorizes the Borough Manager to sell Borough-owned real property Lots Y-A and Y-B, Byford Replat, Wrangell Recording District.

Section 2.     **PROCEDURES FOR PUBLIC SALE.** The Assembly of the City and Borough of Wrangell establishes the following procedure for the sale of the Borough-owned real property Lots Y-A and Y-B, Byford Replat.

1. **Public Surplus Auction Website.** The property shall be made available on the Public Surplus Site for not less than 30 days.
2. **Eligibility and Exclusions.** Eligibility for participating in the auction shall be persons eighteen (18) years of age or older with the following exceptions:
  - a. No person who is delinquent in any property tax, sales tax, utility payment, or other financial obligation with the Borough may participate in the auction.
3. **Minimum Bid Established.** The minimum bid for these properties shall be offered at the appraised values:  
 Lot Y-A: \$120,000  
 Lot Y-B : \$96,885

4. **Bidders Registration and Fee Required.** Bidders shall be required to register in advance of the online auction on the Public Surplus Website ([www.publicsurplus.com](http://www.publicsurplus.com)) and pay a \$500 registration fee. This fee shall be applied to the purchase of the property for the winning bidder. The fee shall be refunded to all non-successful bidders. If the winning bidder fails to purchase the parcel in conformance with the prescribed parameters, the bidder forfeits the registration fee. The registration fee must be paid on the Public Surplus Website.
5. **Sale Terms.** The winning bidder shall sign a Purchase Agreement within three (3) days of the closing of the auction. The property may be purchased with 20% of the winning bid amount as down payment, payable within three (3) business days from the signing of the Purchase Agreement, with the balance due to the Borough in sixty (60) days.
6. **Property Not Sold at Auction.** If the properties are not sold in the initial timeframe in which the auction was listed, they shall be relisted in increments of four (4) days until sold. They shall be listed at the full appraised values.
7. **Borough Manager Authorized to Administer.** The Borough Manager is authorized to develop whatever administrative procedures, forms and policies are necessary to implement this resolution.

Section 3. **PUBLIC NOTICE REQUIRED.** In conformance with Wrangell Municipal Code Section 16.12.040(b) the Borough Clerk shall give notice of the sale by publication of notice in a newspaper of general circulation in the Borough at least 30 days before the date of the sale, and the notice shall be posted within that time in at least three public places in the borough.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA THIS 27<sup>th</sup> DAY OF SEPTEMBER 2022.

\_\_\_\_\_  
Stephen Prysunka, Borough Mayor

ATTEST: \_\_\_\_\_  
Kim Lane, MMC, Borough Clerk

**APPRAISAL REPORT  
REAL ESTATE APPRAISAL**

**Of  
Byford Property**



4-mile Zimovia Highway, 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:**  
RAR File # 21-016-P5

## RAMSEY APPRAISAL RESOURCE

10615 Horizon Drive  
Juneau,  
AK, 99801

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

July 8, 2021

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

Re: Appraisal Report, Real Estate Appraisal  
Byford Property  
4-mile Zimovia Highway,  
Wrangell, AK, 99929

File Name: RAR File # 21-016-P5

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 property is a vacant parcel that has had all of its topsoil removed, has been backfilled with rock and is ready for development.

Please reference page 10 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 8). Acceptance of this report constitutes an agreement with these conditions and assumptions. In particular, I note the following:

Hypothetical Conditions:

- The subject is currently zoned Light Industrial, but is in the process of being changed to Rural Residential 1 and so far, there appears to be no hang ups in the process. So far it is approved by Planning and Zoning. This appraisal will appraise the property with the hypothetical that the zoning is Rural Residential 1.



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

**Two Hundred Five Thousand Dollars (\$205,000)**

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:**

Byford Property  
4-mile Zimovia Highway, Wrangell,  
AK, 99929

The subject property is a vacant parcel that has had all of its topsoil removed, has been backfilled with rock and is ready for development.

**Owner:**

City and Borough of Wrangell

**Legal Description:**

All of Tract Y according to the approved plat of Survey No. 2321, Wrangell Homesites, Zimovia S of Wrangell, Alaska, Wrangell Recording District, Judicial District, State of Alaska.

EXCEPTING THEREFROM: A portion of Tract Y, U.S. Survey No. 2321 deeded to Kenneth E. and Norma J. Dorman on April 4, 1955, more particularly described as follows:

BEGINNING at official Corner No. 4 of Tract Y, official Corner No. 1 of Tract Z, thence N 52° distance of 200 feet as Corner No. 1 of this portion of Tract Y; thence S 52°41' W a distance of 200 feet to Corner No. 2 (the same as aforementioned Corner No. 4); thence approximately NW along the U.S.B.P.R. right-of-way of the road commonly known as Zimovia Highway, a distance of 100 feet to Corner No. 3; thence N 52°41' E a distance of 200 feet to Corner No. 4; thence a distance of approximately 100 feet to Corner No. 1, the boundary between Tracts Y and Z, the point of beginning.

ALSO EXCEPTING THEREFROM: A portion of Tract Y, U.S. Survey No. 2321 deeded to Edgar F. and Arlene E. Dorman on September 20, 1956, more particularly described as follows:

BEGINNING at the west corner of said Tract Y, official Corner No. 1 of this portion of Tract Y; thence SE along the U.S.B.P.R. right-of-way 75 feet to Corner No. 2; thence N 52°17' E 250 feet to Corner No. 3; thence NW (approximately N 41°21' W) a distance of 250 feet, more or less to Corner No. 4; thence S 52°17' E a distance of 250 feet to Corner No. 1; the point of beginning.

ALSO EXCEPTING THEREFROM: The Northwesterly 7/8 of Tract Y running parallel to the boundary line between Tracts Y and X in U.S. Survey No. 2321, Wrangell Recording District, Alaska.

ALSO EXCEPTING THEREFROM: That portion conveyed to C. Byford and Danelle A. Byford by deed recorded on July 8, 2021 at Page 23, described as follows: A portion of Tract Y according to the plat of U.S. Survey No. 2321 of the Group of Homesites, accepted on August 29, 1954, file in the U.S. General Land Office and more particularly described as follows:

BEGINNING at the NW corner of said Tract Y, official Corner No. 1 of this portion of Tract Y; thence SE along U.S.B.P.R. right-of-way, a distance of 75 feet to Corner No. 2; thence N 52°17' E a distance of 250 feet to Corner No. 3; thence NW (approximately N 41°21' W) a distance of 250 feet, more or less to Corner No. 4; thence S 52°17' E a distance of 250 feet to Corner No. 1; the point of beginning.

**Date of Report:**

July 8, 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
03-006-303	\$44,000	\$0	\$44,000	\$12.75	\$561

Notes:

**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)	Usable Land Area (Acres)	Usable Land Area (Sq Ft)	Topography	Shape
Lot Y2	2.51	109,336	2.51	109,336	Gently sloping up from the	Irregular T shape

Notes:

**Zoning:**

The subject zoning is light industrial and is in the process of transitioning to Rural Residential. I have been asked to appraise it as if it is Rural Residential 1.

**Highest and Best Use of the Site:**

Subdivision

**Type of Value:**

Market value

VALUE INDICATIONS	
<b>Unit sales Approach:</b>	\$230,000

**Reconciled Value(s):**

**As Is**

Value Conclusion(s) \$205,000  
 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 this property on 4/27/2021
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 this approach was considered only in the aspect of site prep costs.

Sales Comparison Approach:	A sales approach was applied as there is adequate data to develop a value estimate using this approach for the potential lots which could be subdivided from the subject
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.
Unit Sales Approach	This is the best approach for determining the market value of the subject property as is. The determination of potential lot values is reasonable and there is good information in the market for this. The cost encumbered to generate sales of these lots is reasonable and market based.
Hypothetical Conditions:	<ul style="list-style-type: none"> <li>The subject is currently zoned Light Industrial, but is in the process of being changed to Rural Residential 1 and so far, there appears to be no hang ups in the process. So far it is approved by Planning and Zoning. This appraisal will appraise the property with the hypothetical that the zoning is Rural Residential 1.</li> </ul>
Extraordinary Assumptions:	<ul style="list-style-type: none"> <li>There are no Extraordinary Assumptions for this appraisal.</li> </ul>

## Comments

The subject property was formerly a junkyard. The area of the parcel was cleaned and capped the appraiser reviewed the cleanup procedure as documented in the Decision Document from AKDEC dated 4/19/2019 (see Addendum).

From the actions taken and revealed in this document, the appraiser made a determination developed an opinion that the market would perceive the property as clean and without risk to health. This appraisal is based on that opinion.

From talking with local developers and review of the property's attributes, the appraiser determined that the highest and best use of the subject would be to subdivide the property into 5 residential lots.

The appraiser talked with local contractors and utility companies to determine costs for this potential subdivision.

I spoke with Mike Howell to get an idea of what it would cost from this point to do a subdivision of the property, to final plat, with 5 code complying lots. He thought the cost would be around \$3,000 from this point.

The appraiser researched what the sellout value would be by looking at proximate individual lots sold recently. The appraiser researched what developers would require for compensation to estimate a value for the subject as is.

## 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 Kotzlitza, 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

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"> <li>• Fire Alarm System Upgrades</li> <li>• Elevator Replacement</li> </ul>
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.

Currently with the cost of construction lot values are not appreciated the same way that fully developed residential properties are.

## Location Map



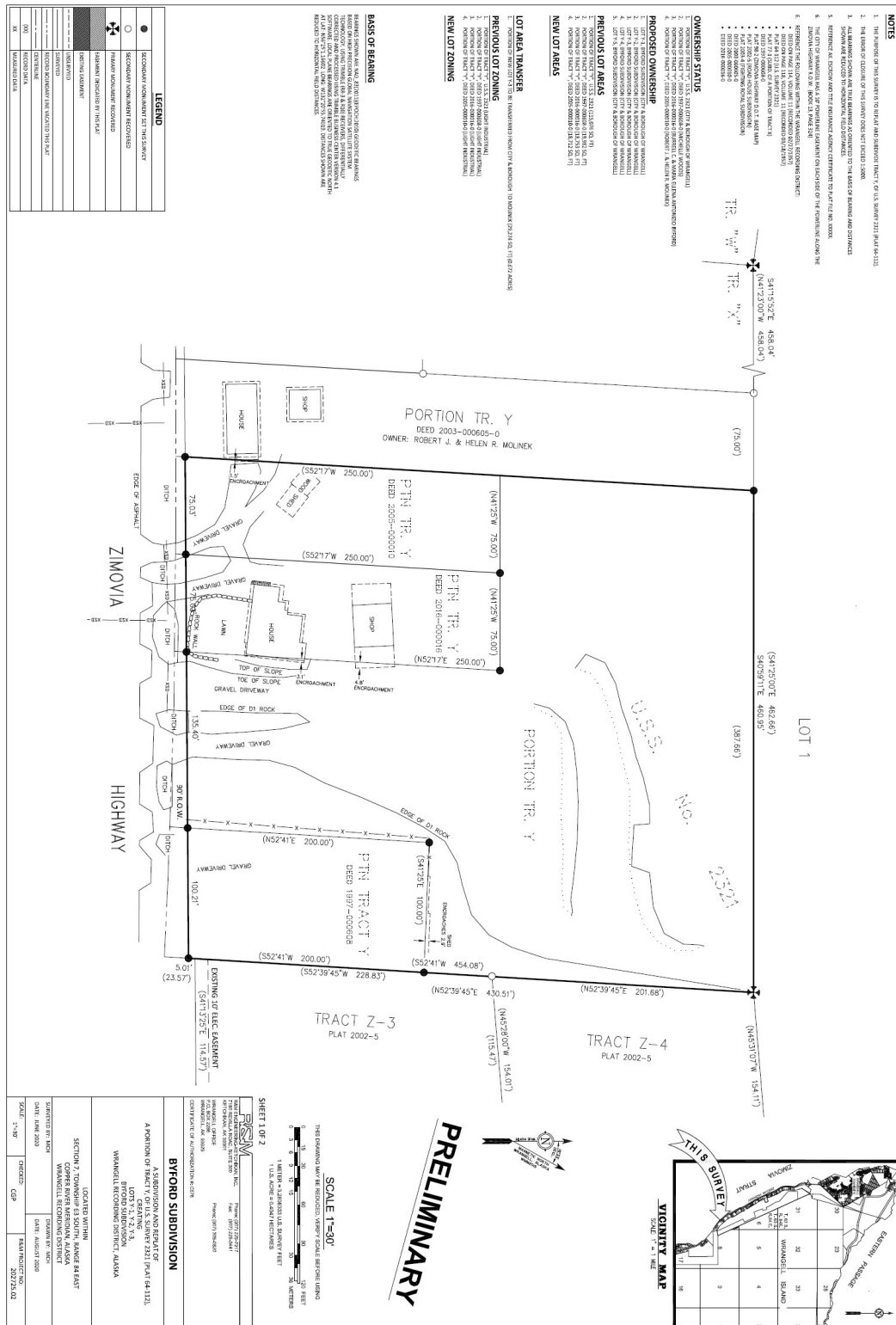
## Property Description

The subject property is a vacant parcel that has had all of its topsoil removed, has been backfilled with rock and is ready for development.

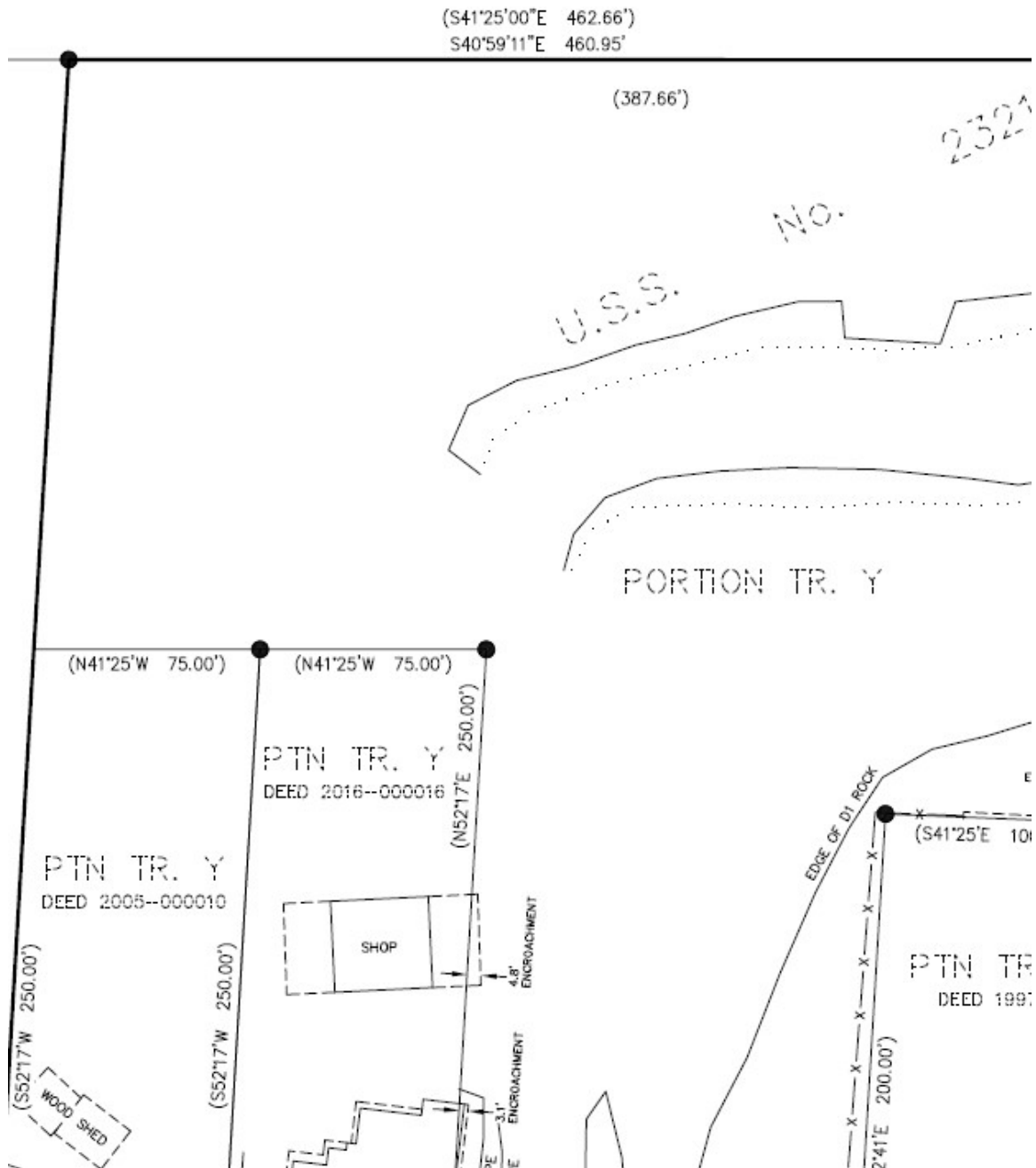
SITE	
Location:	The subject is located approximately 4 miles from the Wrangel ferry terminal, on Zimovia Highway
Current Use of the Property:	The subject is currently vacant.
Site Size:	Total: 2.51 acres; 109,336 square feet  Usable: 2.51 acres; 109,336 square feet
Shape:	Irregular, T shaped.
Frontage/Access:	The subject property has Good access with frontage as follows: <ul style="list-style-type: none"> <li>• Zimovia Highway: 135 feet</li> <li>•</li> </ul>
Visibility:	Good
Topography:	Gently Sloping
Soil Conditions:	The soil conditions observed at the subject are filled rock to a supportive clay substraight.
Utilities:	Electricity: The site is served by public electricity. Sewer: City sewer Water: City water Adequacy: The subject's utilities are typical and adequate for the market area. There is public water and sewer stub to the subject at Zimovia Hwy.
Site Improvements:	<ul style="list-style-type: none"> <li>• The subject site has been improved by removing all topsoil and bringing in rock to make most all of its surface navigable</li> </ul>
Flood Zone:	The subject is located in an area that is not a flood zone.
Wetlands/Watershed:	No wetlands were observed during our site inspection.
Environmental Issues:	The subject was formerly used a Junkyard for autos and other

	<p>polluting stuff was stored and spilled there. This has all been cleaned up (See Wrangell Junkyard Cleanup Determination in the addendum).</p>
Encumbrance / Easements:	<p>There are two buildings on the western edge of the subject that encroach on the subject. One encroaches 4.8 feet and the other 3.1 feet. There is also a shed that encroaches on the southern part of the eastern part of the subject T (See preliminary plat).</p>
Site Comments:	<p>The subject site is fully developable, with most of its area padded out and ready for development. Very little if any overburden is remaining and most of its surface has been rocked. This would be a very easy site, with much of the risk removed, to develop from this point. The subject has very good views of the water and is south facing. Subdivision of this property and the potential lots, should be very desirable in the Wrangell market.</p>

## Site Plan



The above site plan was given to the appraiser by Mike Howell of R&M Engineering



Above is a excerpt of the drawing of the subject property from the drawing on the forgoing page. As can be seen there is two driveway access points with areas unfilled by rock as noted. Also shown are encroachments onto the subject property. Significant grade changes occur at the point of the line (top of slope) and dotted line (bottom of slope), in the body of the site.

### **Americans with Disabilities Act**

Please reference the Limiting Conditions and Assumptions section of this report on page 9.

### **Hazardous Substances**

Please reference the Limiting Conditions and Assumptions section of this report on page 9.

**Subject Photographs** (Taken by appraiser 4/27/2021)

Above left is the subject driveway that goes up on the eastern portion of the parcel. Pictured right above is the highway frontage in front of the subject. Note there is a bike path on the subject side and a separated path on the waterside.



Above left is a picture from the east looking west through the middle of the back portion of the site. Note the sharp grading slopes which support level tiers on the property. Pictured right above is a view from the rear of the parcel looking toward the front and showing the very good water views afforded to the subject site.





Pictured left above is the rear eastern corner of the site. It is level and would be very easy to develop on. Pictured right above is the rear of the subject looking into towards its west side.



Pictured left above is looking towards the east front portion of the upper area. Pictured above right is the driveway the goes up the eastside of the site. The fence pictured is encroaching a bit on the subject.

## Assessment and Taxes

**Taxing Authority** City and Borough of Wrangell

**Assessment Year** 2021

Real Estate Assessment and Taxes					
Tax ID	Land	Improvements	Total Assessment	Tax Rate	Taxes
03-006-303	\$44,000	\$0	\$44,000	\$12.75	\$561

Notes:

### Comments

The subject is owned by the Wrangell Borough, which is exempt and for this reason the accuracy of the assessment is not important and appears to be way below market.

## Zoning

LAND USE CONTROLS	
Zoning Code	The subject zoning is light industrial and is in the process of transitioning to Rural Residential. I have been asked to appraise it as if it is Rural Residential 1.
Zoning Description	The rural residential district is intended to provide for low impact land and water uses and activities in areas that are not suitable or desirable for intensive development due to their distance from established utility service areas, existing large lot development or existing rural lifestyles. These areas shall be protected from high density or incompatible development in order to maintain their character and avoid the high public costs associated with utility service for outlying or scattered development. Within the RR-1 district, low density uses, compatible with the character of the district, are encouraged provided they will not require public sewers, water systems or high volume traffic arteries
Zoning Density	The minimum lot area in either of the rural residential districts shall be 15,000 square feet, except that the minimum lot area may be 10,000 square feet for lots served by public water and sewer service
Zoning Change Likely	As discussed earlier the subject current zoning is light industrial, but in the process of changing to Rural Res. 1
Set Back Distance	20 feet from front and rear lines and 5 feet from side yards
Zoning Comments	The subject zoning allows for lots sizes as small as 10,000 SF, when served by public sewer. In speaking with Carol Rushmore, it sounds like they planning department would prefer lots over 15,000 SF in this area.

## 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)?

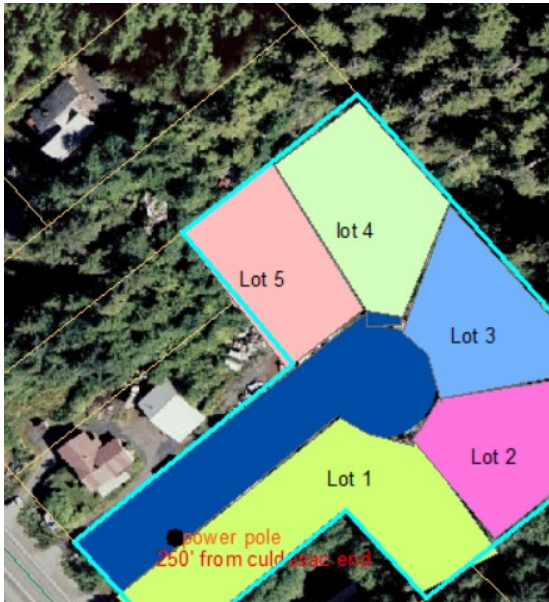
### Highest and Best Use of the Site

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

The subject is a 2.51-acre parcel, that is all stripped of overburden down to its blue clay substrate and then filled back with rock to make a usable surface throughout much of the property. The subject is currently zoned light industrial, but the Borough is planning to petition for it to be changed to Rural Residential 1 to fit in with the surrounding neighbors and have asked me to appraise it as such. The shape of the property would allow 5 residential lots over 15,000 SF. from my perspective this will be the legally permissible, physically feasible use that would bring the greatest value. Raw lots in this area sell for around \$35K to \$50K. Padding out a lot will cost an average of \$15K without bringing in utilities. Therefore, a padded-out lot would bring between \$50 and \$65K. Since we can develop 5 lots from this site the sellout value will be between \$250K and \$325K. The surveyor cost to subdivide is around \$3000 with the preliminary work that has already been done per Mike Howell.

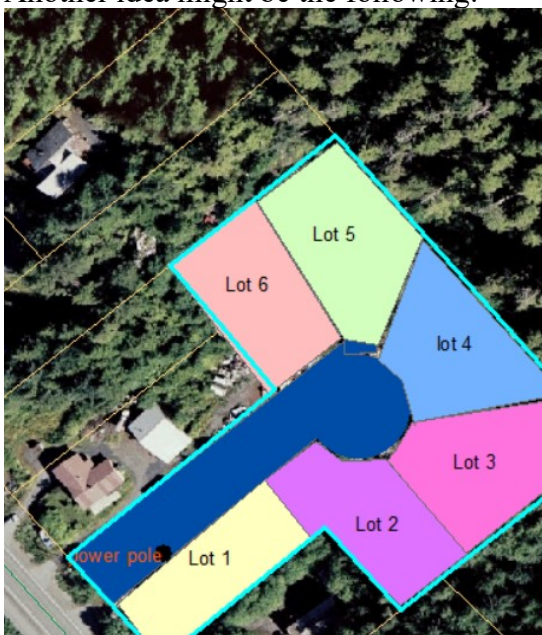
Another cost required would be to bring water and sewer up to the sites. Per discussions with Todd white the cost would be about \$70,000 to get water and sewer to the individual lots.

Following are a couple ideas thought up by the appraiser and following those are ideas given to the appraiser by CBW.



Above is the a rough idea the appraiser came up. Each lot is over 15,000 SF and should allow reasonable roominess for the Wrangell market.

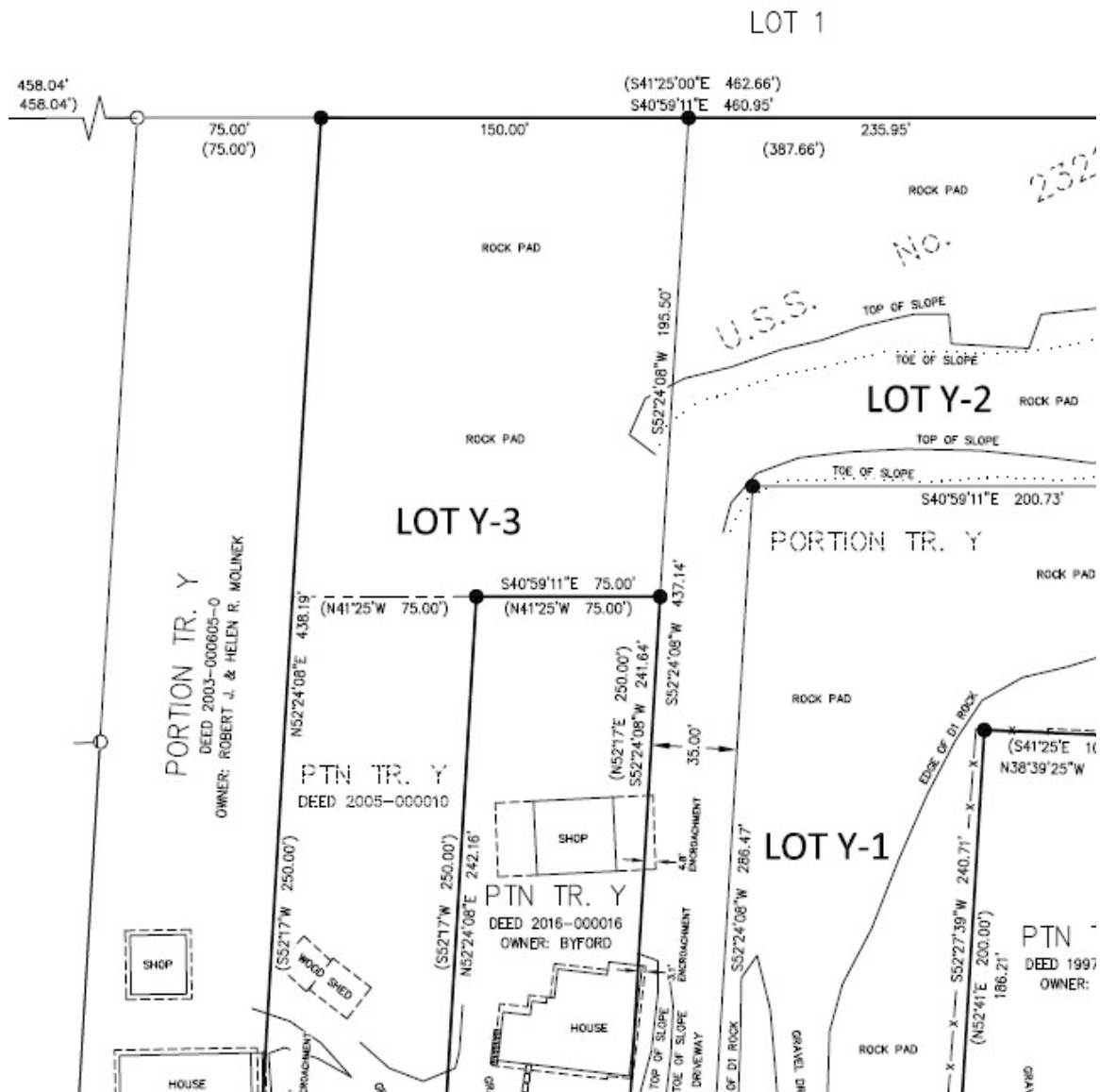
Another idea might be the following:



This would give an extra lot to sell, with lots 3 through six all being over 15,000 SF and lots 1 and 2 being around 13,000 SF each.



The borough is considering and has considered different ideas.



Above is their recent idea which they are considering. It would subdivide the property into 3 lots. One of the lots would be added to a neighboring lot, the owners of which own the lot going up the west side of Lot Y-3 shown above, as well. This would make the contiguous area owned by the owners of lot Y-3 1.93 acres. This would give the Y-3 owners a lot that has good potential for subdivision and in the end give it similar utility to Y-1 and Y-2.



Another idea proposed by the Borough, is for four lots with the back lots accessed by easement. This idea is good, though the lot furthest west would be better if it were larger and the middle lot smaller, making them more similar in size.



Something more like this. In this scenario the cost of utilities would be passed on to the lot owners. They could potentially work together and do it much cheaper than a contractor who would need to be hired to do it if it were in the right of way, as a part of a major subdivision. The lots would be larger and bring a higher dollar amount than smaller lots.

Running rough, but accurate enough, numbers on the two scenarios considered by the appraiser to be potential H&B uses, can be seen following.

<b>Byford Wrangell, AK Scenario: As Is</b>		<b>Prepared By: Roger Ramsey Analysis Date: 6/17/2021 Cash Flows: Semi-Annual</b>			
<b>Cash Flows Beginning</b>		<b>Jun-2021</b>		<b>Dec-2021</b>	
	<b>Inventory</b>	<b>Unit Value</b>	<b># of Sales</b>	<b>Unit Value</b>	<b># of Sales</b>
	smaller lots	\$60,000	1	\$60,000	1
	Larger lots	\$70,000	2	\$70,000	2
<b>Appreciation --&gt;</b>					
	<b>Revenues</b>	<b>\$200,000</b>	<b>3</b>	<b>\$200,000</b>	<b>3</b>
	<b>Expenses</b>	<b>Period 1</b>	<b>Period 2</b>		
	Subdivision	\$3,000			
	Water	\$26,250			
	Sewer	\$35,000			
	Power	\$20,000			
	Expense 6				
	Expense 7				
	Marketing/Commissions 5.0%	\$10,000	\$10,000		
	Developer's Profit 15.0%	\$30,000	\$30,000		

The net present value indicated from developing the subject with a major subdivision (greater than 4 lots with right of way access and all utilities to the sites appears to indicate a net present value at \$206,000.



<b>Byford Wrangell, AK</b>		<b>Prepared By:</b> Roger Ramsey			
<b>Scenario:</b> As Is		<b>Analysis Date:</b> 6/17/2021			
		<b>Cash Flows:</b> Annual			
<b>Cash Flows Beginning</b>		<b>Jun-2021</b>		<b>Jun-2022</b>	
	<b>Inventory</b>	<b>Unit Value</b>	<b># of Sales</b>	<b>Unit Value</b>	<b># of Sales</b>
	1	\$45,000	1		
	1	\$120,000	1		
	1	\$120,000		\$120,000	1
Appreciation -->					
<b>Revenues</b>		<b>\$165,000</b>	<b>2</b>	<b>\$120,000</b>	<b>1</b>
<b>Expenses</b>		<b>Period 1</b>	<b>Period 2</b>		
Finish subdivision		\$3,000			
Expense 2					
Expense 3					
Expense 4					
Expense 5					
Expense 6					
Expense 7					
Marketing/Commissions		6.0%	\$9,900	\$7,200	
Developer's Profit		10.0%	\$16,500	\$12,000	

The above scenario uses the minor subdivision and each lot has access to the highway and utilities at the highway. In this case the lots are much larger, which is a significantly superior attribute in the Wrangell market, and each have potential for further subdivision. The appraiser found comparables, which are documented following and adjustment grids indicate value for these potential lots. The sell out indicates two of the lots being sold in the first period and the 3<sup>rd</sup> lot being sold in the second period by June 2022. In this scenario the indicated value as is, is \$204,000, which is very similar to the major subdivision. It is so close that either is considered the highest and best use.

### Highest and Best Use Conclusion

The appraiser considered the idea presented by CBW in the preliminary plat and has concluded it is potentially as much the highest and best use as a major subdivision. The major difference will be the borough will get less property tax off into the future, as compared with a major subdivision scenario.

There is sufficient demand in the market for lots like the ones drawn up in the appraiser's plan as a major subdivision, which all have good views, are mostly all padded out and have access already developed. The only real expense to make these lots marketable is to

bring utilities to each lot and adjust the grading a bit for the cul-de-sac. As indicated after assuming this expense and other expenses required to sell the lots, the net present value is estimated at \$206,000.

With the subject being subdivided with a minor subdivision, with larger lots that have potential for further subdivision, the net present value appears to be \$204,000.

Therefore, it is my opinion that the highest and best use could be either option. I will develop the comparables used for the CBW scenario and present its potential lot values to assist the City in future negotiations.

## 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:

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

### 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.

### Unit Sales Approach

This approach is a common approach for estimating a value of properties which have a highest and best use of subdivision. It looks at the potential lots values, determines absorption rates and cost to develop, subdivide, market, hold and estimates profit required for doing so by the developer. In the end the net incomes are discounted to present.

### 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 this approach was considered only in the aspect of site prep costs.

A **sales comparison analysis** was considered and was developed because there is adequate data to develop a value estimate using this approach for the potential lots which

could be subdivided from the subject

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.

The **unit sales approach** is the best approach for determining the market value of the subject property as is. The determination of potential lot values is reasonable and there is good information in the market for this. The cost encumbered to generate sales of these lots is reasonable and market based.

## 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 Selected to value the Molinek Lot***

The subject is a very unique property in the Wrangell market. It is a large piece with potential for subdivision. Most all its area is completely prepped and ready for development. The area where a right of way would go, already has a road bed in place. There is extra rock on the site that could be regraded for the right of way and access to the lots. Most anyone looking to acquire this parcel would base its value on the potential lots which could be subdivided from it.

As shown earlier the highest and best use could easily be the major subdivision or the a use similar to the one shown in the preliminary plat presented by the Borough to the appraiser, they are both very close in values. Since this is the case I will present how I determined the portion of Lot Y-3 was determined for this analysis and the values of Lots Y-1 and Y-2.

Portions of Y-3, are not part of the subject property and instead are owned by the Molinek's. Therefore to determine the value of the portion of the subject owned by the Borough, we will need to take the following steps. 1<sup>st</sup> determine the value of the Molinek portion. 2<sup>nd</sup> determine the value of the lot with the CBW portion added. Subtract the Molinek portion and we will have the market value of the CBW portion.

I have researched numerous comparables for this valuation. four comparables for the analysis to determine the value of the Molinek portion of Lot Y-3; 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

<b>ID</b>	1087	<b>Date</b>	2/19/2019
<b>Address</b>	zimovia hwy	<b>Price</b>	\$50,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$1.30
<b>State</b>	AK	<b>Financing</b>	Cash
<b>Tax ID</b>	03-006-215	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	MILLER DAVID J	<b>Days on Market</b>	--
<b>Grantee</b>	HEIDEAIN VALERIE A	<b>Verification</b>	David Miller
<b>Legal Description</b>	Lot: 3, Plat: 2009-5		

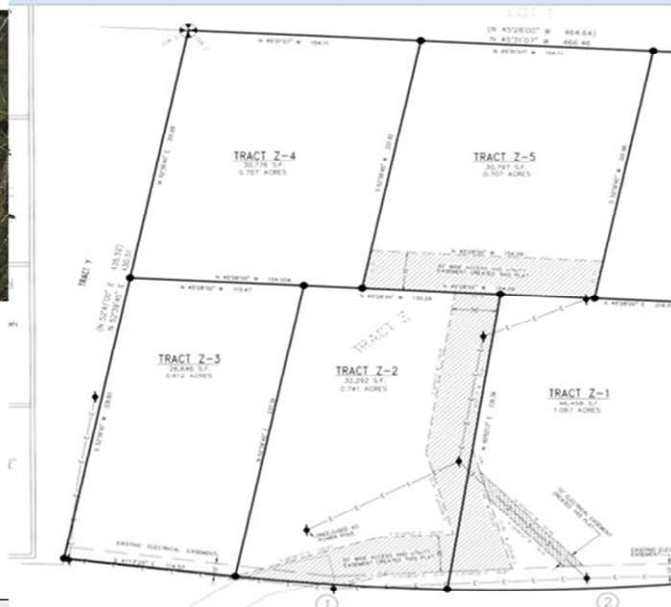
## Site

<b>Acres</b>	0.88	<b>Topography</b>	Sloping
<b>Land SF</b>	38,431	<b>Zoning</b>	Residential
<b>Road Frontage</b>	72	<b>Flood Zone</b>	No
<b>Shape</b>	pan handle	<b>Encumbrance or</b>	None
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None known

## Comments

This site had water, sewer and power to it. The seller, is a contractor in Palmer. He bought the property with a house on it and subdivided it into 4 lots. He was planning on using this lot for a fishing lodge and had done the subdivision of this lots with intentions of keeping this one. He wanted \$75K for the lot but got talked down by the buyer over time. He thinks he sold it low

## Land Comparable 2



## Transaction

<b>ID</b>	1004	<b>Date</b>	8/10/2018
<b>Address</b>	4 mile Zimovia Hwy	<b>Price</b>	\$45,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$1.46
<b>State</b>	AK	<b>Financing</b>	Cash
<b>Tax ID</b>	--	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	SHERER DONALD	<b>Days on Market</b>	--
<b>Grantee</b>	EVERSON MERTON E	<b>Verification</b>	Merton Everson
<b>Legal Description</b>	Tract: Z-4, Plat: 2002-5		

## Site

<b>Acres</b>	--	<b>Topography</b>	Sloping
<b>Land SF</b>	30,776	<b>Zoning</b>	Residential
<b>Road Frontage</b>	30 foot access easement	<b>Flood Zone</b>	No
<b>Shape</b>	--	<b>Encumbrance or</b>	None
<b>Utilities</b>	City water & sewer in	<b>Environmental Issues</b>	None known

## Comments

\$45K for upper. Todd white removed 16 loads of piled up wood pushed onto lot from adjoining lots The upper lot has an easement and can use an existing driveway over neighboring property. the lot had been logged and had regrowth of small trees. This lot has decent views and southern exposure. The cost to get all utilities to the site is estimated at \$15K



## Land Comparable 3



## Transaction

<b>ID</b>	1003	<b>Date</b>	3/15/2018
<b>Address</b>	4 mile zimovia Hwy	<b>Price</b>	\$50,000
<b>City</b>	Wrangel	<b>Price Per SF</b>	\$1.87
<b>State</b>	AK	<b>Financing</b>	cash
<b>Tax ID</b>	--	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	SHERER DONALD	<b>Days on Market</b>	--
<b>Grantee</b>	EVERSON MERTON E	<b>Verification</b>	Mertan Everson
<b>Legal Description</b>	Tract: Z-3 Plat: 2002-		

## Site

<b>Acres</b>	--	<b>Topography</b>	Mixed
<b>Land SF</b>	26,646	<b>Zoning</b>	Residential
<b>Road Frontage</b>	114	<b>Flood Zone</b>	No
<b>Shape</b>	rectangular	<b>Encumbrance or</b>	None
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None known

## Comments

He paid \$50K for lower lot which already had a pad in place but no developed access to the pad. Todd white removed 16 loads of piled up wood pushed onto lot from adjoining lots and brought gravel for lower driveway and did excavating for \$10K. The lower lot has difficult access due to the requirement of a steep driveway. It had access over neighboring lot but it wasn't legal. The upper lot has an easement and can use an existing driveway over neighboring property. Both lots had been logged and had regrowth of small trees. These lots have great views and southern exposure.

## Land Comparable 4



## Transaction

<b>ID</b>	1001	<b>Date</b>	4/9/2018
<b>Address</b>	3.8 mile Zimovia	<b>Price</b>	\$62,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$3.06
<b>State</b>	AK	<b>Financing</b>	Cash
<b>Tax ID</b>	03-006-216	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	Kelly, Ryan and Lorraine	<b>Days on Market</b>	--
<b>Grantee</b>	PROULX ROBERT T	<b>Verification</b>	Robert Proulx
<b>Legal Description</b>	Lot: 2, Plat: 2009-5		

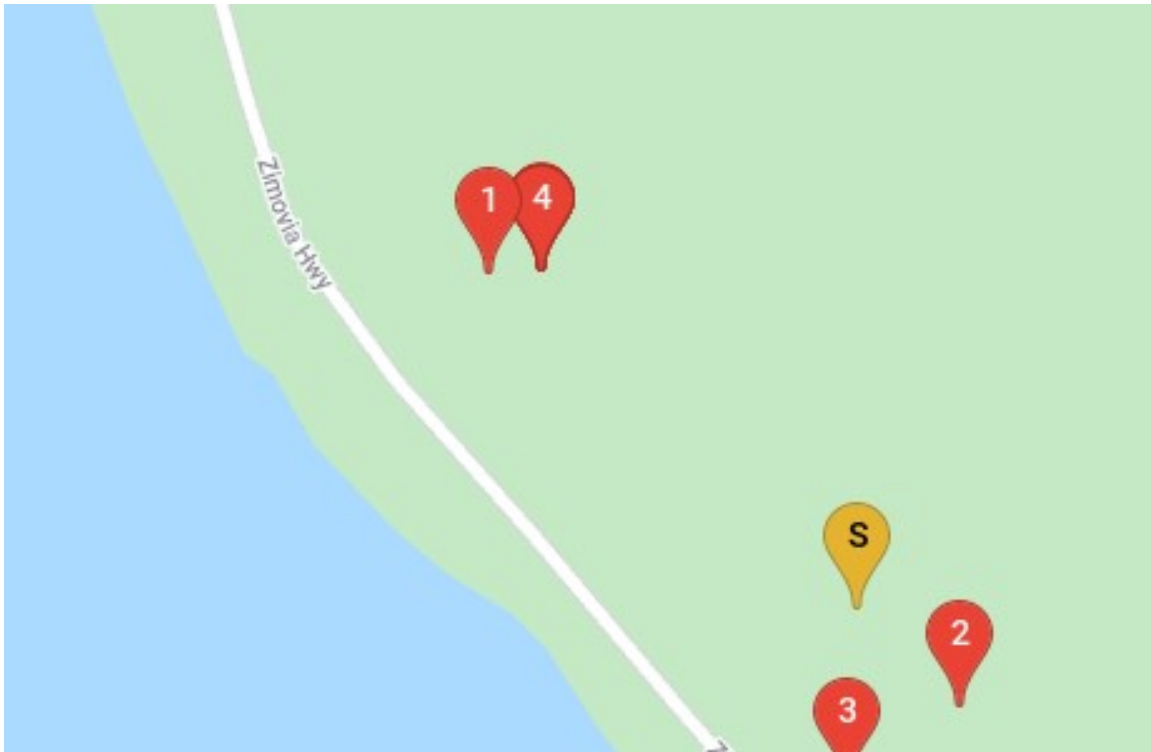
## Site

<b>Acres</b>	--	<b>Topography</b>	Sloping
<b>Land SF</b>	20,276	<b>Zoning</b>	Residential
<b>Road Frontage</b>	easement	<b>Flood Zone</b>	no
<b>Shape</b>	rectangular	<b>Encumbrance or</b>	none
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	none known

## Comments

This lot was purchased with the trees removed and some site prep done, which the buyer valued at \$8K to \$10K and it also came with a container that the buyer thought contributed \$2000. Indicating a raw land value of \$50,000. According to the buyer there is water and sewer to the site and conduit in the ground for electricity.

### ***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 molinek lot as is, the comparables and the adjustments applied. The following grid compares the Molinek to the foregoing sales.

The determined value will then be subtracted from the determined value of the Lot Y-3 as proposed in the preliminary subdivision and considered in a unit sales analysis, to determine the Net Present Value of the subject, with the highest and best use of that proposed by the Borough.

Land Analysis Grid		Comp 1		Comp 2		Comp 3		Comp 4	
Address	4-mile Zimovia	zimovia hwy		4 mile Zimovia Hwy		4 mile zimovia Hwy		3.8 mile Zimovia	
City	Wrangell	Wrangell		Wrangell		Wrangel		Wrangell	
State	AK	AK		AK		AK		AK	
Date	4/27/2021	2/19/2019		8/10/2018		3/15/2018		4/9/2018	
Price	--	\$50,000		\$45,000		\$50,000		\$62,000	
Land Units	1	1		1		1		1	
Price per Unit	\$0	\$50,000		\$45,000		\$50,000		\$62,000	
<b>Transaction Adjustments</b>									
Property Rights	Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%	Fee Simple	0.0%
Financing	Conventional	Cash	0.0%	0	0.0%	cash	0.0%	Cash	0.0%
Conditions of Sale	Cash	See Narrative	0.0%	Normal	0.0%	Normal	0.0%	Normal	0.0%
<b>Adjusted Price per Unit</b>		<b>\$50,000</b>		<b>\$45,000</b>		<b>\$50,000</b>		<b>\$62,000</b>	
Market Trends Through	4/27/2021	0.0%	0.0%	0.0%		0.0%		0.0%	
<b>Adjusted Price per Unit</b>		<b>\$50,000</b>		<b>\$45,000</b>		<b>\$50,000</b>		<b>\$62,000</b>	
Location	4 mile	Similar		Similar		Similar		Similar	
% Adjustment		0%		0%		0%		0%	
\$ Adjustment		\$0		\$0		\$0		\$0	
Land SF	20250	38431		30776		26646		20276	
% Adjustment		0%		0%		0%		0%	
\$ Adjustment		\$0		\$0		\$0		\$0	
Topography	Gently sloping up	Sloping		Similar		Similar		Sloping	
% Adjustment		5%		0%		0%		5%	
\$ Adjustment		\$2,500		\$0		\$0		\$3,100	
Shape	Narrow, long	pan handle		Superior		Superior		Superior	
% Adjustment		0%		-5%		-5%		-5%	
\$ Adjustment		\$0		-\$2,250		-\$2,500		-\$3,100	
Utilities	Water and sewer at highway	Similar		Inferior		Similar		Similar	
% Adjustment		0%		10%		0%		0%	
\$ Adjustment		\$0		\$4,500		\$0		\$0	
Site prep	drive way and some site prep	inferior		Inferior		inferior		Similar	
% Adjustment		5%		15%		10%		0%	
\$ Adjustment		\$2,500		\$6,750		\$5,000		\$0	
<b>Adjusted Price per Unit</b>		<b>\$55,000</b>		<b>\$54,000</b>		<b>\$52,500</b>		<b>\$62,000</b>	
Net Adjustments		10.0%		20.0%		5.0%		0.0%	
Gross Adjustments		10.0%		30.0%		15.0%		10.0%	

***Comparable Land Sale Adjustments valuing the Molinek lot*****Property Rights**

All of the comparable properties were purchased for their fee simple interest.

**Financing**

All the comparables were purchased with cash to the seller

**Conditions of Sale**

No duress was noted in any of the sales.

**Economic Trends**

The Wrangell market for land and lots has been fairly flat. Matched paired sale found by the appraiser and retained in the file, indicate no appreciation at this time for the last 5 years.

**Location**

All of the sales have a similar location to the subject

**Land SF**

While the SF areas of the comparables vary a bit. The usable areas of these lots are all considered similar to the subject overall

**Topography**

Sales 1 and 4 have lots with steeper topography and utilizing the full area of the lot would be more costly and challenging.

**Shape**

All are considered similar overall

**Utilities**

The Molinek lot is right on the highway and has all utilities to its site. Comparable 2 has the potential to hook into utilities in the right of way, but they are not stubbed to the subject and development would be more costly.

**Site Prep**

The subject site has a driveway onto its site. Comparable 1 is inferior with just the beginning of a driveway onto its site and utilities in the easement. Lot 2 had significant overburden piled on it from the adjoining site development and had utilities in the easement a ways back and not to its lot's edge. Lot 3 had utilities in the highway which it abuts but no driveway built, though it did have a pad. Sale 4 is the most similar with a bit of a pad and utilities to the site.

The adjustments made in the grid are based on the appraisers estimates of what the market considerations for these differing aspects would be. There is too little data available to make market adjustments based on paired sales with the differing attributes.

### ***Sales Comparison Approach Conclusion – Land Valuation potential Lot 1***

Following adjustments, the comparables indicated prices per land units of \$52,500 to \$62,000, with a median value of \$54,500.

All of the value indications have been considered in the valuation of the Molinek lot and in the final analysis, all the comparables have been weighted in arriving at my final reconciled per land units value of \$60,000.

<b>Land Value Ranges &amp; Reconciled Value</b>				
<b>Number of Comparables:</b>	<b>4</b>	<b>Unadjusted</b>	<b>Adjusted</b>	<b>% Δ</b>
<b>Low:</b>		\$45,000	\$52,500	17%
<b>High:</b>		\$62,000	\$62,000	0%
<b>Average:</b>		\$51,750	\$55,875	8%
<b>Median:</b>		\$50,000	\$54,500	9%
<b>Reconciled Value/Unit Value:</b>			\$60,000	land units
<b>Subject Size:</b>			1.00	
<b>Indicated Value:</b>			\$60,000	

### ***Land Comparables Selected to value for the Lots in preliminary Plat given to the appraiser from the Borough.***

The subject is a very unique property in the Wrangell market. It is a large piece with potential for subdivision. The borough has given the appraiser a preliminary plat and in the foregoing portion of the appraisal I valued the portion of Lot Y-3 owned by the Molinek's. Now I must determine a value for Lots Y-1, Y-2 and Y-3 as shown in the preliminary plat.

I have researched two comparables for this valuation. 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. These comparables will be compared to the subject Lot Y-1 in the following grid, as a the key parcel and then adjustments made from there to reflect the value of Lots Y-2 and Y-3.

Land Comparable 1



## Transaction

<b>ID</b>	437	<b>Date</b>	2/5/2007
<b>Address</b>	2 mile zimovia Hwy	<b>Price</b>	\$55,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$1.30
<b>State</b>	AK	<b>Financing</b>	--
<b>Tax ID</b>	03-003-203	<b>Property Rights</b>	Fee Sim
<b>Grantor</b>	Bakke	<b>Days on Market</b>	--
<b>Grantee</b>	Bloom	<b>Verification</b>	David N
<b>Legal Description</b>	Lot B-1BB, Survey 2321,		

## Site

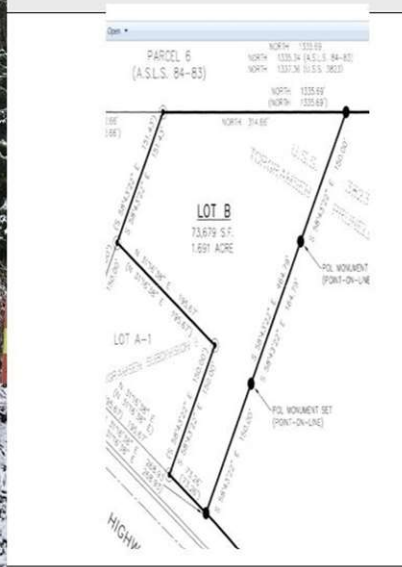
<b>Acres</b>	2.13	<b>Topography</b>	Sloping
<b>Land SF</b>	92,562	<b>Zoning</b>	Residen
<b>Road Frontage</b>	72	<b>Flood Zone</b>	No
<b>Shape</b>	pan handle	<b>Encumbrance or Easement</b>	None
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None kn



## Land Comparable 2



within borders



## Transaction

<b>ID</b>	1010	<b>Date</b>	8/27/2015
<b>Address</b>	zimovia highway	<b>Price</b>	\$70,000
<b>City</b>	Wrangell	<b>Price Per SF</b>	\$1.46
<b>State</b>	AK	<b>Financing</b>	Cash
<b>Tax ID</b>	03-002-304	<b>Property Rights</b>	Fee Simple
<b>Grantor</b>	TORGRAMSEN LISA	<b>Days on Market</b>	--
<b>Grantee</b>	Smith, Bruce	<b>Verification</b>	Merton Everson
<b>Legal Description</b>	Lot: B Plat: 2015-8		

## Site

<b>Acres</b>	--	<b>Topography</b>	Mixed
<b>Land SF</b>	73,679	<b>Zoning</b>	SFR
<b>Road Frontage</b>	73	<b>Flood Zone</b>	No
<b>Shape</b>	--	<b>Encumbrance or</b>	None
<b>Utilities</b>	City water & sewer	<b>Environmental Issues</b>	None known

## Comments

This is a large lot in the SFR zone, which has a minimum lot size of 5000SF. It has adequit frontage to develop a ROW for potential significant subdivision. While the buyer said it was purchased to develop a SFR, it could definately be developed with much greater density in the future, as it has 73 feet of frontage on its panhandle. When I talked to the buyer in 2019, he said he has about a half acre filled, with a driveway and a pad, at a cost of around \$60K



Land Analysis Grid			Comp 1		Comp 2	
Address		4-mile Zimovia	2 mile zimovia Hwy		zimovia highway	
City		Wrangell	Wrangell		Wrangell	
State		AK	AK		AK	
Date		4/27/2021	2/5/2007		8/27/2015	
Price		--	\$55,000		\$70,000	
Land Units		1	1		1	
Price per Unit		\$0	\$55,000		\$70,000	
Transaction Adjustments						
Property Rights		Fee Simple	Fee Simple	0.0%	Fee Simple	0.0%
Financing		Conventional	0	0.0%	\$45k seller financed	0.0%
Conditions of Sale		Cash	See Narrative	0.0%	Normal	0.0%
Adjusted Price per Unit			\$55,000		\$70,000	
Market Trends Through		4/27/2021	0.0%	10.0%	0.0%	
Adjusted Price per Unit			\$60,500		\$70,000	
Location		4 mile	Superior		Superior	
% Adjustment			-5%		-10%	
\$ Adjustment			-\$3,025		-\$7,000	
Land SF		45499	92562		73679	
% Adjustment			-20%		-15%	
\$ Adjustment			-\$12,100		-\$10,500	
Topography		Gently sloping up	Similar		Similar	
% Adjustment			0%		0%	
\$ Adjustment			\$0		\$0	
Shape		Irregular	pan handle		Panhandle	
% Adjustment			0%		0%	
\$ Adjustment			\$0		\$0	
Utilities		Water and sewer at highway	Inferior		Inferior	
% Adjustment			20%		20%	
\$ Adjustment			\$12,100		\$14,000	
Site prep		Gravel pad through out	Inferior		Inferior	
\$ Adjustment			\$60,000		\$60,000	
View		Good	Similar		inferior	
% Adjustment			0%		-10%	
\$ Adjustment			\$0		-\$7,000	
Adjusted Price per Unit			\$117,475		\$119,500	
Net Adjustments			94.2%		70.7%	
Gross Adjustments			144.2%		140.7%	

## **Comparable Land Sale Adjustments**

### **Property Rights**

All of the comparable properties were purchased for their fee simple interest.

### **Financing**

All the comparables were purchased with cash to the seller

### **Conditions of Sale**

No duress was noted in any of the sales.

### **Economic Trends**

The Wrangell market for land and lots has been fairly flat. Matched paired sale found by the appraiser and retained in the file, indicate no appreciation at this time for the last 5 years. That said sale 1 is 13 years old and the appraiser has noted some appreciation in this time period. Therefore, a bit of an adjustment was made to reflect this.

### **Location**

Sale 1 is closer to town and more convenient. Sale 2 is even closer to the towns off site amenities and both were adjusted for this aspect.

### **Land SF**

The subject lot Y-1 is much smaller than the comparables. This gives it less utility for potential subdivision. More than likely only minor subdivisions would be developed, but there is a chance that a major subdivision would be considered and the comps both have wide enough access to allow for it, making them superior in both area and potential for major subdivisions. Adjustments were made to reflect these aspects

### **Topography**

Both sales were considered similar overall

### **Shape**

All are considered similar overall

### **Utilities**

Lot Y-1 is right on the highway and has all utilities to its site. Both comparables have pan handles and required utilities ran down that and an adjustment was made for that based roughly on cost found by speaking with Todd White.

### **Site Prep**

The subject site has a gravel pad through most of its entirety. It offers utility and functionality as is throughout the site as is. This is vastly superior to the comparables. My adjustment for this was found in the actual cost to develop a pad on comp 2 after acquisition.

### Conclusion

So the two comparable sales indicate a value for the subject from \$114,750 to \$19,500. The appraiser has ropunded and concluded to \$120,000 for the subject lot Y-1.

## Comparison of potential Lot Y-1 to Lots Y-2 and Y-3

### Utilities

Y-2 and Y-3 potential lots will need utilities run up from the highway as opposed to lot Y-1 which front the highway and has utilities available to it now, though it would still require getting them to its actual building site. An adjustment for this aspect in comparison to lot 1 could reasonably be estimated at \$15,000, per potential back lot.

Lot Y-2 is up high and has unobstructed views which are considered significantly superior to Lot Y-1 and in my opinion would offset the fact that utilities would need to be run much further to get to the building site and I have concluded the value for this site also at \$120,000.

Lot Y-3 would have a view but it would be more similar to that of Y-1, but it would still have the cost to run utilities. Therefore, if we adjust the value for that we end up with a value of \$105,000 for Y-3 as proposed. No if we subtract the value of the Molinek lot, which is estimated at \$60K, that gives us a market value for the portion of Lot Y-3 owned by CBW at \$45,000

### Conclusion

After making the adjustments comparing the potential lot Y-1 to the potential lots Y-2 and Y-3, we come to the following conclusion.

Potential lot	Potential sell out value CBW ownership
Y-1	\$120,000
Y-2	\$120,000
Y-3	\$45,000

With the above concluded information we can estimate the subject value using the unit sales approach. This is the best approach for valuing the subject, which has no comparable sales in the market with attributes even closely similar. Most larger lot sales are in a different zoning district or were raw lots lacking frontage.

As indicated in the Highest and best use analysis, the indicated net present value to the subject site as is would be approximately **\$205,000**, when developed using the unit sales approach.

## 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

**Unit Sales Approach – Land Value:** \$205,000

### Unit Sales Approach

This is the best approach for valuing the subject. It represents the mostly likely approach potential buyers would use when determining the value of the subject. The marketing costs are market based and the estimated developers profit is reasonable. The subdivision cost is reasonable and based on interviews with Mike Howell. This approach was developed in the Highest and Best Use section of the report and that is where the concluded value for the subject was developed, using the forgoing concluded lot values.

### 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: \$205,000  
Two Hundred Five 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



THE STATE  
of **ALASKA**  
GOVERNOR MICHAEL J. DUNLEAVY

**Department of  
Environmental Conservation**  
DIVISION OF SPILL PREVENTION AND RESPONSE  
Contaminated Sites Program

P.O. Box 111800  
Juneau, AK 99811-1800  
Phone: 907-465-5590  
Fax: 907-465-5218  
www.dec.alaska.gov

File no: 1529.38.006

April 19, 2019

Lisa Von Bargaen  
Borough Manager  
City and Borough of Wrangell  
P.O. Box 531  
Wrangell, AK 99929

Re: Decision Document: Wrangell Junkyard  
Cleanup Complete Determination

Dear Lisa:

The Alaska Department of Environmental Conservation, Contaminated Sites Program (DEC) has completed a review of the environmental records associated with the Wrangell Junkyard, located at mile 4 Zimovia Highway in Wrangell. Based on the information provided to date, the department has determined that the contaminant concentrations remaining on site do not pose an unacceptable risk to human health or the environment and no further remedial action will be required unless new information becomes available that indicates residual contaminants may pose an unacceptable risk.

This Cleanup Complete determination is based on the administrative record for the Wrangell Junkyard, which is located in the DEC office in Juneau, Alaska. This decision letter summarizes the site history, cleanup actions and levels, and standard site closure conditions that apply.

**Site Name and Location:**  
Wrangell Junkyard  
4 Mile Zimovia Highway  
Wrangell, Alaska

**Name and Mailing Address of Contact Party:**  
Lisa Von Bargaen, Borough Manager  
City and Borough of Wrangell  
P.O. Box 531  
Wrangell, AK 99929

**DEC Site Identifiers:**  
File No.: 1529.38.006  
Hazard ID.: 3295

**Regulatory Authority for Determination:**  
18 AAC 75



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**Site Description and Background**

The 2.51-acre Wrangell Junkyard contaminated site is located on a west facing hillside in a residential area approximately four miles south of Wrangell on Zimovia Highway. The property is zoned residential and is bordered by residential parcels to the north and south; Mental Health Land Trust (MHLT) property on the upper eastern boundary, and slopes down to Zimovia Highway toward Zimovia Strait to the west, approximately 150 feet west of the Site (see aerial image below). Upgradient of the site, on MHLT land, forested wetlands are present, with extensive bogs and ponds. Surface water drainages carry water from the MHLT parcel along the north and south sides of the property. The site is underlain by a shallow clay/till layer that is present at depths of three to five feet throughout the site. Productive groundwater is reported present at the site at a depth of 15 feet within a clay/silt layer based on historic information about the nearest well. This well was located on the Byford residence immediately to the north, but has been out of service since at least 2002. No wells in the vicinity were in service as of the early 2000s.

**Photo 1: Aerial view of the Wrangell Junkyard***Photo credit: City and Borough of Wrangell*

The Wrangell Junkyard was operated as Byford Salvage from the early 1960s to the mid-1990s by Virgil Byford. The facility accepted drums of various oils, lubricants and other wastes; polychlorinated biphenyl (PCB) transformers, tires, batteries, boats, and miscellaneous scrap metal. In addition, the owner operated a foundry in one of the two main shop buildings and also salvaged approximately 1,500 automobiles at the site. By the late 1990s, Byford was deceased and the property had transferred to a new owner, Mr. Curtis Gibb, who shipped out the marketable metal for salvage for a short period of time before abandoning the property and leaving the state. No effort was made by either owner/operator to properly store and contain wastes. A large volume of lead acid batteries were stockpiled, crushed, and in some cases partially burned on the property. All materials including potentially hazardous wastes were poorly contained and allowed to be crushed, to leak, and to spill on the property, which drains toward Zimovia Strait. Following a DEC site inspection in 1999, the department initiated steps to conduct a preliminary assessment at the site.

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**Contaminants of Concern and Cleanup Levels**

The highest concentrations of contaminants identified at the site over the course of three investigations are identified in the table below, compared with approved cleanup levels. The contaminants listed are established as the Contaminants of Concern for the site.

Wrangell receives an estimated 83 inches of precipitation annually. The cleanup levels approved for the site are the most restrictive of the migration to groundwater pathway or human health pathway for the method two, >40" precipitation climate zone at 18 AAC 35.341; the Table C Groundwater Cleanup levels under 18 AAC 75.345; and NOAA SQiRT sediment criteria in accordance with 18 AAC 75.340(i) and 18 AAC 75.345(e).

**Table 1: Contaminants of Concern, Site Concentrations, and Cleanup Levels**

Contaminant	Location	Media	Concentration	Cleanup Level	Units (Source)
Antimony	subsurface	soil	2460	4.6	mg/kg (method 2)
Aroclor 1242 (PCB)	surface Area 6	soil	140	1	mg/kg (method 2)
Aroclor 1254 (PCB)	surface	soil	4	1	mg/kg (method 2)
Arsenic	subsurface	soil	314	0.2	mg/kg (method 2)
Benzo(a)pyrene	drum cache	soil	14	0.17	mg/kg (method 2)
Benzo(b)fluoranthene	drum cache	soil	19	1.7	mg/kg (method 2)
Bis(2-ethylhexyl)phthalate	surface	soil	690	88	mg/kg (method 2)
Cadmium	surface	soil	11.1	9.1	mg/kg (method 2)
Chromium (total)	subsurface	soil	4950	1X10 <sup>5</sup>	mg/kg (method 2)
Chromium (total)	Zimovia	sediment	61	15.9	mg/kg (NOAA SQiRT)
Copper	subsurface	soil	24900	370	mg/kg (method 2)
Copper	Zimovia	sediment	19	18.7	mg/kg (NOAA SQiRT)
Dibenzo(a,h)anthracene	drum cache	soil	4.6	0.17	mg/kg (method 2)
Dibenzo(a,h)anthracene	drainage	surface water	0.95	0.25	ug/l (Table C)
Diesel Range Organics	drum cache	soil	40,000	230	mg/kg (method 2)
Lead	drainage	surface water	719	15	ug/l (Table C)
Lead	subsurface	soil	155000	400	mg/kg (method 2)
Lead	Zimovia	sediment	1200	30.24	mg/kg (NOAA SQiRT)
Mercury	drum cache	soil	4.2	0.36	mg/kg (method 2)
Naphthalene	surface	soil	0.19	0.038	mg/kg (method 2)
Nickel	Zimovia	sediment	35	15.9	mg/kg (NOAA SQiRT)
Pentachlorophenol	surface	soil	0.71	0.0043	mg/kg (method 2)
Silver	subsurface	soil	247	11	mg/kg (method 2)
Thallium	subsurface	soil	6.8	0.19	mg/kg (method 2)
Zinc	subsurface	soil	8850	4900	mg/kg (method 2)

**Characterization and Cleanup Activities**2000 CERCLA Preliminary Assessment

In 2000, the DEC attempted to reach then-owner Curtis Gibb to gain access to the site, but the owner, having moved out of state, was not responsive. DEC contracted with Ecology and Environment to conduct a Preliminary Site Assessment under the requirements of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). In 2001, the final Preliminary Assessment report was submitted documenting the results of 18 soil and sediment samples collected for a variety of

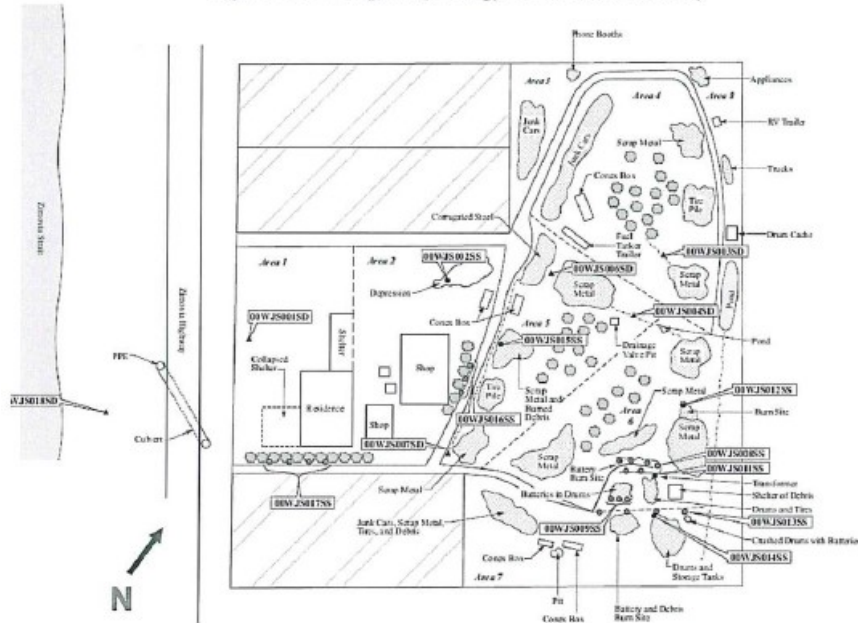
Ms. Lisa Von Bargen, Borough Manager

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analyses. Contamination was reported above DEC cleanup levels for semi-volatile organic compounds (SVOCs), PCBs, and several heavy metals, particularly lead, which was found as high as 120,000 mg/kg. The PCB Aroclor 1242 was found at a concentration of 140 mg/kg in a battery burn site called Area 6. A concentration of 1200 mg/kg lead was found in Zimovia beach sediments downgradient of the site. Significant concentrations of lead in soil found throughout the site were determined the result of large amounts of crushed batteries and poor handling practices over decades of salvage operations. No water samples were collected. Figure 1, taken from the report provides a diagram of the site, with sample locations and areas of concern.

Figure 1: Site Diagram (Ecology & Environment 2000)



### 2002 Site Characterization and Removal Cost Estimate

In 2002, Ecology & Environment conducted a follow-up site characterization and removal estimate for DEC, documented in a report titled, *Wraggell Junkyard Site Characterization and Removal Cost Estimate*. Extensive debris, scrap metal and other solid waste impeded a complete site characterization during this effort. Sixty-four surface samples and 11 subsurface samples were collected. No operating drinking water wells were identified within 1/8 mile of the site. Intertidal groundwater was sampled from a temporary wellpoint installed near Zimova Strait.

Lead concentrations in soil exceeding the DEC cleanup level of 400 mg/kg were measured in 43 of 65 sample locations, with concentrations as high as 98,500 mg/kg, although only two subsurface samples, had concentrations above the 400 mg/kg cleanup level. Concentrations of lead in the downgradient



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wellpoint were non-detect for the filtered sample. The total volume of soil contaminated with lead was estimated at 3,490 cubic yards. See Figure 2.

**Figure 2: Site Diagram of the Wrangell Junkyard, denoting contaminated areas (Ecology & Environment, June 2002)**



The second owner, Curtis Gibb, abandoned the property sometime around 2000 and moved to the lower '48. After an accumulation of unpaid property taxes, the parcel was foreclosed by the City of Wrangell in approximately 2009. Mr. Gibb could not be located and later research showed he passed away in 2015.

#### 2014-15 EPA Targeted Brownfields Assessment

Upon assuming possession of the property, the City, which lacked the funding to carry out the necessary environmental work, collaborated with DEC to obtain the services of EPA's Targeted Brownfields Assessment program. However, due to the large volume of debris on the site, EPA could not proceed with the work until the property was cleared. Over the next several years, the City worked to clear metal debris from the site. Finally in 2014, the site was sufficiently cleared for EPA to conduct a more comprehensive assessment and estimate of the volume of contaminated soil present at the site. Results of this effort were documented in the report, *Wrangell Junkyard Targeted Brownfields Assessment*, dated July 2015. Samples were analyzed for 21 metals, diesel and residual range organics, dioxins, PCBs, and semi-volatile compounds. Large areas of soil across the site were found to be saturated with lead contamination, and contamination from other metals, petroleum, and semi-volatile organic compounds was also present. In addition, elevated concentrations of heavy metals were documented in sediments in the intertidal area across the highway from the site. The volume of soil contaminated with lead, the primary contaminant of concern, was estimated by EPA at 4,000 cubic yards. The highest

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Contamination at the site has been cleaned up to concentrations meeting approved cleanup levels suitable for residential land use. This site will receive a "Cleanup Complete" designation on the Contaminated Sites Database. The following standard condition applies:

**Standard Condition**

Groundwater throughout Alaska is protected for use as a water supply for drinking, culinary and food processing, agriculture including irrigation and stock watering, aquaculture, and industrial use. Contaminated site cleanup complete determinations are based on groundwater as a potential drinking water source. Should groundwater from this site be used for other purposes, such as aquaculture, additional testing and treatment may be required to ensure the water is suitable for its intended use.

This this cleanup complete determination is in accordance with 18 AAC 75.380 and does not preclude DEC from requiring additional assessment and/or cleanup action if future information indicates that contaminants at this site may pose an unacceptable risk to human health, safety, or welfare or to the environment.

**Appeal**

Any person who disagrees with this decision may request an adjudicatory hearing in accordance with 18 AAC 15.195 – 18 AAC 15.340 or an informal review by the Division Director in accordance with 18 AAC 15.185. Informal review requests must be delivered to the Division Director, 410 Willoughby Avenue, Suite 303 or by mail to P.O. Box 111800, Juneau, Alaska, 99811-1800, within 20 days after receiving the department's decision reviewable under this section. Adjudicatory hearing requests must be delivered to the Commissioner of the Department of Environmental Conservation, 410 Willoughby Avenue, Suite 303, or by mail to P.O. Box 111800, Juneau, Alaska 99811-1800, within 30 days after the date of issuance of this letter, or within 30 days after the department issues a final decision under 18 AAC 15.185. If a hearing is not requested within 30 days, the right to appeal is waived.

If you have questions about this closure decision, please feel free to contact me at (907) 465-5076 or email me at [sally.schlichting@alaska.gov](mailto:sally.schlichting@alaska.gov).

Sincerely,



Sally Schlichting  
Unit Manager

cc: Burrell C. Byford, adjacent property owner: P.O. Box 231, Wrangell, AK 99929-0231  
Michelle Woods, adjacent property owner: P.O. Box 108, Wrangell 99929  
David Griffin, Southeast Area Lands Manager Trust Land Office, adjacent property owner  
Dan Strucher, Senior Project Manager NRC Alaska  
Shane O'Neill, Superintendent of Projects, NRC Alaska  
Jason Ginter, Principal, Nortech  
John Halverson, Contaminated Sites Program Manager  
Spill Prevention and Response, Cost Recovery Unit

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level in the confirmation sampling. Five other samples collected near this sample showed levels of benzene and other petroleum contaminants that met cleanup levels, therefore the elevated concentration of benzene found represents a de-minimis volume of contaminated soil.

**Table 2: Highest Concentrations of COCs**

Contaminant	Location	Media	Concentration	Cleanup Level	Units (Source)
Aroclor 1254 (PCB)	confirmation sample	soil	0.23	1	mg/kg (method 2)
Benzene	confirmation sample	soil	<b>0.0594</b>	0.022	mg/kg (method 2)
Diesel Range Organics	confirmation sample	soil	176	230	mg/kg (method 2)
Lead	confirmation sample	soil	327	400	mg/kg (method 2)
Residual Range Organics	confirmation sample	soil	402	8300	mg/kg (method 2)
Toluene	confirmation sample	soil	0.03	6.7	mg/kg (method 2)

**Cumulative Risk Evaluation**

Pursuant to 18 AAC 75.325(g), a cumulative risk determination must be made that the risk of any remaining concentrations of hazardous substances does not exceed a cumulative carcinogenic risk standard of 1 in 100,000 across all exposure pathways and does not exceed a cumulative noncarcinogenic risk standard at a hazard index of one across all exposure pathways. Cumulative risk was calculated using the concentrations above for Aroclor 1254, benzene, and toluene. Petroleum and lead are not included in cumulative risk calculations. The results for this site met the cumulative risk standards, with a total carcinogenic risk calculated at less than 1 in 100,000 and a noncarcinogenic risk of less than one across all exposure pathways.

**Exposure Pathway Evaluation**

Following investigation and cleanup at the site, exposure to the remaining contaminants was evaluated using DEC's Exposure Tracking Model (ETM). Exposure pathways are the conduits by which contamination may reach human or ecological receptors. ETM results show all pathways to be one of the following: De-Minimis Exposure, Exposure Controlled, or Pathway Incomplete.

**DEC Decision**

Nearly all soil across the entire site was removed down to the confining clay layer present throughout the property at depths ranging from 3-5 feet. Due to these site features and the cleanup, no groundwater was present, therefore no groundwater samples were collected. Previous groundwater seep sampling conducted by Ecology & Environment (2002) downgradient of the site found no detectable concentration of lead in a filtered groundwater sample. Furthermore, soil concentrations for contaminants meet migration to groundwater cleanup levels, with the exception of one sample on the adjacent parcel to the north, which had a concentration of 0.0594 mg/kg for benzene that was 2.7 times the migration to groundwater cleanup level of 0.022 mg/kg, but well below the human health level of 8.1 mg/kg. The confirmation sample was collected from the excavation floor in the dense clay till layer, and represents a de-minimis volume, based on the results of five other samples in the vicinity which were below the applicable cleanup levels for BTEX, DRO, and RRO.

In terms of surface water and sediments near the site, removal of the contaminant source area throughout the site included all surface water drainage pathways (which were subsequently re-routed) and has stopped contaminant migration off site. This will allow any residual concentrations of metals in downgradient marine sediments to naturally recover.



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facility located about two miles southeast of the junkyard site where they were staged for barge transport south.

By October of 2018, NRC had completed transport and disposal of 26,912 tons of soil, stockpile liners, and investigation derived waste. These wastes were loaded at the site into 2,482 FIBCs and 80, 20' open top shipping containers, then transported to the Silver Bay facility where they were loaded onto a series of four barges and shipped south to a disposal facility in Arlington, Oregon.

Post-stockpile verification sampling was conducted to ensure no lead contaminated soil above cleanup levels remained onsite. Eighteen samples were collected, of which 10 were analyzed for total lead based on XRF screening, and 10 were analyzed for DRO and RRO based on photoionization detector (PID) field screening. Total lead concentrations ranged from 2.65 mg/kg to 13.9 mg/kg. DRO and RRO were detected in four samples ranging from 18.4 mg/kg to 26.7 mg/kg for DRO and from 9.08 mg/kg to 14.3 mg/kg for RRO.

Following results of the verification sampling, the site was re-contoured according to a site restoration plan approved by the City and DEC. The restoration plan included subsurface drainage features and preserving and enhancing drive ways on the site. In April 2019, NRC Alaska submitted the final *Site Restoration and Closure Sampling Report*, approved by DEC on April 19, 2019. The report documented the above results and restoration work.

**Photo 3: Drone aerial of final site conditions – October 2018**



*Image courtesy of NRC Alaska*

#### Highest Concentrations Remaining at the Site

Sample results following the cleanup effort in 2016 and the shipment and disposal effort in 2018 were reviewed. The highest concentrations of contaminants remaining at the site are shown in the table below, along with approved cleanup levels. Benzene, which was not previously identified as a contaminant of concern at the site, was the only contaminant detected above the applicable cleanup

Ms. Lisa Von Barga, Borough Manager

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one sample at the site. The same sample had a 0.0314 mg/kg detection for toluene, and was non-detect for DRO, RRO, ethylbenzene and total xylenes.

Following the confirmation sampling, each area of the excavation was backfilled with clean material from an offsite quarry. Simultaneously, the stockpile for the treated material was constructed on the closed out areas of the site. Following completion of the cleanup, backfilling and removal of equipment and staging areas, the site was graded and contoured around the stockpile. The post cleanup site conditions are shown below.

**Photo 2: Drone aerial of site following 2016 cleanup**



*Image courtesy of NRC Alaska*

#### 2018 Stockpile Sampling

In March of 2018, soil and pore water within the stockpile were sampled for total RCRA 8 and Toxicity Characteristic Leaching Procedure (TCLP) metals, DRO, RRO, volatile organic compounds (VOCs), and PAHs in support of one of the proposed disposal alternatives. Soil sample results from the waste showing exceedances of applicable cleanup levels included: Total lead at a maximum of 6,250 mg/kg; cadmium at 3.22 mg/kg; total chromium at 191 mg/kg; DRO at 313 mg/kg; naphthalene at 2.65 mg/kg; benzo(a)anthracene at 0.424 mg/kg; and benzo(a)pyrene at 0.382 mg/kg. All other analytes were below the cleanup levels.

#### 2018 Shipping and Disposal Effort

The 18,350 cubic yards were stockpiled onsite from 2016 to 2018, during which time DEC worked with EPA, contractors, the City and Borough of Wrangell, the Wrangell Cooperative Association, community members, the Department of Natural Resources, and the U.S. Forest Service on options for economically disposing of the volume of lead polluted soil. In late May 2018, DEC issued a contract with NRC Alaska to ship all the treated lead soil to a permitted solid waste facility in Oregon.

Beginning June 2, 2018, DEC contractors mobilized to Wrangell to initiate transport and disposal of the stabilized, lead-contaminated soil from the former junkyard site to Columbia Ridge Landfill in Arlington, Oregon. The work consisted of loading the material into heavy-duty, reinforced sacks called Flexible Intermodal Bulk Containers (FIBC)s each with an approximate capacity of 8 cubic yards. The FIBC)s were transported along the Wrangell road system to the former Silver Bay Logging sawmill



Ms. Lisa Von Borgen, Borough Manager

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concentrations found at the site that exceeded approved cleanup levels are documented in Table 1 above.

Following the results of the 2014-15 work by EPA, the agency initiated the process to conduct an emergency removal action. In 2015, the EPA Region 10 Emergency Removal Program, (ERP), invoked its CERCLA authority and began preparing a Comprehensive Time Critical Removal Action (TCRA) to implement removal of contaminated soil from the Wrangell Junkyard that exhibited concentrations exceeding the Resource Conservation and Recovery Act (RCRA) thresholds for hazardous materials requiring remedial disposal at a RCRA approved facility. The EPA ERP and its contractors met with DEC and the City in Wrangell in July 2015.

However, EPA's ERP was unable to secure year-end funding to implement the TCRA. To mitigate the risk of contaminant migration off-site, DEC proceeded to take immediate steps using the emergency account of the Oil & Hazardous Response Fund to initiate cleanup work. The department's objective was to complete cleanup of hazardous liquid and solid debris and contaminated soil to residential land use cleanup standards with minimal site restoration. The proposed work included excavation, shipment, and disposal of contaminated soil, sediments, and wastes present at the site. Upon approval to access the emergency account, the department proceeded to issue a term contract to NRC Alaska to carry out the cleanup, which included stabilizing all lead contaminated soil with a phosphate-based product called EcoBond. When applied to the soil, it renders the lead non-leachable, and changes the waste characteristic from hazardous to polluted, non-hazardous material.

#### 2016 Removal Action

The excavation and cleanup took place in 2016. Nearly the entire 2.51-acre site was saturated with lead down to the underlying clay/silt layer. In addition, batteries, drums, tires, automotive parts, construction materials, and other solid wastes buried at the site were removed, disposed of locally, or shipped out. A total of 22 drums and 57 containers of contaminated debris were shipped to permitted facilities in the lower 48. Lead contaminated soil was found to be significantly more extensive than previously estimated. Contamination extended onto adjacent residential properties, to the east and upgradient onto MHLT Land, and to the west into the DOT right-of-way. Cleanup was not conducted in the intertidal sediments, in order to allow this area to undergo natural recovery.

Upon completion of the cleanup, the total volume of lead contaminated soil treated with Ecobond was approximately 18,350 cubic yards. This included 300 cubic yards from the MHLT parcel and 620 cubic yards from the two neighboring residential properties. The treated soil was stockpiled on site. Results of the cleanup effort were documented in the September 30, 2016 cleanup report from NRC titled, *Remedial Action Report Wrangell Junkyard*, approved by DEC on December 21, 2016.

Confirmation samples for total lead were collected throughout the excavation base (268 samples) and sidewalls (46 samples) based on field screening with an x-ray fluorescence detector (XRF). Results for all the samples met the DEC cleanup level of 400 mg/kg for total lead. In addition, samples were collected for benzene, toluene, ethylbenzene, and xylenes (BTEX), diesel range organics (DRO), residual range organics (RRO), PCBs, and RCRA-8 metals. Polycyclic aromatic hydrocarbons (PAHs) were not included because results during characterization at the start of the project were below cleanup levels.

All confirmation sampling results met applicable cleanup levels, with the exception of benzene, which exceeded the 0.022 mg/kg cleanup level for migration to groundwater with a result of 0.0594 mg/kg in

## 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*. 13<sup>th</sup> ed. Chicago: Appraisal Institute, 2008. Print.
- Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 5<sup>th</sup> 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)

**Minutes of Regular Assembly Meeting  
Held on September 13, 2022**

Vice-Mayor Patricia Gilbert called the Regular Assembly meeting to order at 6:00 p.m., September 13, 2022, in the Borough Assembly Chambers. Assembly Member Dalrymple led the pledge of allegiance, and the roll was called.

**PRESENT** - PRYSUNKA (by phone), DALRYMPLE, HOWE, GILBERT, MORRISON

**ABSENT** - POWELL, DEBORD

Borough Manager Jeff Good (by phone) and Clerk Lane were also present.

**PERSONS TO BE HEARD**

Emailed Correspondence was received from Bruce McQueen regarding the General Obligation Bonds.

**AMENDMENTS TO THE AGENDA**

Assembly Member Dalrymple requested that Items 6a (ORD 1032) and 6b (RES 09-22-1715) be removed from the Consent Agenda and placed under Unfinished Business.

**CONFLICT OF INTEREST** - None.

**CONSENT AGENDA**

**6a** (moved to Unfinished Business) ~~**ORDINANCE No. 1032** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 3.05.020, ORDER OF BUSINESS AND 3.05.050, TELECONFERENCING, OF THE WRANGELL MUNICIPAL CODE~~

**6b** (moved to Unfinished Business) ~~**RESOLUTION No. 09-22-1715** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF PUBLIC TIDELANDS, LOT 6, BLOCK 84B, TIDELANDS SUBDIVISION, ATS 83, PARCEL NO. 02-013-107, TO BENN CURTIS AND SHIRLEY WIMBERLEY FOR THE APPRAISED VALUE OF \$52,000~~

**6c** **RESOLUTION No 09-22-1717** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, DESIGNATING CANVASS BOARD DUTIES TO TWO ASSEMBLY MEMBERS AND ONE QUALIFIED VOTING MEMBER OF THE COMMUNITY FOR CANVASSING THE RESULTS OF THE REGULAR ELECTION TO BE HELD OCTOBER 4, 2022

**6d** Minutes from the August 18, 2022 Special Assembly Meeting

**6e** Minutes from the August 23, 2022 Regular Assembly Meeting

***M/S: Howe/Morrison to approve the Consent Agenda, as adjusted. Motion approved unanimously by polled vote.***

**BOROUGH MANAGER'S REPORT**

Manager Good provided his report.

Public Works Director, Tom Wetor provided a detailed Public Works report.

**BOROUGH CLERK'S FILE**

Clerk Lane presented her report.



## MAYOR AND ASSEMBLY BUSINESS

Morrison stated that she had the opportunity to meet with Senator Murkowski; talked about the Alaska Marine Highway System; Senator Murkowski stated that now is the time that constituents should send letters to the delegation, letting them know what a disaster it has been for the community.

Morrison also stated that she and Assembly Member Gilbert met with the Federal Lobbyist, Seb O'Kelly; he stated that a letter should be sent to the Canadian government regarding the Transboundary Waters in Canada.

Gilbert stated that she attended the Sharing Our Knowledge conference; was very informative.

Dalrymple reported on the Blueberry Management Project; had received funding through the Food Security Program; have been working with the Forest Service with this project; prepared maps with the assistance of the Forest Service; idea is to maintain the blueberry plants, especially in their second growth; maps help to identify where these blueberry plants are located so that people know where they are located.

## MAYOR AND ASSEMBLY APPOINTMENTS - None.

## PUBLIC HEARING

**11a RESOLUTION No. 09-22-1716** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FEE AND RATE SCHEDULE FOR THE WRANGELL WATER DEPARTMENT BY ADDING THE VACATION RATE FOR NON-METERED RESIDENTIAL CUSTOMERS

Vice-Mayor Gilbert called to order the Public Hearing on this item and asked for an administrative report.

Manager Good explained that this item puts the vacation rates back into the fee schedule; they are in the sewer departments fee schedule as well and needed to be added to the Water Departments schedule.

Gilbert asked if there was anyone who wanted to speak on this item.

Hearing none, Gilbert closed the Public Hearing and asked for a motion on this item.

***M/S: Morrison/Dalrymple to approve Resolution No. 09-22-1716. Motion approved unanimously by polled vote.***

## UNFINISHED BUSINESS

**12a** (was 6a moved from the Consent Agenda) **ORDINANCE No. 1032** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 3.05.020, ORDER OF BUSINESS AND 3.05.050, TELECONFERENCING, OF THE WRANGELL MUNICIPAL CODE

***M/S: Howe/Morrison to approve first reading of Ordinance No. 1032 and move to a Second Reading with a Public Hearing to be held on September 27, 2022.***

***M/S: Dalrymple/Morrison to amend the Ordinance to include a section "c" under the Exceptions section to also include all property sales, leases, or transfers. Amendment was approved with Prysunka, Dalrymple, Morrison, and Gilbert voting yes; Howe voted no.***

***Main motion, as amended, was approved unanimously by polled vote.***

**12b** (was 6b moved from the Consent Agenda) **RESOLUTION No. 09-22-1715** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF PUBLIC TIDELANDS, LOT 6, BLOCK 84B, TIDELANDS SUBDIVISION, ATS 83, PARCEL NO. 02-013-107, TO BENN CURTIS AND SHIRLEY WIMBERLEY FOR THE APPRAISED VALUE OF \$52,000

***M/S: Morrison/Dalrymple to approve Resolution No. 09-22-1715. Motion approved unanimously by polled vote.***

#### **NEW BUSINESS**

13a Approval of Professional Services Agreement with Jermain Dunnagan & Owens for Municipal Legal Services

***M/S: Howe/Morrison to approve a Professional Services Agreement with Jermain Dunnagan & Owens for Municipal Legal Services. Motion approved unanimously by polled vote.***

13b Approval of Amendment No. 2 to the Professional Services Agreement with Shannon & Wilson for the Reservoir Bypass Project in the amount of \$44,611

***M/S: Morrison/Dalrymple to approve Amendment No. 2 to the Professional Services Agreement with Shannon & Wilson for the Reservoir Bypass Project in the amount of \$44,611. Motion approved unanimously by polled vote.***

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

**15. EXECUTIVE SESSION** - None.

**16. ADJOURNMENT** - Adjourned at 6:56 p.m.

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Stephen Prysunka, Mayor

ATTEST: \_\_\_\_\_  
Kim Lane, MMC, Borough Clerk

**Minutes of Special Assembly Meeting  
Held on September 20, 2022**

Vice-Mayor Patricia Gilbert called the Special Assembly meeting to order at 5:30 p.m., September 20, 2022, in the Borough Assembly Chambers.

PRESENT: MORRISON, GILBERT, POWELL, DALRYMPLE

ABSENT: PRYSUNKA, HOWE, DEBORD

**PERSONS TO BE HEARD** – None.

**CONFLICT OF INTEREST** -None.

**ITEM(S) OF BUSINESS**

**5a RESOLUTION No. 09-22-1718** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING A MATCH FOR A U.S. DEPARTMENT OF TRANSPORTATION PORT INFRASTRUCTURE DEVELOPMENT GRANT PROGRAM

***M/S: Powell/Morrison to approve Resolution No. 09-22-1718. Motion approved unanimously by polled vote.***

**5b** Final Plat approval of the GPV Replat, a replat of Lot 11, a portion of Lot 12, Lot 13, and a portion of Lot 14, within Block 84, Wrangell Townsite, according to US Survey 1815, creating Lot A and Lot B, GPV Replat, zoned Waterfront Development, requested by Micony, LLC and owned by ALANNCO, LLC

***M/S: Powell/Morrison to approve the final plat of the GPV Replat. Motion approved unanimously by polled vote.***

Special Assembly meeting adjourned at 5:38 p.m.

\_\_\_\_\_  
Stephen Prysunka, Borough Mayor

ATTEST: \_\_\_\_\_  
Kim Lane, MMC, Borough Clerk

# PROCEEDINGS

## MINUTES WRANGELL SCHOOL BOARD REGULAR MEETING

June 20, 2022, 6:30 PM  
Via Zoom

School Board President David Wilson called the regular meeting of the Wrangell Public School Board to order at 6:30 PM.	CALL TO ORDER
A quorum was determined with the following school board members present Angela Allen, Brittani Robbins, Jessica Whitaker, and David Wilson. Julia Ostrander was absent, excused. Also, present was Superintendent Bill Burr and Recording Secretary Kimberly Powell.	DETERMINE QUORUM
The Pledge of Allegiance was recited, led by Board Member Whitaker.	PLEDGE OF ALLEGIANCE
The District Mission, Vision and Values were recited by Board Member Allen.	DISTRICT MISSION, VISION, AND VALUES
Motion to approve the agenda as presented by Jessica Whitaker, seconded by Brittani Robbins. Poll vote: Brittani Robbins: Yes; Jessica Whitaker: Yes; Angela Allen: Yes; David Wilson: Yes. Motion passed.	APPROVAL OF AGENDA
There were no conflicts of interest declared.	CONFLICT OF INTEREST
There were no ceremonial matters presented.	CEREMONIAL MATTERS
The School Board recognized the Evergreen Archers on their 2 <sup>nd</sup> Place at State in the Elementary Division.	STUDENT SPOTLIGHT
President Wilson appointed Kiara Harrison as the Student Representative to the Board and Rylee Chelette as the Alternate Student Representative to the Board for the 2022-2023 school year.	STUDENT REPRESENTATIVE REPORT
There were no guests to be heard.	GUESTS TO BE HEARD
There was no correspondence.	REVIEWED CORRESPONDENCE
Blake Phillips from Alaska Permanent Capital Management presented investment options to the School Board. He gave an overview of current interest rates and the risks associated with different investment opportunities.	ALASKA PERMANENT CAPITAL MANAGEMENT INVESTMENT PRESENTATION
Mr. Burr asked what the annual cost of managing a portfolio is. Mr. Phillips said it's .75 to 1% on a multi-faceted portfolio or .25 - .50% on a fixed income portfolio. He said he can give a more defined answer if we decide to proceed.	
Jessica Whitaker asked if there are more current rates of return than what is being shown on the first slide. Mr. Phillips said that the returns are really bad this year and haven't been as good as when President Reagan was in office. He said the markets have started to come up in the past two months since he and Tammy started talking. He said it would be unlikely to experience the dramatic shift that we had over the past year. The drop in mortgage rates has not happened at this level in forty years.	
Mrs. Whitaker also asked if there is a penalty for early withdrawal. Mr. Phillips said that when they purchase bonds, they are generally purchased with maturity in mind. The City and Borough of Wrangell currently invests money in both fashions. He clarified that there are no penalties.	
Information & Reports were accepted by unanimous consent.	ACCEPTED INFORMATION & REPORTS
President Wilson reported that there is nothing new with the mitigation plan. We are still a symptom-free school and will encourage individuals to abide by that in the upcoming school year.	COVID-19 MITIGATION UPDATE
Motion to approve the items on the consent agenda as presented by Brittani Robbins, seconded by Jessica Whitaker. Poll vote: Jessica Whitaker: Yes; Angela Allen: Yes; Brittani Robbins: Yes; David Wilson: Yes. Motion approved.	APPROVED THE CONSENT AGENDA
<ul style="list-style-type: none"> <li>Approved the minutes of the May 16, 2022, Regular School Board meeting as presented</li> </ul>	

<div><ul style="list-style-type: none"><li>• Offered extracurricular contracts for the 2022-2023 school year to Laura Davies, Middle School Student Council Advisor, Tracey Martin, Elementary Drama Director, and Mason Villarma, Assistant Cross Country Coach</li><li>• Offered Virginia Oliver a teaching contract at .14 fte for the 2022-2023 school year for the purpose of teaching the Tlingit Language</li><li>• Offered Mason Villarma a contract to fulfill the duties of Activities Director during the 2022-2023 school year</li><li>• Offered Ryan Howe a contract addendum to teach the Special Education Extended School Year program during August 2022</li><li>• Offered Tracey Martin a teaching contract for the 2022-2023 school year with appropriate placement on the salary schedule</li><li>• Approved the hire of Kendra McDougall as Elementary Secretary with the appropriate placement on the salary schedule, pending receipt of a satisfactory criminal background check</li><li>• Reviewed the resignation of"<ul style="list-style-type: none"><li>◦ Winston Davies, IEA Director</li><li>◦ Talea Massin, Custodian</li><li>◦ Amanda Patten, High School Secretary</li></ul></li><li>• Approved the sale of the MacBook Pro #01683 to Jennifer Miller for the amount of \$25.00 as presented</li></ul></div>	APPROVED THE CONSENT AGENDA (continued)
<p>Motion to accept the contribution from Vans Shoes in the amount of \$15,000.00 to support the art program at Wrangell High School by Jessica Whitaker, seconded by Angela Allen. Poll vote: Angela Allen: Yes; Brittani Robbins: Yes; Jessica Whitaker: Yes; David Wilson: Yes. Motion approved.</p> <p>Motion to accept the first reading of Board Policy 5125.1, Release of Directory Information adding the legal notes as presented by Angela Allen, seconded by Brittani Robbins. Poll vote: Brittani Robbins: Yes; Jessica Whitaker: Yes; Angela Allen: Yes; David Wilson: Yes. Motion approved.</p> <p>Motion to accept the first reading of Board Policy 7125, Duties of Individual Board Members as presented by Jessica Whitaker; seconded by Brittani Robbins. Poll vote: Brittani Robbins: Yes; Jessica Whitaker: Yes; Angela Allen: Yes; David Wilson: Yes. Motion approved.</p> <p>Motion to accept the first reading, repealing Board Policy 7126, Board Tracking and Reporting Protocols by Angela Allen, seconded by Jessica Whitaker. Poll vote: Jessica Whitaker: Yes; Angela Allen: Yes; Brittani Robbins: Yes; David Wilson: Yes. Motion approved.</p> <p>Motion to accept the first reading of Board Policy 7131, Board Ad Hoc Committees as presented by Brittani Robbins, seconded by Jessica Whitaker. Poll vote: Angela Allen: Yes; Brittani Robbins: Yes; Jessica Whitaker: Yes; David Wilson: Yes. Motion approved.</p> <p>Motion to accept the first reading renumbering Board Policy 7132, Community Advisory Committees to Board Policy 1220, as presented by Jessica Whitaker, seconded by Angela Allen. Poll vote Brittani Robbins: Yes; Jessica Whitaker: Yes; Angela Allen: Yes; David Wilson: Yes. Motion approved.</p> <p>The School Board members reviewed Board Policy:</p> <ul style="list-style-type: none"><li>• 7133, Standing Committees</li><li>• 7210, Qualifications of Members</li><li>• 7222, School Board Member Resignation from Office</li><li>• 7223, Vacancies</li><li>• 7224, Oath or Affirmation</li></ul> <p>Motion to accept the first reading renumbering Board Policy 7230, Board Member Orientation as presented by Angela Allen, second by Brittani Robbins. President Wilson's internet connection dropped from 7:43 – 7:44 PM. Poll vote Brittani Robbins: Yes; Jessica Whitaker: Yes; Angela Allen: Yes; David Wilson: Yes. Motion approved.</p>	<div>ACCEPTED THE FIRST READING OF BOARD POLICY 5125.1 RELEASE OF DIRECTORY INFORMATION</div> <div>ACCEPTED THE FIRST READING OF BOARD POLICY 7125, DUTIES OF INDIVIDUAL BOARD MEMBERS</div> <div>ACCEPTED THE FRST READING REPEALING BOARD POLICY 7126, BOARD TRACKING AND REPORTING PROTOCOLS</div> <div>ACCEPTED THE FIRST READING OF BOARD POLICY 7131, BOARD AD HOC COMMITTEES</div> <div>ACCEPTED THE FIRST READING RENUMBERING BOARD POLICY 7132. COMMUNITY ADVISORY COMMITTEES TO BOARD POLICY 1220</div> <div>REVIEWED BOARD POLICY</div> <div>ACCEPTED THE FIRST READING OF BOARD POLICY 7230, BOARD MEMBER ORIENTATION</div>

Motion to recess into executive session to discuss a matter which may prejudice the reputation and character of any person, provided the person may request a public discussion, more specifically to conduct the Superintendent's evaluation by Jessica Whitaker, seconded by Angela Allen. Poll vote: Jessica Whitaker: Yes; Angela Allen: Yes; Brittani Robbins: Yes; David Wilson: Yes. Motion approved. President Wilson invited Mr. Burr into the executive session and said they would take a quick break prior to going into the executive session.

RECESSED INTO EXECUTIVE  
SESSION AT 7:43 PM

Reconvened into regular session with no action taken.

RECONVENED INTO REGULAR  
SESSION AT 8:20 PM

Reviewed the upcoming dates and meeting announcements.

REVIEWED DATES & MTG  
ANNOUNCEMENTS

Brittani Robbins reminded the other reminded the other Board members that the royalty booth is open and graduate Tyson Messmer is struggling to get volunteers. She said that the 4<sup>th</sup> of July celebration is right around the corner and events will be taking place July 1-4. The king salmon derby is ending July 3. There is a 43.3lb. salmon currently in the lead. The awards ceremony will take place on July 9.

BOARD MEMBER COMMUNITY  
ACTIVITY REPORTS

Jessica Whitaker said that she enjoyed participating in graduation. She said there are a lot of summer opportunities for students through Wrangell Parks and Recreation and the Salvation Army is providing lunches for students during the summer months.

Angela Allen also said that she was honored to take part in the graduation ceremony. She attended Celebration and said that it was a lot of fun for the students who participated. Mrs. Allen encouraged students to take part in the JOM program in the fall.

President Wilson said he was also thrilled to be part of graduation. He said that last year was a tough year, but he's excited to see what's coming up. Mr. Wilson wished everyone a great summer.

Meeting Adjourned at 8:28 P.M.

ADJOURNED AT 8:28 P.M.

  
SCHOOL BOARD SECRETARY

PROCEEDINGS

MINUTES  
WRANGELL SCHOOL BOARD  
SPECIAL MEETING

July 18, 2022, 6:30 PM  
Evergreen Elementary School Room 101

School Board President Dave Wilson called the special meeting of the Wrangell Public School Board to order at 6:30 P.M.

CALL TO ORDER

A quorum was determined with the following school board members present Angela Allen, Jessica Whitaker, and David Wilson. Julia Ostrander and Brittani Robbins were absent, excused. Also, present was Superintendent Bill Burr and Recording Secretary Kimberly Powell.

DETERMINE QUORUM

Motion to recess into executive session to discuss a matter which may prejudice the reputation and character of any person, provided that the person may request a public discussion, more specifically to conduct the Superintendent's evaluation by Jessica Whitaker; seconded by Angela Allen. Poll vote: Angela Allen: Yes; Jessica Whitaker: Yes; David Wilson; Yes. Motion passed. President Wilson said that the Board members would meet first and then invite Superintendent Burr to join them.

RECESSED INTO  
EXECUTIVE SESSION AT  
6:32 PM

The School Board reconvened into Regular Session at 9:30 P.M. President Wilson stated that the School Board has finished the Superintendent's evaluation.

RECONVENED INTO  
REGULAR SESSION AT  
9:30 PM

Meeting Adjourned at 9:33 P.M.

ADJOURNED AT 9:33 P.M.

  
SCHOOL BOARD SECRETARY



## PROCEEDINGS

### MINUTES WRANGELL SCHOOL BOARD SPECIAL MEETING

August 1, 2022, 6:30 PM  
Evergreen Elementary School Room 101

School Board President Dave Wilson called the special meeting of the Wrangell Public School Board to order at 6:31 P.M.

**CALL TO ORDER**

A quorum was determined with the following school board members present Angela Allen, Julia Ostrander, and David Wilson. Jessica Whitaker and Brittani Robbins were absent, excused. Also, present was Superintendent Bill Burr and Recording Secretary Kimberly Powell.

**DETERMINE QUORUM**

Motion to revise the fiscal year 2022 budget as presented by Angela Allen, seconded by Julia Ostrander. Poll vote: Angela Allen: Yes; Julia Ostrander: Yes; David Wilson; Yes. Motion passed.

**REVISED THE FY 2022  
BUDGET**

Motion to approve the hire of Krysta Gillen as a paraprofessional with the appropriate placement on the salary schedule, pending receipt of a satisfactory criminal background check by Julia Ostrander, seconded by Angela Allen. Poll vote: Angela Allen: Yes; Julia Ostrander: Yes; David Wilson; Yes. Motion passed.

**APPROVED THE HIRE OF  
KRYSTA GILLEN AS  
PARAPROFESSIONAL**

Motion to approve the hire of Peter Parks as a custodian with the appropriate placement on the salary schedule, pending receipt of a satisfactory criminal background check by Angela Allen, seconded by Julia Ostrander. Poll vote: Julia Ostrander: Yes; Angela Allen: Yes; David Wilson; Yes. Motion passed.

**APPROVED THE HIRE OF  
PETER PARKS AS  
CUSTODIAN**

Motion to approve offering Alyssa Howell a teaching contract for the 2022-2023 school year with appropriate placement on the salary scheduled by Julia Ostrander, seconded by Angela Allen. Poll vote: Angela Allen: Yes; Julia Ostrander: Yes; David Wilson; Yes. Motion passed.

**OFFERED ALYSSA  
HOWELL A TEACHING  
CONTRACT**

Motion to approve offering Holly Padilla a long-term substitute teaching contract for the 2022-2023 school year with appropriate placement on the salary schedule, for an anticipated duration from August 22 – December 16, 2022, by Angela Allen, seconded by Julia Ostrander. Poll vote: Angela Allen: Yes; Julia Ostrander: Yes; David Wilson; Yes. Motion passed.

**OFFERED HOLLY  
PADILLA A LONG-TERM  
SUBSTITUTE TEACHING  
CONTRACT**

Reviewed the resignation of Shayna Schultz, Assistant Volleyball Coach and Jennifer Wiederspohn, Junior Class Co-advisor.

**REVIEWED RESIGNATION  
LETTERS**

Meeting Adjourned at 6:48 P.M.

**ADJOURNED AT 6:48 P.M.**

  
SCHOOL BOARD

**BOARD ACTION****WRANGELL PUBLIC SCHOOL BOARD  
REGULAR MEETING (PAGE 1)  
SEPTEMBER 19, 2022****FOR DETAILS, CONTACT:**

BILL BURR  
SUPERINTENDENT  
DIRECT PHONE: 907-874-2347

- Approved the agenda as written
- Approved the consent agenda as written
  - Approved the minutes of the August 15, 2022, Regular School Board Meeting
  - Approved the hire of Trisa Rooney, Special Education Paraprofessional
  - Offered Kaylyn Easterly a .31fte extracurricular contract as assistant volleyball coach during practices and home games, pending the receipt of a satisfactory criminal background check
  - Reviewed the resignation of Tate Miller, Custodian and Jeffrey Rooney, High School Head Wrestling Coach
- Supported the AASB Resolutions as presented
- Approved the APEI Safety Equipment & Training Grant Application in the amount of \$1,512.87
- Approved the purchase of school lunch meals from City Market for an estimated cost of \$42,790.00
- Accepted the FY'23 Migrant Education Literacy Grant in the amount of \$2,500.00
- Accepted the second reading of:
  - Board Policy 2123, Superintendent Evaluation
  - Board Policy 6141, Curriculum Review and Development
  - Board Policy 6182, Alternative Courses
  - Board Policy 7124, Student Representative to the Board
  - Board Policy 7130, Board Committees
  - Board Policy 7250, Board Member Compensation and Expenses
  - Board Policy 7260, Legal Protection
  - Board Policy 7261, The Legal Advisory Service
  - Repealing Board Policy 7262, Board Participation in Activities
  - Repealing Board Policy 7263, School Board Use of Electronic Mail and Social Media
  - Board Policy 7274, Board Member/Superintendent Progressive Response Protocols
- Accepted the first reading of:
  - Board Policy 7310, Board Policies
  - Board Policy 7311, Board Policies
  - Board Policy 7314, Suspension of Policies, Rules, and Regulations
  - Board Policy 7321, Executive Sessions
- Reviewed Board Policy 7313, Administrative Regulations
- Discussed the Strategic Plan Revision
- Adjourned

**MEMORANDUM**

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

**FROM: JEFF GOOD  
BOROUGH MANAGER**

**SUBJECT: MANAGER'S REPORT**

**DATE: September 27, 2022**

**INFORMATION:**

- I attended the International City Managers Association meeting this past week. There were some good training sessions and lessons learned from other communities. It also provided some professional development opportunities.
- Chamber of Commerce will be hosting an Economic Forum on September 30<sup>th</sup>.

## **Finance Department September 13, 2022**

- Town Hall @6:30pm on Wednesday, September 28th in the Nolan Center Theater.
- Q1 Financial Update will take place 2nd meeting in October.

## **Nolan Center September 27, 2022**

- New hire-Michael Bahleda was hired in August as the Nolan Center Coordinator. Tyler Eagle moved into the Museum Collections position. A great deal of time has been dedicated to training.
- New Square for Retail. Upgraded to the more powerful POS system so we upgraded and consequently two of our Square terminals stopped working and had to be replaced.
- We have been very busy with cruise ship museum tours, which has made for fantastic gift shop sales to begin the new fiscal year. Gift Shop: \$15,660.83 and Museum: \$13,054.
- We are working on a live theater production of the Sound of Music for the first weekend in December.
- The theater is going strong with several new staff members - so again a lot of training.
- The museum has received several new accessions and has two new displays available to the public in the lobby. We plan to bring back our newsletter soon which will highlight these things.
- The Nolan Center is hosting the Sharing Our Knowledge conference this week. This is a huge event for Wrangell and so exciting that our community gets this opportunity.

## **Parks and Recreation**

**FINANCE & FACILITY ACCESS**

COMPARISON	MONTH	2022	
ATTENDANCE	May	563	
REVENUES	May	\$3,079.35	
POINT OF SALE	May	427 Items Sold	
ATTENDANCE	June	621	
REVENUES	June	\$9,996.62	
POINT OF SALE	June	494 Items Sold	
ATTENDANCE	July	615	
REVENUES	July	\$7,161.87	
POINT OF SALE	July	533 Items Sold	
ATTENDANCE	August	697	2496
REVENUES	August	\$6,354.12	\$26,591.96
POINT OF SALE	August	536 Items Sold	1990 Items Sold

**Totals for the Summer.**

- **PROJECTS** (Special Note: Some project information in this report has been pulled from the Capital Facilities Director Report)
- **Non-Motorized Transportation System (Mt. Dewey Trail Extension).** Funding for this project comes from the Federal Highway Administration, FLAP program, in the amount of \$904,768. A match of 9.03% is required. The USACE (Corps) response to the impacts to wetland disturbance requires compensatory mitigation for the wetland impacts. Capital Facilities is working with an environmental consultant to perform the functional assessment to determine the number of credits to be purchased from a mitigation bank for the required compensatory mitigation. An amendment to PND's design contract has been issued and staff are working with them for full execution before beginning the final design and construction bidding services. PND's proposed schedule for completing the design is October 2022.
- **Recreation Center & Pool HVAC and DDC Upgrades.** Funding for this project is from the Community Development Block Grant – COVID (CDBG-CV) in the amount of \$806,000. There is not a match requirement for this specific CDBG-CV grant. Due to the short timeframe for the total project, the State/CDBG has approved a non-competitive procurement for engineering design, the work under which has begun, and as well a sole source for the DDC system, which now requires Assembly approval as well. A request for approval was on the July 26th meeting agenda.
- **Swimming Pool Exterior Siding Improvements.** The Borough earmarked \$175,000 of the Lost Revenue Relief Grant funding for this project. A minor destructive investigation of the building's exterior wall system was performed to determine if wood frame deterioration has occurred. There was no wood framing deterioration found. The primary need is to replace the siding, a portion of which has deteriorated in the ground level splash zone. The Wrangell School District has requested to join in the siding and painting project for cost efficiencies for painting the High School and Middle School, and Capital Facilities is working to develop a joint project. A fee proposal was received from North Winds to assist with the level of drawings, details and technical specifications needed for a construction contract / bid document. The cost is high to utilize a consultant; therefore, staff will reassess how to reduce the level of consultant work and perform more of the work in house. This project will likely occur in Spring/Summer 2023.
- **Reid Street Sidewalk Replacement.** Funding for this project comes from the Secure Rural Schools Fund, in the amount of \$55,000. The project was completed in August.

- **Skeet Range Improvements.** The department learned earlier this year that it did not receive any funding from the NRA foundation grant proposal submitted in late 2021. However, the P&R Director, with the support of Capital Facilities and Economic Development, submitted a grant proposal to the Alaska Department of Fish and Game for a total of \$150,000 to complete the full scope of improvements identified for the outdoor range. The grant program requires a 25% match; however, some shooting range improvement projects may be eligible for a 10% match requirement. Notice of award will be issued in September of this year. **No CHANGE from June Report.**
- **Kyle Angerman Park & Playground.** The State of Alaska Grant Administrator for the Land and Water Conservation Fund (LWCF) program notified Wrangell Parks & Recreation of their recommendation to cancel the application for funding for the Kyle Angerman Project in June, along with other projects that languished over the past two years of COVID operations. Parks & Recreation's letter requesting an extension on the performance period of the grant has gone unanswered by the National Park Service (NPS). Due to the circumstances, the NPS-LWCF representative recommended cancelling the grant and reapplying during a future grant round. A formal letter withdrawing the department's application was submitted in August.
- **City Park Fireplace.** The City Park Fireplace replacement project requires the assistance of a contractor and engineer to review the overall scope of the project and provide input on design and specifications. This project is likely to take place in the spring of 2023.

**Volunteer Park Parking Lot.** The hillside along the parking lot was cleared this summer by the Public Works staff. Additional work still needs to be completed to close out the project including adding fill, grading, and rolling the surface material and installing large boulders to act as the parking barrier. This project will be completed by mid-October.
- **Pool Lighting Project.** The pool lighting project is complete as of September 2<sup>nd</sup>.
- **Shoemaker Bay Park & Recreation Area.** P&R maintenance personnel completed two major maintenance projects at the recreation site. Both the large barn (used for storage) and the shelter were primed and painted this summer. New park signage was installed at the RV dump station, tent camping area and within the park. Contractors inspected and made repairs to all electrical receptacles at the Shoemaker RV Park as well. Additional tasks that still need to be tackled are installing missing parking barriers, pressure washing the tennis court, applying new court paint to include a tennis court and two pickleball courts, pressure washing and staining the playground equipment, and installing a new message center at the RV park.
- **Volunteer Park Name Recognition.** This project remains a priority for trails. As time allows, Kate Thomas will work with tribal leader, Virginia Oliver, to establish signage for all trailheads and junctions along the Nature Trail that includes a Tlingit translation. Parks & Recreation has an interest in seeing a HS student take this on as a senior project.
- **Pool Maintenance Closure.** Wrangell Parks and Recreation Swimming Pool will be closed for maintenance from November 28<sup>th</sup> through January 8<sup>th</sup>, returning to operation on January 9<sup>th</sup>, 2023. Project priorities include repair areas of the pool basin, remove, and replace damaged tile, inspect and repair shower units, valve inspection, filter maintenance, chlorine system maintenance, grout floors in locker rooms, clean carpets, refinish wood benches and more. Regular updates will be provided throughout the closure to inform the public of the progress made and updates to the schedule as necessary. Additional activities will be available in the gymnasium during this time.
- **Private Swim Lessons.** Private lessons continue to be a popular request among community members. They are a great offering to continue building skills in between group

lessons. Currently, there are limited staff available to serve this need. The department is maintaining a roster of interested parties to call on when staff are available to instruct.

- **Lifeguard Prep Class & Blended Learning Course.** Kate Thomas facilitated a lifeguard prep class focused on endurance conditioning and the pre-requisites to get into the lifeguard class. There were four students who took the class. Lucy Robinson instructed a blended learning lifeguard class with 6 participants and 2 additional people who recertified. All participants of the class successfully completed the course and began working in August prior to the start of school. Ongoing training is being facilitated to ensure new recruits are supported in their new role.
- **Swim Lessons & Camp.** Over 65 youth were served in this summer's Lessons and Camps. The program popularity resulted in waitlists for each period of activity. The department is working to strategize for next summer to be better positioned to meet the demand. Staff intend to focus on swim instructor recruitment and training in the new year to prepare for summer.
- **Summer Sports Activities.** The department hosted a series of pop-up activities, outdoor recreation and sports camps throughout the summer including Cheer Camp, Forest and Beach Explorers, Strength and Conditioning Camp, Basketball Open Gym and Kickball. The shorter activities for small increments of time, tailored to ages 5-7, were less popular than the longer sports activities geared towards 8-10 and middle school aged students. Parks & Recreation is looking to strategize the best way forward. Workforce limitations are a driving factor in what, when and how the departments develop programming. Fall and winter will provide staff with time to assess priorities and areas of focus moving forward.

**Walk Southeast.** A cross community competition where participants log their miles throughout the summer to see which community can log the highest average mileage per participant within the competition came back for a second season. There were 59 participants registered in Wrangell. Over 285 participants from Juneau, Ketchikan, Wrangell, and Petersburg walked at least 150 miles over the duration of the competition. This year, the winner of the drawing took home two Alaska Airlines tickets.

- **Youth Fee Assistance Program.** Six Fee Assistance awards were provided to participants this summer, totaling \$296.00. Awards were applied to punch cards and swim lessons.
- **Junior Lifeguard Semester Program.** Parks & Recreation launched its first semester-long Junior Lifeguard Course this fall. Initially there were 4 participants enrolled in the course. Due to a scheduling conflict, one student had to drop to one class per week, and another dropped the class due to an injury. The course requires at least 3 participants to be able to easily conduct all the skills training. Staff are working recruitment strategies to enroll more students in the course before cancelling it. If the course is cancelled, staff will assess an alternate schedule and class structure and attempt another offering at a different time of day and period within the year. Staff have also discussed getting more involved in the classroom of upper elementary school students and focusing on elementary school aquatics to drive recruitment at the middle school level.

**Wrangell High School Swim Team.** Wrangell Swim Team started their regular season in August. Practices are ongoing through the beginning of November and scheduled for five days per week, except for travel weeks.

- **Elementary School Aquatics Opportunities.** The department will host 2<sup>nd</sup> and 3<sup>rd</sup> grade students this fall for swim lessons. 4<sup>th</sup> and 5<sup>th</sup> grade students will be invited to participate in water safety skills seminars before the Thanksgiving holiday.
- **Youth Basketball.** Recruitment for volunteers is underway. Skills camps and practices will begin on September 26<sup>th</sup>. The program will focus on the fundamentals this season with an



intercommunity skills camp with Wrangell and Petersburg. Given that Wrangell Athletes have not seen a full basketball season since 2019, staff and stakeholders agree that the focus for this year should be on fundamentals rather than competitive play.

- **Jiu Jitsu.** This program just hit its first anniversary. Enthusiasm for the class is growing, reinforcing the efforts of volunteers Matt Nore and Victoria Carney. Community member Bob Baker is also working alongside Matt and Victoria to facilitate weekly classes. The group will host a longer skills training in October by bringing in an outside instructor.



Rain Garden  
Project.pdf

## City and Borough of Wrangell Public Works Department September 2022 Directors Report

### Streets/PW

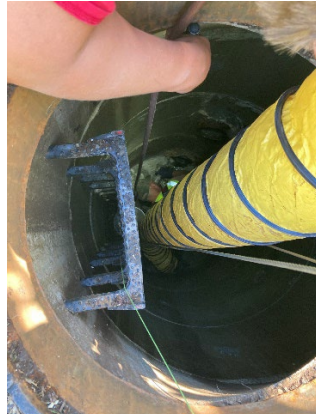
- St Michaels Street has had a drainage issue for a number of years that is consistently reported as water bubbles up through the road during heavy rain events. Upon excavation a 20' section of culvert near the school was crushed. The crushed culvert was removed, replaced and refilled.



- Smoke testing was done in the spring to identify inflow and infiltration issues with the collection system going out Zimovia Hwy. Several problem areas were identified.



Ditching was done around several manholes to keep water from flowing in the top of the manhole. Another manhole was found to be leaking near the bottom. Staff chiseled out the cracks in this manhole and patched them from the inside. This attempt at fixing the I & I issue stopped water from leaking into the obvious cracks however the water continues to leak into this manhole from different cracks further up. Another attempt at patching this manhole will be done as time allows.



- Drainage issue was addressed on Cassiar Street. Water was flowing from city owned property and onto the road. Piping and ditching were added on both sides of the road to control the flow of water directly into a storm drain and to keep it from running under a residence below the road.



- There was 1 call out assist with WMLP for power being out on peninsula st
- Staff worked with Parks and Recreation on rehabilitating the sledding hill and volunteer trail parking lot. Alder trees were removed along the sledding hill.



- Some brushing was done in several areas around town where some alder trees were overhanging the roadway. These areas were targeted as it was expected that these trees could fall into the roadway once loaded with snow in the winter time.



- Streets were swept after brushing to clean any debris leftover.
- There was 1 full casket burial.
- Water and sewer services were installed for a business operating in the marine service center.
- A number of pot holes were filled with cold patch around town.
- Streets staff helped cover operations at the transfer station for a week while a staff member was gone on PTO.

## Water

- Staff continue working on maintenance of the ozone machines. Parts are being regularly cleaned. Attached to this report are the August 2022 compliance sampling results. As you will see we are over the regulatory limit for this quarter sampling for HAA5 disinfection by products but we are under the regulatory limit for TTHM. Over the last 7 years Wrangell has been fairly consistent on being over the regulatory limit for HAA5, specifically in August and November sampling. Compliance is based on a yearly running average meaning samples from the last year are averaged and overall compliance is based on this average as it relates to the regulatory limit. Considering our water quality is much better in the spring time we will be in compliance for this sample as our average is below the regulatory limit. Anytime we are over the regulatory limit it is a concern. 2020 was our worst year on record when



August sampling results were 179.1 ug/l. Considering we were seeing similar color and turbidity numbers in our source water as 2020 going into this sampling, measures taken by staff this year to address water quality concerns seem to have had a significant impact on reducing the amount we are over for HAA5.

- August 2022 Compliance Sampling Results: TTHM 40.5 ug/l (Regulatory limit is 80 ug/l)
- August 2022 Compliance Sampling Results: HAA5 78 ug/l (regulatory limit is 60 ug/l)
- A technician visit with Primozone was complete to do an inspection on our ozone generators. Several components from our generators were sent to Sweden where they are manufactured for further diagnosis. Recommendations from the manufacturer remain the same as they were in 2021.
  - Closed loop cooling system
  - New compressors
  - Power conditioner
  - Replace some valves

## Wastewater

- Worked with the streets crew to clear nodes 4 and 6 of grease. Below are photos of the grease cakes that form and need to be cleared. Grease and fat build up on the probes and floats that tell the pumps when to start running. When they get covered with grease the probes foul and tell the pump to run more than it needs to. This causes the pump to cycle regularly and degrades the overall wear and tear of the equipment. Staff clean the probes every Monday, Wednesday and Friday. Bio blocks were implemented in 2021 and have helped some. The only remaining steps that could be taken would be to hire an inspector to ensure business are using the appropriate grease traps, educating the public on not washing greases and fats down the drain, or implementing sewer pumps that cycle the water in the station to keep the grease in a more soluble solution as opposed to a hard cake. Dewatering the contents of these stations took a full week.



- Work continues on the node 19 generator building project with a local contractor. Conduit has been run for electrical and footings and walls have been poured.



## CITY & BOROUGH OF WRANGELL, ALASKA

### *BOROUGH CLERK'S REPORT*

#### SUBMITTED BY:

Kim Lane, Borough Clerk

#### **Upcoming Meetings & Other Informational dates:**

##### **Community Events & Other City Boards/Commissions:**

**October 5 -** Port Commission mtg. at 6:00 pm in the Assembly Chambers

**October 13 -** Planning & Zoning Commission mtg. at 6:00 pm in the Assembly Chambers

##### **Community Events:**

**September 19<sup>th</sup> through October 3<sup>rd</sup> - Absentee Voting in the Clerk's Office**

**October 15<sup>th</sup> - Tax Free Day!**

**TAX FREE**

**October 4<sup>th</sup> -** Regular Borough Election, from 8am to 8pm at the Nolan Center

##### **Meetings and Other events of the Borough Assembly:**

**October 6 - Canvass Board meets to count the Absentee / Questioned Ballots** at 1:00 PM in the Assembly Chambers (Dalrymple, Morrison, and Robbie Marshall (need 3) have agreed to be on the Canvass Board).

**October 7 - Special Assembly Meeting to Certify the Borough Election** at 5:30 PM in the Assembly Chambers

**October 11 - Regular Borough Assembly Meeting** at 6:00 PM in the Assembly Chambers

**October 25 - Regular Borough Assembly Meeting** at 6:00 PM in the Assembly Chambers



### **Election Information -**

Absentee Voting will be in the Clerk's office Monday through Friday from 8am to 4pm began on September 19<sup>th</sup> and will end on October 3<sup>rd</sup> at 4pm. To file as a Write-In Candidate for any of the seats on the Ballot, the qualified person must submit a letter of intent to me no later than the Friday preceding the Election (September 30<sup>th</sup>) at 4pm. If a letter of intent is not filed with the Clerk's office, the write-ins will not count.

A sample of the ballot is attached!



### **Information on the Upcoming AML Winter Conference:**

- **Newly Elected Officials Training** – Wednesday, November 30<sup>th</sup> (*will be held virtually*)
- **Newly Elected Officials Training** – Monday, December 5<sup>th</sup> (in-person)
- **ACoM** – Tuesday, December 6<sup>th</sup> (in-person)
- **AML General Conference** – Wednesday, December 7<sup>th</sup> – 9<sup>th</sup> (in-person)

I have reserved 3 rooms at the Marriott Anchorage Downtown hotel, in anticipation of the Mayor, one Assembly Member (regular), and one Assembly Member (newly elected), attending.

The new columbarium is completed and ready to ship up from Canada! Sunset Memorial Stone will be crating it up and delivering it to the barge by this next Friday. Below are a couple of pictures of the new columbarium before they crated it up for shipping.







# SAMPLE BALLOT

CITY AND BOROUGH OF WRANGELL  
SAMPLE BALLOT  
REGULAR ELECTION  
OCTOBER 4, 2022

Instructions:

To vote, completely fill in the oval next to your choice like this: ●

Use a blue or black ink pen to mark your ballot. NO RED INK. If you make a mistake, ask for a new ballot.

To vote for a person whose name is not printed on the ballot, fill in the oval and print the person's name on the blank line provided for a write-in candidate.

<div><b>BOROUGH MAYOR</b> <b>TWO YEAR TERM</b></div> <div>VOTE FOR NO MORE THAN ONE</div> <div><div><input type="radio"/> TERRY COURSON</div><div><input type="radio"/> PATRICIA GILBERT</div><div><input type="radio"/> WRITE-IN</div></div>	<div><b>ASSEMBLY MEMBER</b> <b>THREE YEAR TERMS</b></div> <div>VOTE FOR NO MORE THAN TWO</div> <div><div><input type="radio"/> ALEX ANGERMAN</div><div><input type="radio"/> DAVID POWELL</div><div><input type="radio"/> BRITTANI ROBBINS</div><div><input type="radio"/> WRITE-IN</div><div><input type="radio"/> WRITE-IN</div></div>
<div><b>SCHOOL BOARD</b> <b>THREE YEAR TERMS</b></div> <div>VOTE FOR NO MORE THAN TWO</div> <div><div><input type="radio"/> ELIZABETH ROUNDTREE</div><div><input type="radio"/> DAVID G. WILSON</div><div><input type="radio"/> WRITE-IN</div><div><input type="radio"/> WRITE-IN</div></div>	<div><b>SCHOOL BOARD</b> <b>UNEXPIRED ONE YEAR TERM</b> <b>UNTIL OCTOBER 2023</b></div> <div>VOTE FOR NO MORE THAN ONE</div> <div><div><input type="radio"/> ESTHER ASHTON</div><div><input type="radio"/> WRITE-IN</div></div>
<div><b>PORT COMMISSION</b> <b>THREE YEAR TERMS</b></div> <div>VOTE FOR NO MORE THAN TWO</div> <div><div><input type="radio"/> WINSTON J. DAVIES</div><div><input type="radio"/> JOHN A. YEAGER</div><div><input type="radio"/> WRITE-IN</div><div><input type="radio"/> WRITE-IN</div></div>	

TURN BALLOT OVER - VOTE BOTH SIDES

PROPOSITION NO. 1  
Ratification of Ordinance 1029

GENERAL OBLIGATION BONDS FOR MAJOR RENOVATION OF MIDDLE SCHOOL, HIGH SCHOOL, AND ELEMENTARY SCHOOL

Shall the City and Borough of Wrangell, Alaska, incur debt and issue general obligation bonds in an amount not to exceed Three Million Five Hundred Thousand dollars (\$3,500,000) for the purpose of paying the costs of construction of major renovation of the middle school, high school, and elementary school, and related capital improvements? The bonds shall be secured by a pledge of the full faith and credit of the Borough (Ordinance No. 1029).

The \$3,500,000 general obligation bonds for major renovation of the high school, middle school and elementary school will **not** require an increase to calendar year 2023 property taxes.

- ☐ Yes A "YES" vote approves the issuance of bonds.
- ☐ No A "NO" vote opposes the issuance of bonds.

PROPOSITION NO. 2  
Ratification of Ordinance 1030

GENERAL OBLIGATION BONDS FOR MAJOR RENOVATION OF PUBLIC SAFETY BUILDING

Shall the City and Borough of Wrangell, Alaska, incur debt and issue general obligation bonds in an amount not to exceed Eight Million Five Hundred Thousand dollars (\$8,500,000) for the purpose of paying the costs of construction of major renovation of the public safety building and related capital improvements? The bonds shall be secured by a pledge of the full faith and credit of the Borough (Ordinance No. 1030).

This bond will require an estimated 1.12 mill increase to make the annual debt service payment. The approximate amount of taxes that would be levied annually on \$100,000 in assessed value to retire this debt over a 20-year period are as follows:

Estimated Annual Tax Amount on \$100,000 of Assessment: \$112.32

Mill Rate in 2022: 12.75 mills  
Estimated Mill Rate with Public Safety Building Bond: 13.87 mills

The estimates above are based on current market conditions. Actual costs will not be known until bonds are actually sold and annual assessments certified each year.

- ☐ Yes A "YES" vote approves the issuance of bonds.
- ☐ No A "NO" vote opposes the issuance of bonds.

PROPOSITION NO. 3  
Ratification of Ordinance 1031

Section 5-14 of the Borough Charter and Section 5.10.035(A) of the Wrangell Municipal Code requires that any ordinance which provides for “the sale or lease of any Borough property, real or personal, or the sale or lease or other disposal of any interest therein, the value of which property, lease or interest is more than \$1 Million,” be ratified by a majority of voters who vote on the question. Ordinance 1031, enacted by the Assembly on August 23, 2022, provides authority to the Borough Manager to be responsible for the administration of the 6-Mile-Deep Water Industrial Site (former Mill Site Property) Economic Development Project which shall include the disposition of the property, to be sold and/or leased according to an approved Economic Development Project plan. The value of the 6-Mile-Deep Water Industrial Site is approximately \$2.5 Million Dollars. Shall Ordinance 1031 be ratified?

A “YES” vote approves selling and/or leasing the 6-Mile Zimovia Highway Industrial Site (former Mill Site Property).

A “NO” vote opposes selling and/or leasing the 6-Mile Zimovia Highway Industrial Site (former Mill Site Property).

- ☐ YES
- ☐ NO

## CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	September 27, 2022
	<u>Agenda Section</u>	<b>11</b>

ORDINANCE No. 1032 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 3.05.020, ORDER OF BUSINESS AND 3.05.050, TELECONFERENCING, OF THE WRANGELL MUNICIPAL CODE

<p><b><u>SUBMITTED BY:</u></b></p> <p>Kim Lane, Borough Clerk</p>	<p><b><u>FISCAL NOTE:</u></b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="3"><b>Expenditure Required:</b></td> </tr> <tr> <td style="width: 33%;">FY 20: \$</td> <td style="width: 33%;">FY 21:</td> <td style="width: 33%;">FY22:</td> </tr> <tr> <td colspan="3" style="height: 20px;"></td> </tr> <tr> <td colspan="3"><b>Amount Budgeted:</b></td> </tr> <tr> <td colspan="3" style="text-align: center;">FY22 \$0</td> </tr> <tr> <td colspan="3"><b>Account Number(s):</b></td> </tr> <tr> <td colspan="3" style="height: 20px;"></td> </tr> <tr> <td colspan="3"><b>Account Name(s):</b></td> </tr> <tr> <td colspan="3" style="height: 20px;"></td> </tr> <tr> <td colspan="3"><b>Unencumbered Balance(s) (prior to expenditure): See Agenda Statement</b></td> </tr> <tr> <td colspan="3" style="height: 20px;"></td> </tr> </table>	<b>Expenditure Required:</b>			FY 20: \$	FY 21:	FY22:				<b>Amount Budgeted:</b>			FY22 \$0			<b>Account Number(s):</b>						<b>Account Name(s):</b>						<b>Unencumbered Balance(s) (prior to expenditure): See Agenda Statement</b>					
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<b>Unencumbered Balance(s) (prior to expenditure): See Agenda Statement</b>																																		

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

**ATTACHMENTS:** 1.) ORD 1032

**MAYOR PROCEDURE:** Declare the Public Hearing open. The Mayor shall ask if there is any administrative report on the Public Hearing Item. Persons who signed up to talk on this item shall be called to the podium.

Once all persons have been heard, declare the Public Hearing closed and entertain a motion.

**RECOMMENDATION MOTION:**  
Move to Approve Ordinance 1032.

**SUMMARY STATEMENT:**

At the September 13, 2022, Regular Assembly Meeting, the Assembly approved adding the following under 3.05.020 (F) (Exceptions):

c. Any property sales, leases, or transfers. Such items shall be placed under New Business for consideration.

*The following information has not changed since the September 13<sup>th</sup> Assembly Meeting:*

At the Regular Assembly meeting of August 23, 2022, the Borough Assembly requested that an Ordinance be brought back to the Assembly for consideration in it's first reading to:

1. Cause Resolutions that are of a monetary value of \$25,000 or more to be placed under New Business when created, on the Agenda.
2. Remove the wording that Ordinances in their first reading be added to the Consent Agenda (instead, all first readings of Ordinances will be placed under New Business).

In addition to those changes, I am asking the Assembly to approve WMC 03.05.050 – Teleconferencing to state that a physical quorum is not necessary for Work Sessions and for Special Assembly meetings. This is allowed in the Open Meetings Act. Also, for Work Sessions, no business is actually conducted and therefore, I believe it would be appropriate to allow this. As for Special Assembly meetings, a Special Assembly meeting would be called for the Assembly to act on business that cannot wait until the next regular meeting. Therefore, I believe it would be appropriate to allow the Special meeting to take place in-person and/or via teleconference.

CITY AND BOROUGH OF WRANGELL, ALASKA  
ORDINANCE NO. 1032

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND  
BOROUGH OF WRANGELL, ALASKA, AMENDING  
SECTIONS 3.05.020, ORDER OF BUSINESS AND 3.05.050,  
TELECONFERENCING, OF THE WRANGELL MUNICIPAL  
CODE

BE IT ORDAINED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF  
WRANGELL, ALASKA:

[The changes to the existing code are shown as follows: the words that are underlined are to be added and the words that are bolded and in brackets are to be deleted.]

SEC. 1.        Action. The purpose of this ordinance is to amend Sections 3.05.020, Order of Business and 3.05.050, Teleconferencing, in the Wrangell Municipal Code.

SEC. 2.        Amendment, Section 3.05.020 of the Wrangell Municipal Code is hereby amended as follows:

**3.05.020    Order of Business.**

...

F. 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 particular item, that item will be removed from the consent calendar and will be considered under unfinished business.

1. Approval of minutes.

2. Communications.

**[3. Ordinances (and resolutions) for introduction.]**

[4]3. Resolutions for adoption.

[5]4. Acknowledgment of information and reports.

Exceptions shall be made for the following:

**[An exception shall be made for r]a. Resolutions that require a public hearing, such as fee schedules in the WMC. [In those cases, the resolution]Such resolutions shall be placed under public hearing for consideration.**

b. Resolutions that are of a monetary value of \$25,000 or more. Such Resolutions shall be placed under New Business for consideration.

c. Any property sales, leases, or transfers. Such items shall be placed under New Business for consideration.

SEC. 3. Amendment, Section 3.05.050 of the Wrangell Municipal Code is hereby amended as follows:

### **3.05.050      Teleconferencing**

A. The mayor or an assembly member who will be absent from a meeting, including public hearings and work sessions of the assembly, including an executive session, may participate in the meeting by telephone or other electronic means as provided in this section and provided the following circumstances are met:

1. The meeting is held with a quorum of members physically present, except for work sessions and Special Assembly meetings. Work sessions and Special Assembly meetings can be either held with a physical quorum, by teleconference, or a combination of teleconference and in person.

...

B. Participation of Mayor and Assembly Members by Teleconference.

...

3. The mayor and any assembly member participating by teleconference shall be deemed to be present at the assembly meeting for [all] the purpose[s, including for quorum and] of voting; provided, that:

The mayor, or the presiding officer in the absence of the mayor, shall not preside over the assembly meeting when participating by teleconference.

...

SEC. 4.      Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

SEC. 5.      Effective Date. This ordinance shall be effective upon adoption.

PASSED IN FIRST READING: September 13, 2022

PASSED IN SECOND READING: \_\_\_\_\_, 2022

---

Stephen Prysunka, Borough Mayor

ATTEST: \_\_\_\_\_  
Kim Lane, MMC, Borough Clerk



## CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	September 27, 2022
	<u>Agenda Section</u>	<b>13</b>

APPROVAL OF A SOLE SOURCE PROFESSIONAL CONTRACT WITH MARINE SYSTEMS, INC. (MSI), IN CONFORMANCE WITH WRANGELL MUNICIPAL CODE, SECTION 5.10.050 IN THE AMOUNT OF \$28,936.99 FOR THE PURPOSE OF INSPECTING GENERATOR'S 1, 2, 3, 4, and SURPLUS GENERATORS

SUBMITTED BY:

Rod Rhoades, Electrical Utility Superintendent

FISCAL NOTE:

**Expenditure Required:** \$28,936.99 Total

FY 22: \$0

FY 23:  
\$28,936.99

FY24: \$0

**Amount Budgeted:**

FY23 \$0

**Account Number(s):**

70000 202 7519

**Account Name(s):**

Professional Services Contractual

**Unencumbered Balance(s) (prior to expenditure):**

\$2,504,309.71

Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. MSI estimate to inspect Generator's 1, 2, 3, 4, and Surplus Engines

**RECOMMENDATION MOTION:**

Move to Approve a Sole Source Professional Contract with Marine Systems, Inc. (MSI), in conformance with Wrangell Municipal Code, Section 5.10.050 in the amount of \$28,936.99 for the purpose of inspecting Generator's 1, 2, 3, 4, and Surplus Engines.

**SOLE SOURCE BACKGROUND STATEMENT:**

Per Wrangell Municipal Code, Section 5.10.050, F., competitive bidding, or quotations are not required when “Supplies, materials, equipment, or contractual services which must be purchased from a specific source in order to prevent incompatibility with previously purchased supplies, materials, equipment, or contractual services.”

Wrangell’s use of Sole Source purchases is limited only to those specific instances, which are justified to satisfy compatibility or technical performance needs.

This request represents such a need.

**BACKGROUND STATEMENT:**

Marine Systems, Inc. (MSI) is the only authorized EMD distributor on the Westcoast.

MSI has been WML&P’s ‘go to’ supplier of genuine OEM part for as long as WML&P has operated EMD Generators.

MSI’s knowledge of our EMD Generators has served WML&P well, both in terms of execution of work and the cost of that work.

WML&P has a quote from the Westcoast’s only EMD supplier of parts and technical support, Marine Systems, Inc. (MSI) for \$28,936.99 (see attached MSI Estimate).

Due to Unit #5’s two overheating events, an inspection of Unit #5 was done to assess how much damage was done. The inspection revealed that enough wear was evident to warrant the rebuilding of Unit #5’s Center Section. This work was completed in the Spring of 2022.

**SUMMARY STATEMENT:**

The strong recommendation from MSI was that WML&P ‘Baseline’ all of our Generators.

\$21,000 was budgeted for this effort in WML&P’s FY23 Budget; however, due to escalating costs this estimate is now at \$28,936.99



## MARINE SYSTEMS, INC.

801 NW 42<sup>nd</sup> St., Suite 211, Seattle, WA 98107 Phone (260) 784-3302 Fax (260) 784-3358



To: Rod Rhodes  
City & Borough of Wrangell  
P O Box 531 – Brueger Street  
Wrangell, AK. 99929  
United States  
Email: RRHODES@WRANGELL.COM

Customer Account # 13371/ Quote #6241848

Dear: Rod Rhodes

Marine Systems, Inc. appreciates the opportunity to provide you with the following estimate for inspections of Gen Units 1,2,3,4, And Navy Surplus Engines.

As an authorized EMD distributor, Marine Systems, Inc. provides genuine OEM parts. All rebuilt components will conform to OEM dimensions, tolerances, and specifications

### **TURBO ENGINE INSPECTIONS**

#### **GENERAL INFORMATION**

- Obtain information from Plant Operator on any abnormal observations.
- Inspect and advise on any abnormal observations as required.
- Generate Priority recommendations per machine after inspections

#### **1 REV - AIRBOX INSPECTION**

- Perform visual inspection of liner, pistons, and rings.
- Measure Top Ring Clearance and Piston-to-Head Clearance (lead-wire method).
- Inspect condition of blower air ducts and blower lobes.
- Record all readings on Standard Air Box Data Sheet (1 per engine).

#### **TOP DECK INSPECTION**

- Perform visual inspection of all top deck components.

**Quality Performance with Pride**

MSI.F.720-018.004  
12/27/2021



## MARINE SYSTEMS, INC.

801 NW 42<sup>nd</sup> St., Suite 211, Seattle, WA 98107 Phone (260) 784-3302 Fax (260) 784-3358



Item a.

- Perform injector leak down test using EMD pop test tool.
- Check injector fuel racks and reset as required.
- Inspect valve covers, head frame latches, and gaskets.
- Inspect exhaust gaskets and flex joints for leaks.

### **LOWER DECK INSPECTION**

- Perform visual inspection of all lower deck components.
- Measure and record crankshaft thrust.
- Inspect all sections of oil pan for metal debris by using a magnet.

### **ACCESSORY DRIVE END INSPECTION**

- Inspect all accessory pumps and piping for leaks.
- Inspect fuel pump coupling for wear.
- Check fuel control linkage for worn levers, bearings, and fasteners.
- Inspect lube oil strainers for debris.
- Check gear damper for proper motion.

### **CAMSHAFT DRIVE END INSPECTION**

- Visually inspect piping.
- Inspect lube oil separator.
- Check condition of air filters and air filter housings.
- Inspect ring gear for chipped and/or broken teeth.

### **INSPECT GENERATOR END**

- Visually inspect Generator Bearings
- Check clearances to the extent allowed.

### **TEST RUN** (if engines are in operating condition)

- Run engines up to normal idle operating temperature (150F – 160F).
- Document all pressure readings at idle once the engine is warmed up.
- Measure and document crankcase vacuum at 900rpm.
- Test Exhaust back pressure of units.

**Quality Performance with Pride**

MSI.F.720-018.004  
12/27/2021



# MARINE SYSTEMS, INC.

801 NW 42<sup>nd</sup> St., Suite 211, Seattle, WA 98107 Phone (260) 784-3302 Fax (260) 784-3358



Item a.

## Scope of Supplies

12	EA	KNITGLOVE	GLOVE, WORK, KNIT
1	EA	8243661	WIRE, LEAD, 1/8, 5LB SPOOL

**Total Estimated cost to make outlined repairs on Unit ..... \$ 28,936.99**

- Estimate based on 1 MSI Techs working at Plant site, Wrangell, AK.
- Performing out lined repairs with the assistance of plant personnel 1 tech 6 ,12-hour days
- 1 Day travel from Seattle.
- 1 Day Travel to Seattle.

## CUSTOMER RESPONSIBILITIES

The Customer is responsible for the following:

1. Providing a safe work environment for our service personnel.
2. Providing crane services and/or services to facilitate material movement at the job site.
3. Providing adequate space and working conditions to effectively execute the scope of work.
4. Delays not the fault of Marine Systems, Inc.
5. Delays due to plant orientation and safety classes.
6. Providing adequate ventilation, compressed air for tooling, and lighting.
7. Providing diesel fuel oil for cleaning.
8. Removing and disposing of waste material and fluids associated with the engine services.
9. Removing and replacing any interferences.

**NOTE: Marine Systems will not be responsible for removal or replacement of any fluids (oil or coolant)**

**Quality Performance with Pride**

MSI.F.720-018.004  
12/27/2021



## MARINE SYSTEMS, INC.

801 NW 42<sup>nd</sup> St., Suite 211, Seattle, WA 98107 Phone (260) 784-3302 Fax (260) 784-3358



Item a.

### COMMENTS

1. \* Prices are based on the return of useable like-cores for unit exchange items. Core charges would apply for items that are non-rebuildable.
2. Non-exchange items deemed missing or non-rebuildable will be charged as additional.
3. Environmental charges, overtime, travel expenses, travel time, waiting time, mileage, freight, conversions, and installation parts and labor **are not** included in the above cost and will be additional.
4. **\*All items cleaned, inspected, and reused are not covered by warranty**
5. The customer is responsible for all applicable sales and use taxes related to this order.

### PAYMENT TERMS

Upon establishment of an account with acceptable credit limits, payment is due thirty (30) days after receipt of invoice unless otherwise mutually agreeable payment terms are negotiated.

Marine Systems, Inc. Standard Terms and Conditions are an integral part of this quote. They are included herein by reference and are available at <https://kirbycorp.com/wp-content/uploads/2021/12/MSI-Terms-12.06.21.pdf>

**This quote is valid for a period of thirty (30) days.**

The payment is due thirty (30) days after receipt of invoice unless otherwise mutually agreeable payment terms are negotiated.

Thank you for giving us the opportunity to serve you. Should you have any questions or require further information, please contact me at your convenience.

Sincerely,

*Chris Strahan*

MSI West Coast - Service  
(206) 788-2132



**Quality Performance with Pride**

MSI.F.720-018.004  
12/27/2021

## CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	September 27, 2022
	<u>Agenda Section</u>	<b>13</b>

Approve granting the City Manager the authority to negotiate a temporary use permit to Channel Construction Inc., on a portion of the 6-Mile-Deep Water Industrial site for continued scrap metal recycling and barge dismantling.

### SUBMITTED BY:

Jeff Good, Borough Manager

### FISCAL NOTE:

**Expenditure Required:** \$XXX Total

FY 22: \$	FY 23: \$	FY24: \$
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### **Amount Budgeted:**

	FY23 \$XXX
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### **Account Number(s):**

	XXXXXX XXX XXXX
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### **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"/>	Commission, Board or Committee
Name(s)	Planning and Zoning Commission
Name(s)	Port Commission
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1) Temporary Use permit 2) CCI letter to CBW 3) CCI request to Lease 4) CCI proposed lease site 5) Letter regarding environmental issues 6) PZ recommendation 7) Port recommendation

## RECOMMENDATION MOTION:

Move to Approve granting the City Manager the authority to negotiate a temporary use permit to Channel Construction Inc., on a portion of the 6-Mile-Deep Water Industrial site for continued scrap metal recycling and barge dismantling.



## Summary Statement:

Channel Construction Inc. had an agreement with the previous owner to scrap metal at the 6 mile deep water site. He is seeking a similar use agreement with the Borough who now owns the property. He would like a long term lease in order to develop the site for long term barge breakdown and regional metal scrapping, but until the Borough develops a plan for the site he is seeking a short term lease. Because the lease approval will take time to work through the process, he has requested a Temporary Use Permit due to the time requirements to fulfill barge contracts that Channel currently has. Information is attached regarding the barges proposed for breakdown and environmental requirements.

Request approval to grant the Borough Manager authority to negotiate a temporary land use permit with Channel Construction that would be for a limited duration not to exceed 120 days, ensure environmental protections with insurance, and limit the type of material that could be recycled to ensure compliance with the Prospective Purchase Agreement with DEC.

The Planning and Zoning Commission at their regular meeting of September 8, 2022 reviewed the request from Channel Construction for a lease for approximately 3 to 6 acres of the former mill site surrounding the barge landing area on the southern shoreline of the property. The purpose of the lease would be to continue to utilize the area for scrap metal recycling. Their written request asks for approximately 6 acres, but the map shows an area of approximately 3 acres. The Commission recommended to the Assembly to pursue a lease arrangement with Channel Construction because of the local and regional need and the economic opportunity the business brings to Wrangell.

The Port Commission at their regular August meeting did not recommend approval as they felt they did not have adequate information regarding his operations and proposal.

## **TEMPORARY LAND USE AGREEMENT**

**THIS TEMPORARY LAND USE AGREEMENT** (hereinafter “Agreement”) is made and entered into and effective this \_\_\_\_ day of August, 2022 (the “Effective Date”), by and between **CHANNEL CONSTRUCTION, INC.** (hereinafter “CCI”), whose address is P.O. Box 33359, Juneau, Alaska 99803, and the **CITY AND BOROUGH OF WRANGELL ALASKA**, (hereinafter “CBW”), whose address is P.O. Box 531, Wrangell, Alaska 99929.

### **RECITALS**

**WHEREAS**, CBW owns the site of the old Buhler sawmill site at 6-mile Zimovia Highway, more particularly described and shown on Exhibit A attached to and by this reference incorporated into this Agreement (the "Property"); and

**WHEREAS**, CCI enters into this Temporary Land Use Agreement for the purpose of CCI recycling a 300’ concrete breakwater, a 4000 Ton barge, and a small 120’ ship on the six acre portion of the Property drawn on Exhibit A; and

**WHEREAS**, CBW is determining a long-term plan for the Property and in the interim will allow such temporary land uses as CCI proposes in this Temporary Land Use Agreement basis.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants and agreements contained herein, the parties agree and covenant as follows:

1. **Property Description/Use Rights.** Under the terms and conditions set forth herein, CBW hereby grants certain use rights, as hereinafter described, to CCI on the six-acre portion of the Property drawn on Exhibit A. The use rights granted CCI on the Property are as follows:

For the temporary use of the Property to recycle a 300’ concrete breakwater, a 4000 Ton barge, and a small 120’ ship.

2. **Term.** The term of this Agreement shall be for up to ninety (90) days, commencing on the Effective Date and terminating ninety (90) days thereafter.

3. **Temporary Land Use Fee.** These use rights are granted at a cost of \$\_\_\_\_\_ dollars per day to be paid to CBW Finance director or his/her representative every Friday before the close of business for the previous week's cumulative daily usage. "Use" includes any occupation of the Property by CCI's temporary structures or equipment.

4. **Use of Property.** CCI shall use the Property only for the purpose set forth above and no other purpose or purposes. CCI may construct temporary structures which are consistent with such permitted use, which structures shall be removed by CCI, at its sole cost and expense, prior to the termination of this Agreement.

5. **Transfer and Assignment.** This Agreement shall not be Transferred or Assigned without the prior written consent of CBW.

6. **Liens.** CCI shall not create nor suffer to be created any liens upon the Property as a result of its activities.

7. **Insurance.** CCI shall, at CCI's sole cost, keep in force during this Agreement a policy of commercial general liability insurance covering property damage and liability for personal injury occurring on or about the Property, with limits in the amount of at least One Million Dollars (\$1,000,000) per occurrence for injuries to or death of any person. CCI shall also at CCI's sole cost and expense keep in force during the Agreement term a policy of Workers' Compensation insurance during all times that it has employees. Copies of all insurance policies shall be delivered to CBW upon CCI taking occupancy of the Property and if there are any changes to the policies such changes shall be promptly provided to CBW. CBW shall be designated as an Additional Insured on each and every Policy of Insurance by an Endorsement to each Policy. Copies of such endorsements shall be furnished to CBW promptly with respect to each Policy of Insurance.

8. **Laws and Regulations.** In exercising the rights granted herein, CCI shall comply with all applicable state, federal, and local laws and regulations.

9. **Prior Environmental Contamination and Surviving Obligations.** The parties understand that environmental contamination has existed on the property prior to CBW's ownership. Pursuant to a duly executed Prospective Purchaser Agreement between CBW and the Alaska Department of Environmental Conservation (hereinafter "ADEC"), CBW is immune from action by ADEC for

hazardous material as defined below existing prior to the purchase. The parties understand that any commingling of new hazardous waste with preexisting waste may expose both CBW and CCI to liability for pre-existing waste. Considering that environmental liability for hazardous waste release can be long lasting, the parties agree all the following Environmental and indemnification obligations shall survive the time period of CCI's use of the land.

10. **Environmental Protection and Safety.**

- a. Hazardous Substances. The words "Hazardous Substances" are used in their very broadest sense and refer to materials that, because of their quantity, concentration or physical, chemical, or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. "Hazardous Substances" include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.
- b. Environmental Laws. The words "Environmental Laws" mean all federal, state and local statutes, regulations, ordinances, and requirements, now or hereafter in effect, pertaining to environmental protection, contamination or cleanup, including without limitation (i) the Federal Water Pollution Control Act (33 U.S.C. §1251 et. seq.); (ii) the Federal Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901 et. seq.); (iii) the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601 et. seq.); (iv) the Hazardous Materials Transportation act, 49 U.S.C. Section 1801, et seq.; (v) Alaska Environmental Conservation Act, Alaska Stat. §46.03.010 et seq.; (vi) Alaska Water Pollution Control and Waste Disposal Act, Alaska Stat. §46.03.050 et seq.; (vii) Alaska Oil and Hazardous Substance Pollution Control Act, Alaska Stat. §46.04.010 et seq.; (viii) Alaska Hazardous Substance Release Control Act, Alaska Stat. §46.09.010 et seq.; and (ix) Prohibited Acts and Penalties, Alaska Stat. §46.03.710 et seq., all as now or hereafter

amended.

- c. CCI shall use the property and conduct the operations in compliance with all Environmental Laws and orders of any governmental authorities having jurisdiction under any environmental law.
- d. CCI shall immediately notify CBW upon becoming aware of any of the following: (i) any spill, release or disposal of a Hazardous Substance on any of the Property, or in connection with any of its operations if such spill, release or disposal must be reported to any governmental authority under applicable Environmental Laws; (ii) any material contamination, or imminent threat of contamination, of the Property by Hazardous Substances, or any violation of Environmental Laws in connection with the Property operations conducted on the Property; (iii) any order, notice of violation, fine or penalty or other similar action by any governmental authority relating to Hazardous Substances or Environmental Laws and the Property or the operations conducted on the Property; (iv) any judicial or administrative investigation or proceeding relating to Hazardous Substances or Environmental Laws and to the Property or the operations conducted on the Property; (v) any matters in regards to Hazardous Substances or Environmental Laws that would give a reasonably prudent person cause to be concerned that liability for environmental contamination may arise.
- e. CBW reserves the right to inspect and investigate the Property and operations thereon at any time and from time to time, and CCI shall cooperate fully with CBW in such inspection and investigations. If CBW at any time has reasonable cause to believe that CCI or any occupants of the Property are not complying with all applicable Environmental Laws or with the requirements of this Agreement or that a material spill, release or disposal of Hazardous Substances has occurred on or under the Property, CBW may require CCI to furnish CBW at CCI's expense an environmental audit or a site assessment with respect to the matters of concern to CBW. Such audit or assessment shall be performed by a qualified consultant

approved by CBW. Any inspections or tests made by CBW shall be for CBW's purposes only and shall not be construed to create any responsibility or liability on the part of CBW to CCI or to any other person.

- f. CCI shall be responsible for removing any Hazardous Substances from the Property following the termination of this Agreement and shall clean up the Property to the standard required by law or regulation, environmental or otherwise, and to the reasonable satisfaction of CBW; provided that CBW's approval of a Property cleanup plan shall first be obtained.
- g. To ensure prior contamination is not disturbed, CCI shall under no circumstances drill, dig, or otherwise disturb soil or any locale that CBW has identified as contaminated. CCI shall not transport any soil from the Property without CBW's permission.
- h. If Hazardous Substances introduced to the Property by CCI cause or result in residual contamination of the Property CCI shall be responsible for any such residual damage to the Property resulting therefrom.
- i. CCI shall, at its sole cost and expense, dispose of all refuse resulting from its use of the Property, including garbage and food of any kind, by disposing all such materials not consumed on Property off-site or in a permitted landfill.

11. **Indemnification.** CCI shall indemnify, defend, and hold harmless CBW from any and all claims, damages, penalties or fines, resulting from CCI's temporary use of the Property during or after the term of this Land Temporary Use Permit. This indemnification includes without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because of hazardous material present in the soil or groundwater on or under the Property.

12. **Waiver.** The failure of either party to insist upon the strict performance of any provision of this Agreement, or to exercise any right, power or

remedy consequent upon a breach thereof, shall not constitute a waiver by said party of any such provision, breach or subsequent breach of the same, or any other provision. All rights and remedies of the parties hereunder, or otherwise available at law or in equity, are cumulative.

13. **Modification.** This Agreement may only be modified or amended by a document in writing, executed by CCI and CBW.

14. **Governing Law and Dispute Resolution.** In the event a dispute arises between the parties, both parties shall seek a solution through negotiation in good faith. If the parties are not able to resolve the dispute within 5 business days, the parties shall attempt to resolve the dispute in mediation. If the parties are not able to resolve the dispute in mediation within 30 days, the sole remedy shall be a cause of action filed in the Courts of the State of Alaska, First Judicial District at Wrangell. In resolving any dispute under this agreement, the laws of the State of Alaska shall govern this Agreement.

15. **Severability/Binding Effect.** If any provision of this Agreement, or any application thereof, shall be invalid or unenforceable, the remainder of this Agreement and any other applications of such provision shall not be affected thereby. This Agreement shall be binding upon and inure to the benefit of the parties' heirs, executors, other legal representatives, successors and assigns.

16. **Entire of Agreement.** This Agreement represents the entirety of the agreement between the parties with respect to the CCI's use of the Property and supersedes any and all prior or contemporaneous oral or written statements on the subject matter hereof.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date set forth at the beginning of the Agreement.

**CHANNEL CONSTRUCTION, INC.**

By: \_\_\_\_\_

William R. Tonsgard

Its: \_\_\_\_\_

President

**CITY AND BOROUGH OF WRANGELL  
ALASKA**



By: \_\_\_\_\_

Jeff Good

Its: \_\_\_\_\_

Manager

**ACKNOWLEDGEMENTS**

STATE OF ALASKA                    )  
   ) ss  
 FIRST JUDICIAL DISTRICT    )

**THIS IS TO CERTIFY** that on the \_\_\_\_ day of August, 2022, before me, the undersigned, a Notary Public in and for the State of ALASKA, duly commissioned and sworn, personally appeared **WILLIAM R. TONSGARD**, President of CHANNEL CONSTRUCTION, INC., to me known and known to me to be the identical individual described herein and who executed the within and foregoing **TEMPORARY LAND USE AGREEMENT** as President of Channel Construction, Inc., and he acknowledged to me that he signed the same in the name of and for and on behalf of said corporation, freely and voluntarily and authorized to do so for the corporation for the uses and purposes therein mentioned.

**GIVEN UNDER MY HAND** and official seal the day and year last above written.

\_\_\_\_\_  
Notary Public for Alaska

My commission expires: \_\_\_\_\_

STATE OF ALASKA )  
 ) ss  
FIRST JUDICIAL DISTRICT )

**THIS IS TO CERTIFY** that on the \_\_\_\_ day of August, 2022, before me, the undersigned, a Notary Public in and for the State of ALASKA, duly commissioned and sworn, personally appeared **JEFF GOOD**, Manager of THE CITY AND BOROUGH OF WRANGELL ALASKA, to me known and known to me to be the identical individuals described herein and who executed the within and foregoing **TEMPORARY LAND USE AGREEMENT** as Manager of the City and Borough of Wrangell, Alaska, and he acknowledged to me that he signed the same in the name of and for and on behalf of said City and Borough, freely and voluntarily and authorized to do so for the corporation for the uses and purposes therein mentioned.

**GIVEN UNDER MY HAND** and official seal the day and year last above written.

Notary Public for Alaska  
My commission expires: \_\_\_\_\_

William Tonsgard Jr.  
Channel Construction  
P.O. Box 33359  
Juneau, AK 99803

September 8, 2022

City of Wrangell  
P.O. Box 531  
Wrangell, AK 99929

To whom it may concern:

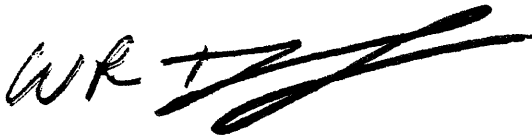
We have three barges to cut up for recycling. One is a gravel barge that has nothing on it, in the manner of machinery. The other two are camp barges, which the camps have already been removed and disposed of. There is very little paint on any of these, because of their age and lack of maintenance.

Below is size reference:

- Gravel Barge: 285'x45'x18'
- Camp Barge 1: 110'x40'x10'
- Camp Barge 2: 140'x50'x12'

I verify that these barges do not contain lead paint, asbestos, fuel, etc. that could contaminate the site.

Sincerely,

A handwritten signature in black ink, appearing to read 'WR Tonsgard Jr.', with a stylized flourish extending from the end.

William Tonsgard Jr.  
Channel Construction

**APPLICATION OF CHANNEL CONSTRUCTION INC FOR LEASE OF SIX ACRES OF CITY & BOROUGH OF WRANGELL PROPERTY SHOWN ON EXHIBIT A**

Channel Construction Inc. hereby applies for a lease of six acres of land owned by the City and Borough of Wrangell (CBW) at the old sawmill site at six-mile Zimovia Highway more particularly described and shown on Exhibit A attached hereto. An application fee of \$100.00 is submitted with this application. The application is submitted to CBW staff (including CBW's attorney) and the CBW Planning and Zoning Commission.

**PURPOSE.** CCI seeks the Lease to establish and maintain a recycling business in Wrangell that would provide several jobs. CCI would continue to accept CBW scrap metal as well as the community scrap metal while developing a prominent recycling yard at this location. Because Wrangell does not generate enough scrap metal on its own to justify the cost of a lease, and/or the purchase of the land, CCI would need to bring in scrap metal from other areas of Southeast Alaska to prepare for recycling. CCI believes that overtime it will be able to create a recycling facility in Wrangell that would be viable as well as of financial benefit to the CBW.

**DEVELOPMENT PLAN.** The development plan below includes and is consistent with plans required by other agencies involved in the development process. The development plan includes:

- a. A description of the land; and

**RESPONSE:** CCI hereby applies for a lease of the six acres of land at the old sawmill site at six-mile Zimovia Highway more particularly described and shown on Exhibit A attached hereto.

- b. A description of the improvements that will be placed on the tidelands, submerged land, and adjacent uplands; and

**RESPONSE:** No improvements will be made to the parcel CCI wishes to lease on a short-term lease. If CCI is approved for a long-term lease, some improvements will be made, such as a permit application with CBW & Corps of Engineers to extend the fill out to deep water, where CCI has been loading its barges. As it is, our barges cannot load at all stages of the tide, due to the shallowness of the existing area.

c. The dates by which construction will begin and will be completed; and

**RESPONSE:** No constructions will be done unless there is a long-term lease. CCI will continue to use the parcel as is.

d. The estimated cost of the improvements that will be placed on the tidelands, submerged lands, and adjacent uplands; and

**RESPONSE:** Costs to improve the barge landing area with a long-term lease would be between \$100,00.00 & \$175,000.00.

e. A description of the effects that the proposed use of the Land will have on public streets, public facilities, public services, public utilities, traffic, and parking. The description shall include a plan for mitigating adverse effects on streets, public facilities, public services, public utilities, traffic congestion, and parking, and a plan for paying the costs thereof; and

**RESPONSE:** CCI sees no effects on public streets as there are none that go into this area, other than the state highway going by the property, which has two driveway entrances. The traffic coming into CCI's operation is very minimal.

f. The names and addresses of the owners, officers, and proposed managers.

**RESPONSE:** William Tonsgard Jr. - President

Billie Tonsgard – Secretary

The development plan shall describe how the applicant will fulfill the terms of any permits or approvals required by the City and Borough of Wrangell.

**RESPONSE:** CCI is not aware of any.

The applicant shall provide such additional information, including designs and specifications, as the planning and zoning and port commissions may request. The planning and zoning and port commissions may require the applicant to amend its development plan. All fees associated with the lease shall be paid by the applicant. Such fees include but are not limited to an application fee, survey, assessment, public notices, and recording fees.





## Schnitzer Steel - Pacific NW Region - Environmental Operations Policy & Procedures

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**PROCEDURE TITLE**

Lead Based Paint Coated Scrap (LBPCS)

**POLICY #**

MRB-ENV-PNW-501

Revision: September 8, 2022

**FUNCTIONAL AREA**

Facility Ferrous Operations

**RESPONSIBILITY**

Facility General Manager/Operations Manager/Regional Environmental Manager/Regional Health and Safety Manager

**PURPOSE**

To establish guidelines for proper receiving, handling, and processing of lead-based paint coated scrap (LBPCS) at Schnitzer Steel Industries, Inc. facilities.

**REFERENCE**

MRB 8105 – Personal Protective Equipment  
Washington Dangerous Waste Regulations (WAC 173-303)  
Code of Federal Regulations (40 CFR part 745)  
Washington Labor and Industries Regulations (WAC 296-62, 296-155)

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### Procedure for Handling Scrap with Lead Based Paint

#### 1.0 Purpose & Objective

- i. Lead-based paint coated scrap (LBPCS) is a valuable source of scrap metal when it becomes obsolete. However, LBPCS contains materials that can cause health or environmental concerns if it is not properly managed during demolition, handling, transportation and recycling.
- ii. Washington Labor and Industries Regulations requires that LBPCS be properly managed. The details of the lead handling requirements law can be found in Washington Labor and Industries Regulations (WAC 296-155)
- iii. Washington Department of Ecology Regulations require that any waste materials containing lead at 5 ppm or greater be properly managed as Dangerous Waste. Washington Department of Ecology Regulations can be found in WAC 173-303.
- iv. This document outlines the responsibilities for the administration & implementation of LBPCS handling activities at Schnitzer Steel Industries facilities in accordance with the requirements of Washington Labor and Industries and Department of Ecology Regulations.

#### 2.0 Requirements

- i. Washington facilities may accept, handle and process LBPCS, provided that appropriate precautions are implemented and that activities associated with LBPCS handling are properly documented.

- ii. If all chipping, flaking or otherwise loose paint is removed prior to transporting the LBPCS to a Schnitzer facility, and proper documentation is provided, LBPCS can be processed as scrap metal.

### **3.0 Receiving Lead-Based Paint Coated Scrap (LBPCS)**

- i. All chipping, flaking or otherwise loose paint shall be removed at the point of origin prior to loading LBPCS for transportation to a MRB facility. Containment, labeling and disposal of material removed at the point of origin shall be the responsibility of the scrap supplier or its designee (scrap owner or contractor).
- ii. Schnitzer facilities that accept LBPCS must contain the receiving area using concrete barriers (i.e. K-rails, ecology blocks or other means to ensure full capture of paint chips which could potentially be dislodged from the scrap metal during transport and/or handling).
- iii. All LBPCS must be unloaded on a paved and impervious surface.
- iv. If an Schnitzer facility accepts LBPCS, but transfers it to another Schnitzer facility to be processed, the original accepting Schnitzer facility must maintain appropriate shipping documents to ensure all shipments reach their intended destination.
- v. LBPCS shipment documentation must contain the following:
  - a. The amount and types of LBPCS must be documented on a log and/or a weight ticket.
  - b. The amount by volume or weight of each material that was transported (weight ticket, shipping manifest or bill of lading).
  - c. Name and address of both shipping and receiving Schnitzer facilities.
  - d. Signature of shipping and receiving facility representatives.
- vi. All hazardous waste manifests for lead waste materials (dislodged paint chips) must be maintained in a readily available condition as evidence of proper handling and disposal for a minimum of three years.

### **4.0 Handling/Processing of Lead-Based Paint Coated Scrap (LBPCS)**

- i. LBPCS that is designated to be recycled must be staged and processed on paved, impervious and contained surfaces (surrounded with K-rails, ecology blocks or permanent curbing) to prevent contamination of underlying soils or surrounding areas.
- ii. Staging and processing areas for LBPCS must have access to water service for potential use in dust control.
- iii. Processing of LBPCS should be completed during dry weather whenever possible.
- iv. Debris & paint chips must be collected from staging and processing areas at the end of LBPCS staging/processing operations, or each work shift, whichever comes first.

- v. Debris & paint chips associated with LBPCS handling or processing operations must be collected and stored in 55 gallon drums or other covered containers, labeled as hazardous waste, and placed in the hazardous waste storage area.
- vi. LBPCS waste will be managed and disposed of in accordance with Schnitzer's hazardous waste management procedures.

## 5.0 Health & Safety

- i. All LBPCS processing safety incidents will be reported to the SSI Regional Safety Professional immediately. An investigation and root-cause analysis will be conducted to determine adequacy of safety practices and procedures.
- ii. Personal Protective Equipment (PPE) will be provided to all staff engaging in this activity. PPE will consist of steel toed boots, gloves, high visibility uniform/vest, and respirator.
- iii. Refer to Schnitzer Steel's lead exposure control program for more information.

## 6.0 Record Keeping

- i. All records LBPCS records generated by the facility must be retained for three years.
- ii. Duplicate copies of records will be maintained by the Facility General Manager in on-site facility files and the Regional Environmental Manager in central environmental files.
- iii. Records shall be easily retrievable such that they can be made available for inspection upon the request of a governmental inspector.
- iv. The records shall include:
  - a. All transfer bills of lading for LBPCS transferred to and/or between Schnitzer facilities.
  - b. All shipping manifests or bills of lading that accompany shipments of any waste materials removed from LBPCS.
  - c. All equipment and employee certifications.
  - d. Training records must document trainer/trainee information, dates, any scores, and material covered.

## 7.0 Responsibilities

- i. Regional Environmental Manager (REM)
  - a. Obtain all required local, state and federal hazardous waste generator approvals - if/when required.
  - b. Develop, implement, and administer Schnitzer Steel Inc. LBPCS policy/procedures.
  - c. Conduct and provide regional and/or site specific training to managers/supervisors/employees.
  - d. Conduct periodic inspection of the program, work areas, waste storage areas and facility files to ensure uniform implementation and to meet Federal, State, Local and company requirements.
  - e. Coordinate disposal of lead-based paint containing debris.
  - f. File required regulatory reports detailing disposal of hazardous wastes.

- ii. Employees
  - a. Attend training on the receiving, handling, and processing of LBPCS.
  - b. Properly clean work areas and implement containment /labeling requirements for lead based paint containing debris (paint chips).

## 8.0 Training

- i. Supervisors and Managers will receive all necessary training related to lead and lead based paint through Schnitzers online learning management system: Cornerstone. This will assist the performance of assigned tasks in accordance to federal, state, and company requirements (this policy). Training shall encompass how to identify, handle, manage and process LBPCS.
- ii. Supervisors and Managers shall ensure that employees receive the appropriate training on environmental, health and safety compliance and/or department or job-specific training with respect to their job assignment(s). All training and related documents shall be available on-site and/or available through Cornerstone.
- iii. All training sessions shall be documented and such documents shall be stored in accordance with record keeping requirements. A minimum of annual training is required for this program. New staff shall be trained within the first week of employment or prior to conducting any handling or processing of LBPCS.

## 9.0 Quality Control

- i. The REM shall conduct periodic inspections and document audits of this program to ensure program effectiveness and that requirements of the program are being implemented.

## 10.0 Approved Vendors

- i. All hazardous waste related materials (lead-based paint chips) will be picked up and/or serviced by the following approved vendor.

Clean Harbors  
26328 79th Ave S  
Kent, WA 98032  
253-639-4240

- ii. Pick up of Hazardous Waste shall be scheduled within 180 days of the start of accumulation and/or once capacity of the storage unit has been reached; whichever comes first.

**MEMORANDUM**

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

**FROM: MS. CAROL RUSHMORE  
ECONOMIC DEVELOPMENT DIRECTOR**

**SUBJECT: Channel construction request to lease a portion of the former 6 Mile site near  
the barge landing area on the southern end of the property for scrap metal  
recycling, portions of Lot 6 and 7 USS 3534, zoned Waterfront Development,  
requested by Channel Construction Inc., owned by the City and Borough of  
Wrangell**

**DATE: SEPTEMBER 12, 2022**

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**BACKGROUND:**

The Planning and Zoning Commission at their regular meeting of September 8, 2022 reviewed the request from Channel Construction for a lease for approximately 3 to 6 acres of the former mill site surrounding the barge landing area on the southern shoreline of the property. The purpose of the lease would be to continue to utilize the area for scrap metal recycling. Their written request asks for approximately 6 acres, but the map shows an area of approximately 3 acres.

**RECOMMENDATION:**

The Commission voted to recommend to the Assembly to move forward with a short term lease with Channel Construction

They believe the service he provides is invaluable to the community and to the region and until final development plans are identified by the Borough or until the Ballot issue is resolved, the Commission supports a lease agreement.

**FINDINGS:**

Zoning/Land Use: The property is zoned Waterfront Development. The property has historically been utilized as an industrial site with a mill at the site since at least the 1970s. The site is one of the last existing deep water industrial sites available for development options in southeast Alaska.

Prior to purchase of the site by the Borough, Mrs. Buhler was going through a subdivision process of the property. A preliminary plat had been approved by the Planning and Zoning Commission and utilities/road construction were being designed, but final approval was never received.

Should the Borough subdivide the property for multiple development opportunities, there will be a lot of work to do should the previous subdivision not be the desired layout. Per the Wrangell Municipal Code, a subdivider is responsible for access and utilities. The site is just beyond sewer and water. Electricity is no longer provided through-out the site. The surface of the property is mixed, and in varying conditions. The bulkhead of the property is failing. Determining potential use of the site may require considerable public discussion to determine development options. Staff is exploring funding opportunities with various agencies for planning and construction grants.

Ballot proposition: The City and Borough has put on the ballot a proposition to authorize the Assembly to lease or sell the former deep water industrial site property at 6 mile Zimovia. Per WMC 5.10.035(A), property valued at over \$1 million requires voter approval for selling or leasing. The CBW has had conversations with several interested parties regarding the purchase of the entire site, however nothing in writing as a letter of interest or formal proposal has been submitted so there may or may not be serious interest. Potential uses vary and may or may not be compatible with Channel construction's proposed use. However, these initial conversations prompted the Borough to start the required process for potential sale by placing the question on the ballot.

Lease/rental issues: In 2014, Department of Environmental Conservation (DEC) signed off with Silver Bay Logging on an environmental clean-up acceptance of the site. Since that time, Channel Construction has utilized a portion of the south end of the site through an agreement with Mrs. Buhler and subsequently a short-term agreement with the Borough. Activities are limited in order to minimize any potential environmental issues that could be created.

When the Borough purchased the mill in June 2022, the Borough entered into a Prospective Purchaser's Agreement with DEC. The Borough is required to do a Phase I environmental analysis. A simplified description of the final outcome is that the Borough will be released of environmental liability of any existing contamination so that Borough can develop the site for economic purposes. DEC has indicated that the Borough could enter into an agreement with Channel or other parties if no environmental issues are created.

The Borough has been working with Channel Construction Inc on bonding requirements for continued short term use, identifying acceptable activities, terms of potential agreements and other requirements. The Borough has no proposed use for the site immediately and has discussed short term (annual rental) with Channel in the near term to potentially allow them to continue operations as the Borough sorts out development opportunities.

**From:** [Steve Miller](#)  
**To:** [Jeff Good](#); [Carol Rushmore](#)  
**Subject:** Channel Construction Lease  
**Date:** Tuesday, September 6, 2022 9:53:36 AM

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Good morning,

The Port Commission at its Thursday September 1<sup>st</sup> meeting voted down the recommendation to lease the mill property to Channel Construction. They would like to see a comprehensive site plan. How will this business fit in with other potential buyers or leases. How is the lease structure set up compared to the marine service center. Would also like to see a better business plan then the one submitted. What happens to this business if scrap prices tank? This pretty much sums up all the questions the they had about moving forward with this lease.

Steve Miller

Wrangell Port Director  
Box 531 Wrangell Ak 99929  
Phone (907)874-3736  
Cell (907)305-0336



## CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	September 27, 2022
	<u>Agenda Section</u>	<b>13</b>

Approval to Write Off Delinquent Accounts and Forward to Collection Agency

**SUBMITTED BY:**

Mason Villarma, Finance Director

**FISCAL NOTE:**

**Expenditure Required:** \$XXX Total

FY 20: N/A

FY 21: N/A

FY22: N/A

**Amount Budgeted:**

FY20 \$N/A

**Account Number(s):**

N/A

**Account Name(s):**

N/A

**Unencumbered Balance(s) (prior to expenditure):**

N/A

**Reviews/Approvals/Recommendations**

☐

Name(s)

Name(s)

☐

Attorney

☐

Insurance

**ATTACHMENTS:** 1. September 2022 Collections Listing Harbor and Utilities

**RECOMMENDATION MOTION:**

Move to Approve writing-off delinquent accounts and forwarding to a Collections Agency.

**SUMMARY STATEMENT:**

Periodically, after unsuccessful attempts by the Harbor and Finance Department's staff to track down customers and request payment of overdue amounts owed to the Borough, we compile a list of accounts deemed uncollectible to send to a collection

agency. Writing-off bad debts requires Borough Assembly approval. While the amounts to be written off seem significant, the following should be noted:

1. From an accounting perspective, doubtful/uncollectible accounts are a normal expected reality of doing business.
2. The amounts span a significant period and are a relatively small percentage of total billing and are thus in line with what is often expected relative to the amount the Borough bills.
3. Writing off these amounts does not absolve the individual of responsibility to pay the amounts owed. Rather it permits Finance Department staff to forward uncollectible accounts on to the next stage of normal collection procedures.
4. The Borough still stands to collect on part of these amounts to the extent the collection agency is successful.
5. Collections agencies normally are entitled to between 25-40% of accounts collected on (whether collected by the agency or the Borough) and, while it would be ideal if we could avoid this, it is normal practice to forward accounts such as these to collections, as it is typically not economical for municipal finance departments to dedicate staff and resources to doing what collections agencies are specialized to be able to do.
6. The financial effect of uncollectible accounts is reflected annually in the Borough's audited financial statements, net of revenues. In other words, approving to send these amounts to collections does not impact the Borough financially in the current year and require budget amendments, rather it only authorizes us to proceed to the next step of the collection procedures.
7. We are within the statute of limitations (6 years) for the collection agency to collect on these accounts.
8. There are two lists of delinquent accounts being proposed to send to collections: one for the Port and Harbor delinquent accounts and one for Utility delinquent accounts. Many of these accounts have past due balances from prior years. Both the Harbor and Finance Departments have been diligently trying to collect payment for several years in the form of letters and phone calls with no success. Being able to write off these accounts would give

the Harbor and Finance Department a more accurate representation of our Accounts Receivable monthly balances.

**Harbor Collections Listing:**

Customer #	Customer Name	Balance due
6203	Richard Burr	2,240.47
7029	Steve Johnson	40,245.06
6114	Frank Roberts	6,606.57
8358	Mikel Smith	956.88
		<b>50,048.98</b>

**Utility Collections Listing:**

Account	Name	Balance	Date Opened	Date Closed	Last Payment
12403-09	Bob Coddington	\$ 131.67	6/30/2020	4/1/2022	10/4/2021
11018-11	Caleah Gadd	\$ 428.55	3/17/2011	4/6/2022	5/9/2022
11681-14	Cary Emens	\$ 717.12	8/10/2015	5/19/2022	3/8/2022
10987-01	Chuck Traylor	\$ 118.98	12/1/1998	3/1/2022	2/25/2022
11592-42	Connor M Richter	\$ 386.59	9/7/2021	3/9/2022	11/9/2021
14096-03	Daniel Smith	\$ 53.28	10/20/2021	6/13/2021	6/13/2022
13974-10	Dave Brown	\$ 22.13	1/21/2022	2/23/2022	None
12353-21	Donald C Templin	\$ 32.50	3/14/2022	5/10/2022	5/3/2022
10184-06	Elizabeth Buness	\$ 169.61	3/28/2017	5/10/2022	5/4/2022
13896-03	Hilary C Berglund	\$ 105.44	12/1/2020	12/30/2022	None
13255-04	Jim Holder	\$ 976.22	3/22/2021	2/1/2022	11/2/2021
11682-29	Juan Antonio Beltr	\$ 88.04	8/30/2021	5/9/2022	5/9/2022
10525-37	Justin Keith	\$ 28.28	4/11/2022	5/17/2022	5/16/2022
12080-23	Kelly Foster	\$ 75.23	2/1/2019	10/7/2021	10/7/2021
12327-12	Kelsey M St John	\$ 45.08	8/10/2021	11/23/2021	12/13/2021
11622-06	Lonny Delong	\$ 729.49	6/1/2010	2/8/2021	12/3/2021
13162-24	Lonny Delong	\$ 246.24	10/7/2020	12/30/2021	12/3/2021
10195-11	Monica Tennant-N	\$ 105.44	11/23/2021	2/14/2022	2/4/2022
11005-10	Nicholas D Lewis	\$ 900.23	9/24/2021	3/22/2022	3/11/2022
10124-03	Paula Keith	\$ 340.24	7/19/2018	4/29/2022	4/18/2022
10049-03	Robert Goodman	\$ 61.98	5/2/2017	5/3/2022	5/6/2022
11432-03	Robert Goodman	\$ 353.14	4/1/2013	6/1/2022	5/6/2022
14091-07	Shane Williams	\$ 44.45	4/14/2020	5/31/2022	4/5/2021
12085-28	Spencer Boakes	\$ 186.56	12/14/2018	2/24/2022	7/30/2021
13323-08	Steven R Steinbrue	\$ 559.92	9/17/2020	4/26/2022	3/11/2022
10381-09	Thomas B Jenkins	\$ 161.54	8/9/2021	5/27/2022	4/28/2022
10776-04	Walter Stuart	\$ 9.71	11/1/2018	5/23/2022	6/6/2022
10523-02	Wayne St. John	\$ 605.40	12/13/2018	11/23/2021	11/17/2021
11005-09	Wayne St. John	\$ 342.59	10/28/2020	9/24/2021	9/16/2021
11005-11	Wayne St. John	\$ 171.65	3/22/2022	4/8/2022	None
		<b>\$ 8,197.30</b>			

## CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	September 27, 2022
	<u>Agenda Section</u>	<b>13</b>

Approval to hold a Special Assembly meeting on October 6, 2022 to Certify the October 4, 2022 Regular Election

SUBMITTED BY:

Kim Lane, Borough Clerk

FISCAL NOTE:

**Expenditure Required:** \$XXX Total

FY 19: \$	FY 20: \$	FY21: \$
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**Amount Budgeted:**

	FY19 \$XXX
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**Account Number(s):**

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

ATTACHMENTS: None.

**RECOMMENDED MOTION:**

Move to Approve holding a Special Assembly meeting on October 6, 2022 at 5:30 p.m., to Certify the results of the October 4, 2022 Regular Borough Election.

**Summary Statement: None.**

The Canvass Board will meet on Thursday, October 6, 2022, at 1:00 p.m. to count the Absentee Ballots (including by mail), as well as the ballots cast by fax and (if any) write-in votes. The Assembly is required to certify the Canvass Board certificate. Therefore, the Clerk is asking that the Assembly approve the Special Assembly meeting to take place on Thursday, October 6<sup>th</sup> at 5:30 p.m. for that purpose.