



**City and Borough of Wrangell
Borough Assembly Meeting
AGENDA**

May 28, 2013 – 7:00 p.m.

Location: Assembly Chambers, City Hall

1. CALL TO ORDER

- a. PLEDGE OF ALLEGIANCE led by Assembly Member Christie Jamieson
- b. INVOCATION to be given by a member of the Baha'i Faith
- c. CEREMONIAL MATTERS – *Community Presentations, Proclamations, Certificates of Service, Guest Introductions*

2. ROLL CALL

3. AMENDMENTS TO THE AGENDA

4. CONFLICT OF INTEREST

5. CONSENT AGENDA

- a. Items (*) 6a, 7a & 7b

6. APPROVAL OF MINUTES

- *a. Minutes of the Board of Equalization meeting held May 13, 2013;
Minutes of the Budget Public Hearing meeting held May 14, 2013;
Minutes of the Regular Assembly meeting held May 14, 2013

7. COMMUNICATIONS

- *a Minutes of the Regular School Board meeting held February 18, 2013;
Minutes of the Regular School Board meeting held March 11, 2013; Minutes of
the Regular School Board meeting held March 21, 2013; School Board Action
taken at the Regular meeting held May 13, 2013
- *b Department of the Army, Corps of Engineers Alaska District - Special Public
Notice (SPN) POA-2012-138 – SE Alaska Watershed Coalition Mitigation
Fund

8. BOROUGH MANAGER'S REPORT

9. BOROUGH CLERK'S FILE

10. MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS

- a. Reports by Assembly Members
- b. Appointment to fill the vacancies on the Planning & Zoning Commission
- c. Appointment to fill the vacancy on the Economic Development Committee

11. PERSONS TO BE HEARD

12. UNFINISHED BUSINESS

13. NEW BUSINESS

- a. PROPOSED RESOLUTION No. 05-13-1275: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, LEVYING A GENERAL TAX FOR SCHOOL AND MUNICIPAL PURPOSES UPON ALL TAXABLE PROPERTY WITHIN THE BOROUGH FOR THE TAX YEAR 2013 PURSUANT TO WRANGELL MUNICIPAL CODE SECTION 5.04.010; PROVIDING FOR THE COLLECTION OF TAXES DUE IN 2013 AND PRESCRIBING PENALTIES AND INTEREST FOR DELINQUENT TAXES
- b. PROPOSED RESOLUTION No. 05-13-1276: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADOPTING THE BUDGET FOR ALL FUNDS OF THE CITY OF WRANGELL, ALASKA, FOR THE FISCAL YEAR 2013-2014
- c. PROPOSED RESOLUTION No. 05-13-1277: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADOPTING THE UPDATED BOROUGH RECORDS RETENTION SCHEDULE; REPEALING RESOLUTION 01-01-843 AND THE 1992 GENERAL RECORDS RETENTION SCHEDULE; AND PROVIDING FOR AN EFFECTIVE DATE
- d. A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, FORMALLY ACCEPTING GRANT NO. MG91721 FROM THE STATE OF ALASKA, DEPARTMENT OF ENVIRONMENTAL CONSERVATION (ADEC) IN THE AMOUNT OF \$565,485 FOR THE PROJECT ENTITLED CASSIAR STREET WATER AND SEWER REHABILITATION
- e. Approval of School Budget for the Fiscal Year 2013-2014
- f. Approval of a contract between the City and Borough Wrangell and the Regional Disposal Company for Solid Waste Disposal and Recycling
- g. Approval to cancel the June 11, 2013 Regular Borough Assembly Meeting
- h. Discussion regarding Travel Protocol
- i. Request from the Special Energy Committee for the approval of a letter to be forwarded to the Petersburg Borough Assembly and the City of Ketchikan Council

14. ATTORNEY'S FILE

15. EXECUTIVE SESSION

16. ADJOURNMENT

Agenda Items 1 - 6

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

ITEM NO. 1 CALL TO ORDER:

INFORMATION: *The Mayor, by code, is required to call the meeting to order at 7:00 p.m. in the Borough Assembly Chambers. Special meetings or continued meetings may be called for at differing times but at the same location. Notice of such will be required by the Borough Clerk. The Mayor will call the meeting to order according to such special or continued meeting notice. At all meetings of the assembly, four assembly members or three members and the mayor shall constitute a quorum for the transaction of business, but a smaller number less than a quorum may adjourn a meeting to a later date.*

RECOMMENDED ACTION:

The Mayor, as presiding officer, is to call the meeting of the Borough Assembly to order, with the following actions to follow:

- a. Pledge of Allegiance to be given by Assembly Member Pamella McCloskey
- b. Invocation to be given by a member of the Baha'i Faith
- c. Ceremonial Matters - *Community Presentations, Proclamations, Certificates of Service, Guest Introductions*

ITEM NO. 2 ROLL CALL – BOROUGH CLERK:

INFORMATION: *The Borough Clerk shall conduct a roll call of each elected and duly qualified Assembly Member. Such call shall result in an entry of those present or absent from the meeting. The roll call is primarily utilized in determining if sufficient member(s) are present to conduct a meeting. The Borough Clerk may randomly change the conduct of the roll to be fair to the members of the governing body unless the council determined an adopted procedure for roll call which is different than currently in use.*

RECOMMENDED ACTION:

Borough Clerk to conduct a roll call by voice vote. Each member to signify by saying here, present (or equal) to give evidence of attendance.

ITEM NO. 3 AMENDMENTS TO THE AGENDA:

INFORMATION: *The assembly may amend the agenda at the beginning of its meeting. The outline of the agenda shall be as from time to time prescribed and amended by resolution of the assembly. (WMC 3.04.100)*

RECOMMENDED ACTION:

The Mayor should request of the members if there are any amendments to the posted agenda. ***THE MAYOR MAY RULE ON ANY REQUEST OR THE ASSEMBLY MEMBERS MAY VOTE ON EACH AMENDMENT.***

ITEM NO. 4 CONFLICT OF INTEREST:

INFORMATION: *The purpose of this agenda item is to set reasonable standards of conduct for elected and appointed public officials and for city employees, so that the public may be assured that its trust in such persons is well placed and that the officials and employees themselves are aware of the high standards of conduct demanded of persons in like office and position.*

An elected city official may not participate in any official action in which he/she or a member of his/her household has a substantial financial interest.

ITEM NO. 5 CONSENT AGENDA:

INFORMATION: *Items listed on the Consent Agenda or marked with an asterisk (*) are considered part of the Consent Agenda and will be passed in one motion unless the item has been removed by an Assembly Member or the Mayor and placed on the regular agenda.*

RECOMMENDED ACTION:

Move to approve those Agenda items listed under the Consent Agenda and those marked with an asterisk (*) Items:

6a, 7a & 7b

ITEM NO. 6 APPROVAL OF MINUTES:

INFORMATION:

6a Minutes of the Board of Equalization meeting held May 13, 2013; Minutes of the Budget Public Hearing meeting held May 14, 2013; Minutes of the Regular Assembly meeting held May 14, 2013

Minutes of Board of Equalization Meeting
Held May 13, 2013

Mayor David L. Jack called the Board of Equalization meeting to order at 7:00 p.m., May 13, 2013, in the Assembly Chambers. Assembly Members Wiederspohn, Stokes, Christian and Jamieson were present. Assembly Members McCloskey and Stough were absent. Borough Manager Timothy Rooney and Borough Clerk Kim Flores were also in attendance.

Appeals – Real Property – There were two Property Tax Appeals to be heard.

The first appeal to be heard was from property tax appellant ***Arnold and Ava Bakke***, 15 Crest Drive.

Mike Renfro, Borough Assessor, said that he spoke with the Bakke's regarding their appeal letter; he couldn't get a decision from the Bakke's on whether they agreed or disagreed with his assessment decision. He said that he felt that it was appropriate to bring their appeal to the Board of Equalization.

Mr. Renfro read the appeal remarks from the Application for Review of Appraisal form that was submitted by Arnold & Ava Bakke:

There have been no improvements in 15 years. Also, the Industrial Park which is next to our property has grown with containers and junk ruining our view. Not to mention the noise. How was the increase on this appraisal done? The property values have not gone up.

Mr. Renfro read his Assessor's reason for decision along with some additional comments:

I went to the Industrial Park; about 20% of the park can be viewed from the subject property; the majority of the park is off to the right; property values have changed; the sales ratio report indicates that property values have increased in relation to the Assessed Value; had not made any changes in 8 years; a modest increase was warranted; the market is improving.

Mr. Renfro explained that the assessed values were set values; the sales were the variables; received sales information and tracked those against the assessed value to see whether the assessed values were above or below the sales price. In the majority of cases, Mr. Renfro said that he had found that the sales price was above the assessed values. Therefore, he had raised the property values around town to remain within the state guidelines.

Mr. Renfro stated that he disagreed with the Bakke's; property values have gone up a little bit.

Mr. Renfro stated that his recommendation was that there should be no change to the assessment and that the amount should remain: \$22,600 for the land; \$150,400 for the improvements; for a total assessment value of \$173,000.

Assembly Member Christian asked what the Bakke's appraisal was from last year.

Mr. Renfro answered that it was \$168,200; went up approximately \$5,000.

Mayor Jack asked if the assessed values went up for all of the properties in town; he asked if they were consistent.

Mr. Renfro answered that he assessed the whole city; all of the property values changed; there were a few that went down; generally, most of the property values were increased.

Mayor Jack asked if Mr. Bakke's property assessment increase was consistent with the rest of the property assessment increases.

Mr. Renfro answered that yes, it was consistent.

Moved by Jamieson, seconded by Wiederspohn, to accept the Real Property Tax Assessment prepared and presented by Mr. Mike Renfro, Borough Assessor, in the amount of \$173,000 for Property Owner Appellant Arnold and Ava Bakke, located at 15 Crest Drive. Motion approved unanimously by polled vote.

The second appeal to be heard was from property tax appellant **LaDonna Botsford**, 524 Council Drive.

Mr. Renfro said that Ms. Botsford was appealing the value of her property.

Mr. Renfro read the appeal remarks from the Application for Review of Appraisal form that was submitted by LaDonna Botsford:

There are properties adjacent to mine which are derelicts and will devalue my property if I were to try and sell it. I would like an explanation for increase in my assessed value.

Mr. Renfro said that he had reviewed her file and inspected the neighborhood; he did correct a slight error that was found in the depreciation schedule for her property; the revalued amount was reflected in the adjusted assessment amount; there were no other property owners in the neighborhood that had requested a lower assessment value because of the two derelict properties that were referenced in the appeal; had no sales to indicate that the property values has decreased due to the referenced derelict properties.

Mr. Renfro further said that Wrangell was a fishing community and that there were a lot of people who have fishing gear in their yard. He said that the sales ratio or relationship between the assessed value and sales price warranted a modest increase in the property value.

Mr. Renfro stated that his recommendation was that the assessed value be \$26,000 for the land; \$82,100 for the improvements; for a total assessment value of \$108,100.

Moved by Christian, seconded by Jamieson, to accept the Real Property Tax Assessment prepared and presented by Mr. Mike Renfro, Borough Assessor, in the amount of \$108,100 for Property Owner Appellant LaDonna Botsford. Motion approved unanimously by polled vote

PROPERTY TAX EXEMPTIONS

Moved by Jamieson, seconded by Christian, to approve the Senior citizens Property Tax Exemptions, for the tax year 2013, for total assessment value of \$24,475,048. Motion approved unanimously by polled vote.

Moved by Christian, seconded by Wiederspohn, to approve the Disabled Veteran Property Tax Exemptions, for the tax year 2013, for a total assessment value of \$105,700. Motion approved unanimously by polled vote.

Moved by Christian, seconded by Jamieson, to approve the Sprinkler Exemptions, for the tax year 2013, for a total assessment value of \$57,120. Motion approved unanimously by polled vote.

The Board of Equalization meeting adjourned at 7:11 p.m.

David L. Jack, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

Unapproved

Minutes of Public Hearing Held May 14, 2013

Mayor David L. Jack called the Public Hearing to order at 6:00 p.m., May 14, 2013 in the Borough Assembly Chambers. Assembly Members Wiederspohn, Stokes, Jamieson, McCloskey and Stough were present. Assembly Member Christian arrived at 6:20 p.m. Borough Manager Timothy Rooney and Borough Clerk Kim Flores were also in attendance.

Public Hearing Item

The purpose of the hearing is to give citizens an opportunity to make comments on the City & Borough of Wrangell's Budget for FY 2013/2014 prior to a final decision to be made by the Borough Assembly.

WRITTEN TESTIMONY

There was no written testimony.

Manager Rooney reported that the City had a meeting with the City's Insurance Broker; they were looking at several different options for the City. Rooney said that for now, Staff's recommendation was to leave the proposed amount for the medical insurance in the budget as is was.

Manager Rooney also reported that Carl Johnson, Public Works Director, had met with a representative from AT&T to try and get to a reduction on cell phone costs; looking at putting all of the cell phones under one group plan instead of separated out by each department. Rooney stated that he hoped that the City could save some money by doing this.

ORAL TESTIMONY

Cynthia Waddington, Box 953, spoke on behalf of the Wrangell Chamber of Commerce. She stated that the amount that was provided to the Chamber from the City was absolutely needed; the funding was a necessity for the Chamber.

Julie Decker, 123rd Street, stated that the concerns she had were that the City looked like it was in a good position with the reserve funds, however that was at a first glance look; thinks that was where the initiative was coming from; community was just now starting to grow; can be seen by the raise in population in Wrangell; can be seen in the projects around town.

Ms. Decker said that she felt like the cuts in the operating costs, as stated on page 44a of the draft budget, would be a result of the vote of the people. She said that this was not a good thing; on the other hand, she didn't believe that using the reserve funds was a good thing to supplement those proposed cuts.

Ms. Decker stated that the thing that concerned her most was that the short term projection for the next five years on both the State and the Federal level was reduced budgets. She further stated that she had been in Juneau four times during the last session; reduced budgets were a consistent message from everyone; the message was to also to be prepared, because this was not a one-time thing, reduction in budgets would continue to happen. She said that when looking at two of our three sources of the City's funding being reduced and the potential for the initiative in the fall, the picture for our continued growth didn't look good.

Ms. Decker said that a lot of people have put a lot of effort into getting our community to where it was today. She said that the reserves or pockets of money that could be used for Economic Development projects were important to have available. She said that the City should not tap into those reserves when there was shortage in the operating expenses.

Ms. Decker stated that another concern in the proposed budget cuts were the cuts to the school; the school was one of the areas that helped to bring new people to our community; young families that have small children look to see if the community has good schools and a safe community for their children before making a move to a new area. She said that our school system was an area that the community could promote; could help bring people to our community; in the last two years, Wrangell had tested 2nd school in the State. She stated that was because we support our schools in the community and through funding.

Jeff Jabusch, 211 Oceanview Drive, Finance Director, stated that the draft budget was an ongoing process. He asked that if anyone found any errors or had any questions, to let him know.

Mr. Jabusch stated that when Staff had new knowledge about the healthcare costs or any other corrections, he would try and incorporate all of those changes in the final proposed budget.

Recessed at: 6:09 p.m.

Assembly Member Christian arrived at 6:20 p.m.

Reconvened at: 6:50 p.m.

WRITTEN TESTIMONY

There was no written testimony.

ORAL TESTIMONY

There was no oral testimony.

Adjourned at: 6:51 p.m.

David L. Jack, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

Unapproved

Sheet intentionally blank

**Minutes of Regular Assembly Meeting
Held on May 14, 2013**

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., May 14, 2013, in the Borough Assembly Chambers. Assembly Members Stough, McCloskey, Wiederspohn, Jamieson, Christian and Stokes were present. Borough Manager Timothy Rooney and Borough Clerk Kim Flores were also in attendance.

Pledge of Allegiance was led by Assembly Member James Stough.

Invocation was given by Donald J. McConachie Sr.

CEREMONIAL MATTERS – *Community Presentations, Proclamations, Certificates of Service, Guest Introductions*

Certificate of Service was presented to John Taylor, Planning & Zoning Commission (to be mailed by the Borough Clerk).

Proclamation – Take 25 – National Center for Missing & Exploited Children, presented to the NCMEC (to be mailed by the Borough Clerk).

AMENDMENTS TO THE AGENDA

Assembly Member Jamison asked to add the replacement appointment to the Code Review Committee under Mayor/Assembly Reports and Appointments in the Agenda.

There was no objection by the Assembly to this item being added to the Agenda.

CONFLICT OF INTEREST

There were no conflicts of interest.

CONSENT AGENDA

Moved by Stough, seconded by Jamieson, to approve Consent Agenda Items marked with an (*) asterisk; 6a, 7a, 7b & 13b. Motion approved unanimously by polled vote.

APPROVAL OF MINUTES

*6a Minutes of the Regular Assembly meeting held April 23, 2013 were approved as presented.

COMMUNICATIONS

*7a Dept. of the Army – Notification of a Permit Application Modification approval for Mr. Mike Lang – POA-2009-73-M1, Wrangell Narrows

*7b Travel Summary Report for the month of April, 2013

*13b Final Plat approval of the Goodale Replat

BOROUGH MANAGER'S REPORT

Borough Manager Rooney's report was provided.

- Administrative – Lemonade Day; FY 2013-14 Budget Work session; Assembly Request for Financial Report; Borough Land Entitlement; WMC Replacement Project; Technology Committee; Borough Manager's Timesheet
- Economic Development – Workforce Development; Brass Tax Business Basics
- Finance – Personnel Changes; Property Tax Assessments; Permanent Fund
- Library – Summer Reading Program; Literacy Computer; Training for Librarian
- Parks & Recreation – Aquatics; Community Center; Summer Recreation Program; Adult Recreation Program
- Public Works – Household Hazardous Waste
- Convention & Visitors Bureau – Stikine River Birding Festival

In addition to Manager Rooney's written report, he stated that the participants who took part in Lemonade Day had almost doubled over last year's total participants. Manager Rooney said that once the participants have submitted their final reports, he would update the Assembly with the amount of money raised and the amounts that were donated to charity by each booth. He stated that one of the requirements was that the participants must donate 10% of their total profits to charity. He said that St. Francis Animal Hospital, KSTK, and the Summer Reading Program were among the local charities that were listed.

Manager Rooney also provided an update on his visit to Sitka last week with Ms. Marla Sanger to meet with Mr. Perkins with the USDA. He said that he and Ms. Sanger met with Mr. Perkins on Friday to review the re-application process for the USDA loan application for the hospital replacement project.

Manager Rooney said that Mr. Perkins informed him that Ms. Tammy Trevino with the USDA, Administrator for Housing Community Facilities, would be visiting Wrangell on Monday, June 10, 2013; would be providing Ms. Trevino with a tour of some of the facilities that USDA helped to fund. He stated that some of those projects might include the Library, the Nolan Center, and the Senior Housing Community Garden. He said that they would also be showing her the AICS Clinic, the new hospital location, and would give her a tour of the existing hospital.

Assembly Member Christian asked what the hospital could afford to pay for.

Manager Rooney answered that one of the USDA requirements was to go through and do a financial performance study; would probably use the same company that was used last time; after the study, would still have to be reviewed by an independent third party.

Assembly Member Christian stated that he saw that the square footage had been reduced to 53,000. He asked if that was what they were looking at now.

Manager Rooney responded by saying that there was a potential for that square footage to be reduced even further due to the AICS Clinic and the Hospital Clinic possibly sharing the clinic space. He said that Ms. Sanger was visiting with AICS to see where potential savings could be made.

Assembly Christian also asked if there was a known timeframe that DNR might respond with regards to the land selection rejection letter.

Manager Rooney stated that the response to DNR had been emailed and mailed certified. He said that he would look into if there was a timeframe that DNR had to reply to the City's land selection rejection letter.

Mayor Jack commented that it was a good thing to see AICS and the Hospital working rather closely.

Manager Rooney added that it was an important part of the visit with Mr. Perkins to show the unity between the City and the Hospital.

BOROUGH CLERK'S FILE

Borough Clerk Flores's report was provided.

- Upcoming dates to remember
- Wrangell Convention & Visitors Bureau meeting – Thursday, May 16, 2013 - cancelled
- Special Energy Committee - scheduled for Thursday, May 16, 2013 at 6:30 p.m.

Clerk Flores stated that she was requesting approval for travel and training to attend the Municipal Clerks Professional Development Institute. She read the following statement to support her request for the training:

This training is essential for me to obtain my Certification as a Certified Municipal Clerk. As you can see by the information that I have provided to you, the Professional Development training provides me with the tools and the networking resources that are vital in performing my duties as your Borough Clerk.

Moved by Jamieson, seconded by Christian, to approve the travel and training in June, 2013 for the Borough Clerk to attend the Municipal Clerks Professional Development Institute in Tacoma, Washington.

Assembly Member Jamison stated that she had attended PD I, II & III in Tacoma, Washington. She further stated that the training was very important and essential for a Municipal Clerk's professional growth. She said that the Clerk will bring back the tools that she has learned and provide a report to the Assembly. She said that the Borough Clerk would implement what she has learned for City Hall, for her office, and for the community.

Assembly Member Jamieson expressed how important it was for the Borough Clerk to work toward her certification.

Mayor Jack stated that when the Borough Clerk was hired, it had been implied that this training would be provided.

Assembly Member Jamieson added yes, and for her continued education.

Assembly Member Stough said that in the future, it was important for the Borough Clerk to continue her education.

Motion approved unanimously by polled vote.

Clerk Flores stated that Mayor Jack and Assembly Members Christian and Jamieson would be attending the AML Summer Legislative Meeting in August. She also said that Assembly Member Stough had expressed interest in attending.

Mayor Jack pointed out that since there would be four members of the Assembly attending, there should be proper public notice given.

Clerk Flores responded that she would provide proper public notice of the meeting.

Clerk Flores thanked the Assembly for their support.

MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS

10a Reports by Assembly Members

Assembly Member Jamieson thanked the Mayor and Assembly for appointing her to fill the vacancy on the Borough Assembly until October 2013. She said that she appreciated the unanimous vote.

10b Appointment to fill the vacancies on the Planning & Zoning Commission

Mayor Jack stated that there were no letters of interest received for the two vacancies; we would continue to advertise for the two vacancies.

10c Appointment to fill the vacancy on the Economic Development Committee

Mayor Jack stated that there were no letters of interest received for the vacancy; we would continue to advertise for the vacancy.

10d Appointment of the Wrangell Medical Center Board Liaison Alternate Seat

Moved by Jamieson, seconded by Wiederspohn, to appoint Assembly Member McCloskey to fill the vacancy of the Wrangell Medical Center Board Liaison Alternate Seat if she so wishes.

Assembly Member McCloskey asked what day of the month the meetings were held on.

Manager Rooney stated that the regular meetings were held on the third Wednesday of each month at 5:30 p.m.

Assembly Member McCloskey stated that it would not interfere with her work schedule.

Motion approved unanimously by polled vote.

10e Appointment to fill the vacancy on the Code Review Committee

Added at the request of Assembly Member Jamieson under Amendments to the Agenda

Assembly Member stated that she had made the request to add this item to the Agenda. She further stated that she would be interested in serving on the Code Review Committee if no one else was interested in serving.

Moved by Stough, seconded by Christian, to appoint Assembly Member Jamieson to the Code Review Committee. Motion approved unanimously by polled vote.

PERSONS TO BE HEARD

Don McConachie, 622 Zimovia Hwy., said that he hadn't read through the FY 2013-14 draft budget yet but that as an Assembly, the budget was the most important item of business that the Assembly would consider. He asked that the Assembly do their due diligence as both Tim and Jeff had done. He said that the willingness of the Assembly to go through and approve the budget was to be commended.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

13a Discussion and possible action relating to an Industrial Lot Trade between the City and Borough of Wrangell & Brett Woodbury

Moved by Jamieson, seconded by Christian, to approve the exchange of the lot owned by the City and Borough of Wrangell, Lot 7, Block 61, with the lot owned by Brett Woodbury, Lot 3, Block 65, both located in the Wrangell Industrial Subdivision Park Expansion, and to direct staff to advertise the sale of Lot 3, Block 65 according to the requirements contained within the Wrangell Municipal Code.

Manager Rooney stated that Mr. Woodbury owned two lots in the Industrial Park and the City owned a lot that Mr. Woodbury wanted to own. He said that the lot that Mr. Woodbury

wanted does not have utilities or access to it; Mr. Woodbury would like to trade his lot that had utilities and access to it. Rooney stated that the lots were of comparable size.

Motion approved unanimously by polled vote.

***13b** Final Plat approval of the Goodale Replat

APPROVED UNDER CONSENT AGENDA

ATTORNEY'S FILE

There was no Attorney's File.

EXECUTIVE SESSION

There was no Executive Session.

ADJOURNMENT: 7:22 p.m.

David L. Jack, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

Agenda Item 7

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

COMMUNICATIONS:

INFORMATION: The Assembly may receive items for Communications, reasons only which do not require action. This is an avenue to keep the Assembly informed, for the public to enter items on the record, if necessary. The Assembly also receives agenda communications directly by their constituents, Borough Manager, other agencies' Officers and Department Directors.

A MAIL BOX IS ALSO AVAILABLE IN THE BOROUGH CLERK'S OFFICE FOR EACH MEMBER OF THE ASSEMBLY AND SHOULD BE CHECKED ON A ROUTINE SCHEDULE.

All items appearing under Communications on the Agenda have been approved under the Consent Agenda unless removed.

- *a Minutes of the Regular School Board meeting held February 18, 2013;
Minutes of the Regular School Board meeting held March 11, 2013;
Minutes of the Regular School Board meeting held March 21, 2013;
School Board Action taken at the Regular meeting held May 13, 2013**
- *b Department of the Army, Corps of Engineers Alaska District - Special
Public Notice (SPN) POA-2012-138 - SE Alaska Watershed Coalition
Mitigation Fund**

Sheet intentionally blank

PROCEEDINGS

MINUTES
WRANGELL SCHOOL BOARD
REGULAR MEETING
February 18, 2013, 6:30 P.M.

Evergreen Elementary School Room 101-Intermediate

School Board President Susan Eagle called the regular meeting of the Wrangell Public School Board to order at 6:30 P.M. on Monday, February 18, 2013.

CALL TO ORDER

A quorum was determined with the following school board members present: Susan Eagle, Tammy Groshong, Peter Helgeson, Rinda Howell and Krissy Smith. Also present was Superintendent Richard Rhodes, Principals Therese Ashton & Monty Bunes and Recording Secretary Kimberly Powell.

DETERMINE QUORUM

The Pledge of Allegiance was recited, led by Peter Helgeson.

PLEDGE OF ALLEGIANCE

There were no guests to be heard.

GUESTS TO BE
HEARD

The agenda was approved as presented.

APPROVAL OF
AGENDA

Motion to accept the items on the consent agenda as presented by Peter Helgeson, seconded by Tammy Groshong. Poll vote: Krissy Smith: Yes; Tammy Groshong: Yes; Peter Helgeson: Yes; Rinda Howell: Yes; Susan Eagle: Yes. Motion approved unanimously.

APPROVAL OF
CONSENT AGENDA

- Accepted the minutes of the January 21, 2013 Regular Board Meeting
- Accepted the minutes of the January 28, 2013 Special Board Meeting

Information & Reports were accepted by unanimous consent.

ACCEPTED INFORMATION
& REPORTS

Motion to accept the AMSEA Grant Award as presented to provide Cold Water Safety Education to teachers and staff by Rinda Howell, seconded by Krissy Smith. Poll vote: Tammy Groshong: Yes; Peter Helgeson: Yes; Rinda Howell: Yes; Krissy Smith: Yes; Susan Eagle: Yes. Motion approved unanimously.

ACCEPTED THE
AMSEA GRANT
AWARD AS
PRESENTED

Motion to offer Aleisha Mollen an extracurricular contract for the position of Drama Director for the 2012-2013 school year pending receipt of a satisfactory criminal background check by Krissy Smith, seconded by Rinda Howell. Poll vote: Peter Helgeson: Yes; Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved unanimously.

OFFERED ALEISHA
MOLLEN AN
EXTRACURRICULAR
CONTRACT AS
DRAMA DIRECTOR

Motion to offer Lisa Nikodym an extracurricular contract as assistant softball coach and to offer Rory Prunella and Jason Clark extracurricular contracts for the baseball head and assistant coaching positions for the 2012-2013 school year by Peter Helgeson; seconded by Tammy Groshong. Poll vote: Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Peter Helgeson: Yes; Susan Eagle: Yes. Motion approved unanimously.

OFFERED LISA
NIKODYM, RORY
PRUNELLA AND
JASON CLARK
EXTRACURRICULAR
CONTRACT TO
COACH SOFTBALL
AND BASEBALL

Motion to release Ethel Lane from her extracurricular contract per her request by Tammy Groshong, seconded by Rinda Howell. Poll vote: Krissy Smith: Yes; Tammy Groshong: Yes; Peter Helgeson: Yes; Rinda Howell: Yes; Susan Eagle: Yes. Motion approved unanimously.

RELEASED ETHEL
LANE FROM HER
EXTRACURRICULAR
CONTRACT

The resignation of Britany Foster, Paraprofessional and Therese Ashton, Elementary Principal were provided as an item of information.

PRESENTED
RESIGNATIONS FOR
INFORMATION

Motion to direct the administration to advertise for the position of elementary principal by Peter Helgeson. Motion died due to lack of a second.

MOTION TO
ADVERTISE FOR AN
ELEM. PRINCIPAL
DIES DUE TO LACK
OF SECOND

Motion to proceed with restructuring the administration by Rinda Howell, seconded by Krissy Smith. Poll vote: Tammy Groshong: Yes; Peter Helgeson: No; Rinda Howell: Yes; Krissy Smith: Yes; Susan Eagle: No. Motion approved.

APPROVED
PROCEEDING WITH
RESTRUCTURING
THE
ADMINISTRATION

Motion to accept the first reading of Board Policy #3513.3, Tobacco Free Schools to bring it in line with the AASB model by Krissy Smith, seconded by Peter Helgeson. Poll vote: Peter Helgeson: Yes; Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved unanimously.

ACCEPTED THE
FIRST READING OF
BOARD POLICY
3513.3, TOBACCO

High School Student Victoria Ingram told the board that both basketball teams would be in Petersburg this week for Homecoming games. She said that the teams would be leaving for the Region V tournament on March 4. Cheer and Pep Band will also be traveling to the tournament that will be a double elimination tournament. She said that the DDF team just returned from the state tournament. They did well and actually got an honorable mention for academic teams. Next year the tournament will look different and will give more teams the opportunity to succeed. Victoria also expressed gratitude for Director Michele Galla and her talents that assisted our drama students.

STUDENT
REPRESENTATIVE
REPORT

The School Board reviewed Board Policy #4119.26, Employee Technology Usage Policy.

REVIEWED BOARD
POLICY 4119.26,
EMPLOYEE
TECHNOLOGY
USAGE
ACCEPTED THE
FIRST READING OF
BOARD POLICY
5131.82, TOBACCO

Motion to accept the first reading of Board Policy #5131.82, Tobacco to fix a grammatical error in the first sentence by Tammy Groshong, seconded by Krissy Smith. Poll vote: Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Peter Helgeson: Yes; Susan Eagle: Yes. Motion approved unanimously.

Motion to ratify the 2013-2016 Negotiated Agreement between Wrangell Public School Board and the Wrangell Teachers' Association as presented by Rinda Howell, seconded by Krissy Smith. Poll vote: Krissy Smith: Yes; Tammy Groshong: Yes; Peter Helgeson: Yes; Rinda Howell: Yes; Susan Eagle: Yes. Motion approved unanimously.

RATIFIED THE 2013-
2016 NEGOTIATED
AGREEMENT WITH
WRANGELL
TEACHERS' ASSOC.

Motion to adopt Resolution #13-02, Authorizing the Establishment and Implementation of a Supplemental Employee Retirement Program (SERP) by Tammy Groshong, seconded by Peter Helgeson. Poll vote: Tammy Groshong: Yes; Peter Helgeson: Yes; Rinda Howell: Yes; Krissy Smith: Yes; Susan Eagle: Yes. Motion approved unanimously.

ADOPTED
RESOLUTION #13-02
AUTHORIZING A
SUPPLEMENTAL
RETIREMENT
PROGRAM

Motion to recess into executive session to discuss information that may tend to prejudice a person's reputation or character more specifically the superintendent's evaluation. The person whose reputation may be affected by the discussion has been notified of the proposed executive session and invited to attend it by Rinda Howell, seconded by Peter Helgeson. Voice vote: all in favor, none opposed. Motion approved unanimously.

RECESSED INTO
EXECUTIVE
SESSION AT 7:05 PM

Reconvened into Regular Session at 8:06 PM and stated that the school board performed Superintendent Rhodes' evaluation and found his performance to be acceptable to exemplary.

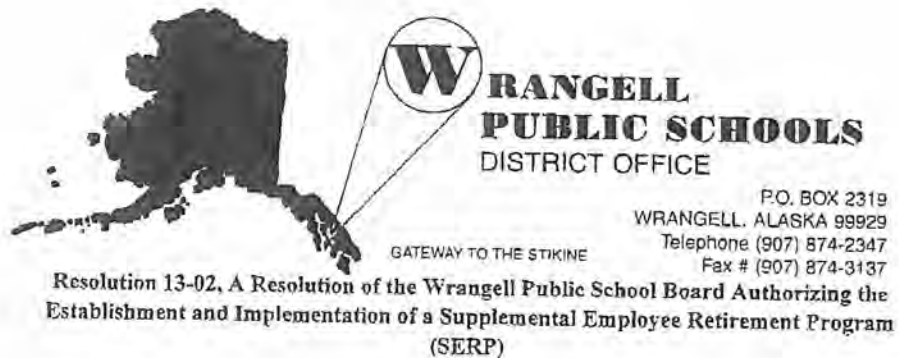
RECONVENED INTO
REGULAR SESSION

There were no remarks from School Board Members

PRESIDENT'S REMARKS
AND COMMENTS FROM
BOARD MEMBERS
ADJOURNED AT 8:07 P.M.

Meeting Adjourned at 8:07 P.M.


SECRETARY



WHEREAS, the implementation of a Supplemental Employee Retirement Plan (SERP) as an early out incentive for qualified employees will allow the Wrangell Public School District to realize significant savings on its certified personnel costs,

THEREFORE, IT IS RESOLVED that the Board of Education of Wrangell Public Schools hereby establishes a Supplemental Employee Retirement Plan for certain eligible employees of the District effective July 1, 2013.

RESOLVED FURTHER that the eligibility requirements for employees to participate in the Plan shall be as follows:

1. Employee must be a certificated teacher or administrator of the District.
2. There shall be no minimum age requirement for participation.
3. Employee must have at least twenty (20) years of service with the District by June 30, 2013.
4. Employee must be eligible to receive retirement benefits from the Alaska Teachers' Retirement System as of the date Employee's employment with the District terminates, but retirement shall not be required.
5. Employee must voluntarily terminate his or her employment with the District by June 30, 2013 to receive SERP benefits for the year commencing July 1, 2013. Employee must voluntarily terminate his or her employment with the District by June 30, 2014 to receive SERP benefits for the year commencing July 1, 2014.
6. Employee must submit a binding Letter of Resignation and completed SERP Enrollment Package to the District Central Office by March 15, 2013, or a later date specified in the Plan enrollment instructions, in order to be eligible to receive SERP benefits. Employee's letter of resignation must specify whether Employee is resigning effective June 30, 2013 or June 30, 2014.

RESOLVED FURTHER that the Board hereby adopts that certain plan known as the Wrangell Public School District Supplemental Employee Retirement Plan, effective July 1, 2013 with one election period providing a choice of employment terminating either June 30, 2013 or June 30, 2014.

RESOLVED FURTHER that the employer contribution required to fund each participant's benefit shall equal 65% of the participant's annual salary for the participant's last school year of employment.

RESOLVED FURTHER that the Wrangell Public School District shall make all contributions to the Plan to fund the annuities purchased pursuant to the Plan.

RESOLVED FURTHER that, for purposes of the limitations on contributions under the Plan, as prescribed by section 415 of the Internal Revenue Code of 1986, as amended, the "limitation year" shall be the Plan Year, as defined under the terms and provisions of the Plan.

RESOLVED FURTHER that, for purposes of clarification of administration of the Plan but not for purposes of making said Plan subject to title I of ERISA, the Board hereby designates the District as the plan administrator.

RESOLVED FURTHER that the Board hereby appoints the following individuals to comprise the Plan Committee: Superintendent Rich Rhodes and Business Manager Pam Roope.

RESOLVED FURTHER that the Board hereby authorizes any member of the Plan Committee to execute on behalf of the District the Form 2848, Power of Attorney and Declaration of Representative.

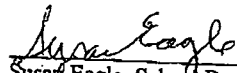
RESOLVED FURTHER that the Board hereby appoints Keenan Financial Services as the contract administrator to assist the District in the implementation and administration of the Plan.

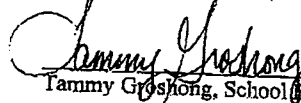
RESOLVED FURTHER that the Board hereby authorizes and directs Superintendent Rich Rhodes and Business Manager Pam Roope to take the following actions:

- A. Execute the Plan and any and all other documents necessary or proper to implement the Plan.
- B. Contract with Keenan Financial Services as contract administrator to provide all services described in the contract.
- C. Execute any and all documents, including any amendment to the Plan, necessary or proper to obtain and maintain IRS approval of the form of the Plan if the IRS makes available a procedure for approval.

D. Enter into any other contract or agreement which he or she deems necessary or proper to administer and/or fund the Plan and to attain and maintain the income tax qualification of the Plan under the Internal Revenue Code of 1986, as amended.

Enacted this 18th day of February 2013.
Wrangell, Alaska


Susan Eagle, School Board President


Tammy Goshong, School Board Secretary

Agenda Item # 7a

PROCEEDINGS

**MINUTES
WRANGELL SCHOOL BOARD
REGULAR MEETING
March 11, 2013, 6:30 P.M.**

Evergreen Elementary School Room 101-Intermediate

School Board President Susan Eagle called the regular meeting of the Wrangell Public School Board to order at 6:30 P.M. on Monday, March 11, 2013.

CALL TO ORDER

A quorum was determined with the following school board members present: Susan Eagle, Tammy Groshong, Rinda Howell and Krissy Smith. Peter Helgeson was absent, excused. Also present was Superintendent Richard Rhodes, Principal Therese Ashton and Recording Secretary Kimberly Powell.

DETERMINE QUORUM

The Pledge of Allegiance was recited, led by Rinda Howell.

PLEDGE OF ALLEGIANCE

Secondary Teacher Michele Galla told the board that she attended the ASTE Conference for the first time this year. While there, she learned how to augment reality. She was amazed at how easy it is. She decided that it's so easy that kids could do it! Kids can do it and with the approval of the administration, Ms. Galla started a student club called AVATAR. This club doesn't cost the district anything. Ms. Galla and Student Teacher Ms. Bridget Schwartz are working with the students to augment organizations around the community. Ms. Galla said that this technology is the most high tech technology that is available. It is really user-friendly. She demonstrated the ease of the technology using her iPad but told the board that it is cross platform so it will work with any smart phone, notebook or the google glass that is coming out. The software was donated to the school. The goal is to have an image from each organization augmented by May 3 for the Shakes Island Rededication. Wrangell will be the first community in Alaska that will be augmented. We may be the first community in the world to be augmented by students.

**GUESTS TO BE
HEARD**

High School Senior Victoria Ingram told the School Board that the students just returned from the Region V Tournament. Both basketball teams took fourth place in the tournament and the Cheer Squad was runner up so they will be attending the state competition next week. There were so many academic awards given to our students that the announcer made note of how well Wrangell Students are doing. Victoria also said the pep band did well and she felt the entire tournament was a success.

**STUDENT
REPRESENTATIVE
REPORT**

President Eagle would like to move 10.F.1, Approval of the Principal Contract for Monty Bunn and 10.F.5, Approval of the Superintendent Contract to the April School Board Meeting. Superintendent Rhodes said that Mr. Bunn expressed concern that he needs to know what the board is offering in his contract by the end of the month so that he can make a decision on the Retirement Incentive Program. The School Board may hold a special meeting in March to approve these contracts. The agenda was approved with these changes.

**APPROVAL OF
AGENDA**

Therese Ashton and Dixie Booker shared a power point with the school board on the status of the food service program. They shared the advantages and difficulties to running the program within the district. Adult meals have increased 200% from last year. The school has an inadequate kitchen and storage space. We also have inadequate equipment. Student Revenue is down partly because of a smaller population but also because students are not familiar with many fresh fruits and vegetables and are reluctant to try them. A grant has been written to implement a salad bar in the secondary school. We are over-budget in staff. The Food Service Staff needs a commitment by the district on whether or not to continue with the program so they can start plans for next year. Ms. Ashton recommends that the district add an assistant cook to help the director so she can do less cooking and handle more of the paperwork for the program. She would also like to see a solid plan developed to build or renovate a commercial kitchen. The school needs to create a program to educate students on good food choices.

**FOOD SERVICE
PRESENTATION**

Motion to accept the items on the consent agenda as presented by Tammy Groshong, seconded by Krissy Smith. Poll vote: Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved.

**APPROVAL OF
CONSENT AGENDA**

- Accepted the minutes of the February 18, 2013 Regular Board Meeting
- Approved removing the broken and stolen computers from the inventory database.

Information & Reports were accepted by unanimous consent.

**ACCEPTED INFORMATION
& REPORTS**

Motion to accept the APEI Loss Control Grant in the amount of \$1,000.00 to reimburse the district for travel expenses for district office staff to attend training in Anchorage by Krissy Smith, seconded by Rinda Howell. Poll vote: Krissy Smith: Yes; Tammy Groshong: Yes; Rinda Howell: Yes; Susan Eagle: Yes. Motion approved.

**ACCEPTED THE APEI
LOSS CONTROL
GRANT IN THE
AMOUNT OF
\$1,000.00**

Motion to accept the FY'2013 Budget as revised by Rinda Howell, seconded by Tammy Groshong. Poll vote: Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved.

**ACCEPTED THE
FY'2013 BUDGET
REVISIONS**

The School Board discussed Draft II of the FY'2014 budget. Business Manager Pam Roope pointed out that she has recoded the Timber Receipts as federal contribution instead of a City Contribution. The superintendent line item was reduced and part of the Superintendent's salary is being coded as a principal, which helps the 70-30% Education split. This budget also includes the salary increases from the proposed salary schedules. Insurance costs were increased but the numbers have not been confirmed. The Indirect Rate has dropped from 6.98% to 2.97% reducing the line item by \$48,000.00. Superintendent Rhodes said that he thinks we will have three less intensive students this year. Mrs. Roope thinks that this budget reflects a loss of two intensive students but will verify that tomorrow.

**DISCUSSED FY'2014
BUDGET DRAFT II**

Motion to accept the second reading of Board Policy #3513.3, Tobacco Free Schools for inclusion in the policy manual by Tammy Groshong, seconded by Rinda Howell. Poll vote: Krissy Smith: Yes; Tammy Groshong: Yes; Rinda Howell: Yes; Susan Eagle: Yes. Motion approved.

**ACCEPTED THE
SECOND READING
OF BOARD POLICY
3513.3, TOBACCO**

Motion to accept the first reading of Board Policy #4020, deleting outdated references and using terminology in the exhibit that is consistent with policy by Krissy Smith, seconded by Tammy Groshong. Poll vote: Tammy Groshong: Yes; Rinda Howell: Yes; Krissy Smith: Yes; Susan Eagle: Yes. Motion approved.

**ACCEPTED THE
FIRST READING OF
BOARD POLICY
#4020, DRUG,
TOBACCO &
ALCOHOL FREE
WORKPLACE**

Reviewed School Board Policy:

- BP-4151, Personnel Salaries
- BP-4152, Liability for Payroll Deductions
- BP-4153, Extra Duty Schedules
- BP-4155.1, Tax-Sheltered Annuities
- BP-4160, Absences
- BP-4212.5, Classified Personnel Background Checks
- BP-4215, Classified Staff Evaluation

REVIEWED BOARD POLICY

School Board President Susan Eagle, with consensus of the Board directed the Administration to review Board Policy #4216, Probationary Status and revise the language and formatting to make the policy more clear.

DIRECTED ADMINISTRATION TO REVISE BOARD POLICY #4216, PROBATIONARY STATUS
ACCEPTED THE SECOND READING OF BOARD POLICY 5131.62, TOBACCO

Motion to accept the second reading of Board Policy #5131.62, Tobacco for inclusion in the policy manual by Rinda Howell, seconded by Krissy Smith. Poll vote: Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved.

Motion to accept the first reading of Board Policy #7231, School Board Technology Usage as presented by Tammy Groshong, seconded by Rinda Howell. Poll vote: Krissy Smith: Yes; Tammy Groshong: Yes; Rinda Howell: Yes; Susan Eagle: Yes. Motion approved.

ACCEPTED THE FIRST READING OF BOARD POLICY 7231, SCHOOL BOARD TECHNOLOGY USAGE
ADOPTED THE 9-MONTH CLASSIFIED SALARY SCHEDULE

Motion to adopt the 9-month salary schedule as presented effective July 1, 2013 by Rinda Howell, seconded by Tammy Groshong. Poll vote: Tammy Groshong: Yes; Rinda Howell: Yes; Krissy Smith: Yes; Susan Eagle: Yes. Motion approved.

Motion to adopt the 10-12 month salary schedule as presented effective July 1, 2013 by Tammy Groshong, seconded by Rinda Howell. Poll vote: Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved.

ADOPTED THE 10-12 MONTH CLASSIFIED SALARY SCHEDULE

Motion to adopt the Exempt Employee Salary Schedule as presented effective July 1, 2013 by Rinda Howell, seconded by Krissy Smith. Poll vote: Krissy Smith: Yes; Tammy Groshong: Yes; Rinda Howell: Yes; Susan Eagle: Yes. Motion approved.

ADOPTED THE EXEMPT EMPLOYEE SALARY SCHEDULE

Motion to adopt the Principal salary schedule as presented effective July 1, 2013 by Krissy Smith; seconded by Tammy Groshong. Poll vote: Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved.

ADOPTED THE PRINCIPAL SALARY SCHEDULE

Motion to offer tenured teacher contracts to the teachers listed in the board packet for the 2013-2014 school year by Rinda Howell, seconded Krissy Smith. Poll vote: Rinda Howell: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved.

OFFERED TENURED TEACHER CONTRACTS FOR 2013-2014 SCHOOL YEAR

The resignation for Mrs. Ophelia Anderson was brought forward as an item of information.

PRESENTED RESIGNATION OF OPHELIA ANDERSON AS INFORMATION RECESSED INTO EXECUTIVE SESSION AT 7:40 PM

Motion to recess into executive session to discuss information that would clearly have an adverse effect upon the finances of the district, more specifically a Classified Employee Retirement Incentive Plan by Rinda Howell, seconded by Tammy Groshong. Voice vote: all in favor, none opposed. Motion approved.

Reconvened into Regular Session at 8:15 PM.

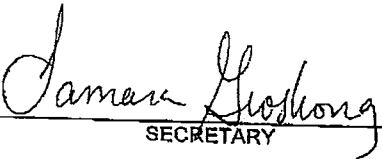
RECONVENED INTO REGULAR SESSION

Motion to offer classified employees with twenty or more years of service with the district a retirement incentive plan of \$5,000.00 if they retire by the end of this school year by Krissy Smith, seconded by Rinda Howell. Poll vote: Tammy Groshong: No; Rinda Howell: No; Krissy Smith: Yes; Susan Eagle: No. Motion denied.

DENIED OFFERING CLASSIFIED STAFF A RETIREMENT INCENTIVE PLAN

Susan Eagle congratulated the Cheer Squad on their success at the Region V Tournament and wished them luck at State.
Meeting Adjourned at 8:30 P.M.

PRESIDENT'S REMARKS
AND COMMENTS FROM
BOARD MEMBERS
ADJOURNED AT 8:30 P.M.


SECRETARY

Agenda Item # 7a

PROCEEDINGS

MINUTES
WRANGELL SCHOOL BOARD
SPECIAL MEETING
March 21, 2013 7:30 P.M.

Evergreen Elementary School Room 101-Intermediate

School Board President Susan Eagle called the special meeting of the Wrangell Public School Board to order at 7:35 P.M. on Thursday, March 21, 2013.

CALL TO ORDER

A quorum was determined with the following school board members present: Susan Eagle, Tammy Groshong, Peter Helgeson and Krissy Smith. Rinda Howell was absent, excused. Also present was Superintendent Richard Rhodes, Principal Monty Bunes and Recording Secretary Kimberly Powell.

DETERMINE QUORUM

Motion to offer Mr. Monty Bunes a contract for the position of secondary principal, for the 2013-2014 school year by Tammy Groshong, seconded by Peter Helgeson. Poll vote: Peter Helgeson: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved.

OFFERED MONTY
BUNESS A
PRINCIPAL
CONTRACT FOR
2013-2014

Motion to offer Mr. Monty Bunes a contract addendum in the amount of \$6,000.00 for the position of Activities Director, for the 2013-2014 school year by Peter Helgeson, seconded by Tammy Groshong. Poll vote: Krissy Smith: Yes; Tammy Groshong: Yes; Peter Helgeson: Yes; Susan Eagle: Yes. Motion approved.

OFFERED MONTY
BUNESS A
CONTRACT
ADDENDUM AS
ACTIVITIES
DIRECTOR

Motion to offer Mr. Monty Bunes a contract addendum for the 2013-2014 school year for ten additional days at his per diem rate to assist with the transition of the administration restructure by Krissy Smith, seconded by Peter Helgeson. Poll vote: Krissy Smith: Yes; Tammy Groshong: Yes; Peter Helgeson: Yes; Susan Eagle: Yes. Motion approved.

OFFERED MONTY
BUNESS A
CONTRACT
ADDENDUM TO
ASSIST WITH
ADMINISTRATIVE
RESTRUCTURING

Motion to recess into executive session to discuss matters that would have an adverse effect upon the finances of the district, more specifically the Superintendent's Contract by Peter Helgeson, seconded by Tammy Groshong. Poll vote: Tammy Groshong: Yes; Peter Helgeson: Yes; Krissy Smith: Yes; Susan Eagle: Yes. Motion approved. President Eagle invited Superintendent Rhodes into the Executive Session.

RECESSED INTO
EXECUTIVE
SESSION AT 7:45 PM

School Board reconvened into Regular Session.

RECONVENED INTO
REGULAR SESSION AT
8:25 PM

Motion to offer Superintendent Rhodes a new contract by Tammy Groshong, seconded by Peter Helgeson. Poll vote: Peter Helgeson: Yes; Krissy Smith: Yes; Tammy Groshong: Yes; Susan Eagle: Yes. Motion approved.

OFFERED
SUPERINTENDENT
RHODES A NEW
CONTRACT

Meeting Adjourned at 8:28 P.M.

ADJOURNED AT 8:28 P.M.


SECRETARY

Agenda Item # 7a

BOARD ACTION**WRANGELL PUBLIC SCHOOL BOARD
REGULAR MEETING (PAGE 1)
MAY 13, 2013**

- Approved the agenda as presented
- Accepted the Minutes of the April 15, 2013 Regular Board Meeting
- Approved the Disposal of Surplus Equipment
- Removed the broken computers from the inventory data base
- Approved the purchase of laptop #1103 by Therese Ashton in the amount of \$250.00
- Discussed the Food Service Program
- Offered Jennifer Davies a teaching contract for the 2013-2014 school year
- Offered Marilyn Burgess a contract addendum for the 2013-2014 school year
- Offered Ryan Howe a contract addendum for the 2013-2014 school year
- Revised the contract offered to Dave Silva, Speech Pathologist to give 2% increase
- Offered extracurricular contracts for the 2013-2014 school year as presented
- Presented the resignation of Office Aide Katherine Ivy, Cheer Coach Laura Johnson and MS Volleyball Assistant Coach Tasha Morse as items of information
- Waived the facility usage fee specified in Exhibit 1330 for Cindy Martin to provide tutoring during the 2013 summer months
- Accepted the second reading of Board Policy 4216, Probationary Status
- Accepted the first reading of Board Policy 4262, Classified Staff Vacations/Holidays
- Reviewed Board Policy
 - Board Policy 4315, Evaluation of Administrative Personnel
 - Board Policy 4319.21, Statement of Ethics for School Administrators
 - Board Policy 4319.3, Duties of an Administrator
- Approved working with the Borough to advertise an RFP to paint Elementary School
- Reviewed Reasons Students Choose Other Educational Opportunities/Drop-out
- Discussed Universal Healthcare Reform
- Approved Superintendent Rhodes' Summer Travel
- Adjourned

WRANGELL PUBLIC SCHOOLS**FOR RELEASE: 8:30 AM
MAY 15, 2013**

Sheet intentionally blank



US Army Corps
of Engineers
Alaska District

Date: May 14, 2013
Expiration: June 12, 2013

Identification No:
SPN POA-2012-138

SPECIAL PUBLIC NOTICE (SPN) POA-2012-138

U.S. Army Corps of Engineers Regulatory Program The Southeast Alaska Watershed Coalition Mitigation Fund

Interested parties are hereby notified that the U.S. Army Corps of Engineers, Alaska District (Corps) is seeking comments on a proposal to establish an in-lieu fee program. A prospectus describing the proposed program has been received from the program sponsor, the Southeast Alaska Watershed Coalition (SAWC) and is attached to this notice (Enclosure 1). On October 29, 2012 the Corps published a Special Public Notice for SAWC's proposed in-lieu fee program. After review of comments received SAWC has updated their prospectus and has submitted the document for further review.

The Term "in-lieu fee program" refers to a program involving the restoration, establishment, enhancement, and/or preservation of aquatic resources through funds paid to a governmental or non-profit natural resources management entity to satisfy compensatory mitigation requirements. Similar to a mitigation bank, an in-lieu fee program sells compensatory mitigation credits to permittees whose obligation to provide compensatory mitigation is then transferred to the in-lieu fee program sponsor. The operation and use of an in-lieu fee program are governed by an in-lieu fee program instrument.

The Southeast Alaska Watershed Coalition Mitigation Fund in-lieu fee program is being proposed as a means to meet the requirements for compensatory mitigation associated with projects, which may be permitted by the Corps. If the program is approved, it would provide an alternative to permittee-responsible mitigation. The program would be designed and administered in a manner consistent with the Final Rule for Compensatory Mitigation for Losses of Aquatic Resources, which was published in the Federal Register on April 10, 2008. This Public Notice is focused solely on the Federal review and approval process. Regardless of whether the proposed program is approved, the Corps is willing to consider other proposals from qualified entities to develop in-lieu fee mitigation projects.

The Corps has convened an Interagency Review Team (IRT) comprised of Federal and State agencies. This team will work with SAWC to create an instrument and legal agreement that specifies watershed-based aquatic resource objectives, default and closure provisions, reporting protocols, and financial accounting requirements. If the instrument is approved, individual mitigation plans will be prepared as in-lieu fee project sites are identified. These plans would be incorporated as amendments to the instrument. Additional Tribal and local representatives may be invited to join the IRT during review of individual mitigation projects.

The prospectus, which outlines the purpose and structure of the proposed program, is attached to this notice. Comments should be submitted to the Corps, and should be received no later than the expiration date of this public notice. Comments received in response to this notice will be provided to SAWC and the IRT.

Please provide comments to the following:

Alaska District, Corps of Engineers
Attn: CEPOA-RD (Mr. Matthew Brody)
P.O. Box 22270
Juneau, Alaska 99802
Matthew.T.Brody@usace.army.mil

This Special Public Notice can also be access at:

<http://www.poa.usace.army.mil/Missions/Regulatory/SpecialPublicNotices.aspx>

District Engineer
U.S. Army, Corps of Engineers



SOUTHEAST ALASKA
WATERSHED COALITION
CONNECT - INFORM - PARTICIPATE

The Southeast Alaska Mitigation Fund **Prospectus**

In Lieu Fee Compensatory Mitigation Program

Submitted To:

U.S Army Corps of Engineers, Alaska District: Juneau Regulatory
Office, Juneau, AK

Program Sponsor:

Southeast Alaska Watershed Coalition
P.O. Box 1203, Haines AK, 99827
alaskawatersheds@gmail.com
(907) 766-3745

Prepared by:

Jessica Kayser, Director, Southeast Alaska Watershed Coalition
With support from Ben Kirkpatrick, Fish Habitat Biologist

April 10, 2013

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The proposed service area.....	11
The general need for and technical feasibility of the proposed in-lieu fee program..	12
The proposed ownership arrangements and long-term management strategy for the in-lieu fee project sites	14
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1. Introduction

Permits for activities conducted in jurisdictional waters of the United States, including streams and wetlands, are required by the U.S. Army Corps of Engineers (COE) through Section 404 of the Clean Water Act (CWA) of 1972 and Section 10 of the Rivers and Harbors Appropriation Act of 1899. Under the CWA Section 404 program permitting process, the COE requires that unavoidable losses of aquatic resource functions and values through permitted actions be replaced through compensatory mitigation (33 CFR Parts 325 & 332 and 40 CFR Part 230).

The Clean Water Act prohibits the discharge of materials, such as rock, soil or sand, into waters of the United States, unless authorized by a permit issued under Section 404 of that act. The COE, or a state program approved by the U.S. Environmental Protection Agency (EPA), has authority to issue such permits and to decide whether to attach conditions to them in order to achieve no net loss of wetlands within the Section 404 program. Compensatory mitigation requirements for impacts to wetlands and streams in Alaska can be met through permittee-responsible compensatory mitigation, mitigation banks, or in-lieu fee (ILF) programs.

This prospectus refers to the development of an ILF program that will offer third-party compensatory mitigation for unavoidable, regulated impacts. The proposed ILF program name is The Southeast Alaska Watershed Coalition Mitigation Fund. The Southeast Alaska Watershed Coalition (SAWC), an Alaska, non profit community-based natural resource management coalition will sponsor this program.

This prospectus outlines the circumstances and manner in which The Southeast Alaska Watershed Coalition Mitigation Fund will serve to satisfy compensatory mitigation requirements of the COE Regulatory Program.

The COE, Juneau Regulatory Division, Alaska District administers In-Lieu Fees (“Funds”) contributed for unavoidable impacts to waters of the United States including streams and wetlands that result from activities authorized under Section 401 and 404 of the Clean Water Act, and Section 10 of the Rivers and Harbors Act. To establish and operate the SAWC ILF Program, SAWC will work cooperatively with an Interagency Review Team (IRT) that is established and chaired by the COE to ensure the program Instrument meets the requirements of the Final Rule on Compensatory Mitigation: Mitigation for Losses of Aquatic Resources; Final Rule (33 CFR Parts 325 and 332 and 40 CFR Part 230) dated April 10, 2008 (hereinafter referred to as the 2008 Final Rule). Once the Program is certified and operational, the IRT will play an integral role in reviewing proposed mitigation receiving sites and mitigation plans.

The steps required for those seeking approval for an in-lieu fee program have been clearly defined in the 2008 Final Rule. The first step towards seeking program approval is the submission of a prospectus to the IRT for review and comment. It is strongly recommended that potential sponsors submit a draft prospectus to the Corps for initial comment- SAWC did submit a draft prospectus to the Corps and IRT on March 23, 2012. Based upon the IRT working groups and the consultation SAWC received the coalition has adapted the initial Draft Prospectus and strived to incorporate agency comments and concerns into this Prospectus. One of the new requirements for ILF programs is that they go through two rounds of IRT review and two rounds of public review and comment in the program approval process in order to strengthen the final

program Instrument and ensure multiple stakeholder perspectives are taken into consideration and acknowledged within the final Instrument.

The Prospectus for all proposed in-lieu fee programs must include the following:

1. Objectives
2. How the in-lieu fee program will be established and operated
3. Proposed Service Area
4. Need and technical feasibility
5. Ownership arrangements and long-term management
6. Sponsor Qualifications
7. Compensation Planning Framework
8. Description of program account

The remainder of this document makes up the Prospectus for The Southeast Alaska Watershed Coalition Mitigation Fund sponsored by SAWC. Based on comments and suggestions received from the public and natural resource management agencies SAWC will develop the Draft Instrument and Final Instrument. Each document builds upon the last and requires additional information and specification that further details program operation and structure. Again, the purpose of the Prospectus is to provide a broad overview of the program. There are components of an in-lieu fee program that are significant but are not present in this document because they are not required until the sponsor is developing the draft Instrument. These include, method for determining project specific credit and fees and draft fee schedule, advance credit plan, default and closure provisions and reporting protocols.

2. Program Objectives

The primary objective of The Southeast Alaska Mitigation Fund is to replace area lost and/or the functions and values of aquatic resources and associated habitats that have been impacted as a result of permitted activities conducted in compliance or in violation of Section 404 of the Clean Water Act of 1972 and/or Section 10 of the River and Harbor Act of 1899. The program is intended to strive to uphold the national policy goal of “no net loss” to aquatic resources through the establishment and management of restoration, enhancement, creation, and preservation sites within target watersheds in the geographic service area.

The SAWC ILF Program will serve as one option available to permit applicants to provide compensatory mitigation for unavoidable impacts to jurisdictional waters of the U.S. Under this program, public and private applicants for COE permits may be allowed to pay into a mitigation fund instead of- or in addition to- performing permittee responsible mitigation. These funds will be used to carryout mitigation projects that have been identified by the program sponsor and IRT as appropriate compensatory mitigation sites on either private and/or public lands.

Furthermore, the 2008 Final Rule states that mitigation is most successful when it is based upon a “watershed approach” and provides strategies and processes for the district engineer, IRT and program sponsor to follow in mitigation site selection and project prioritization. In order to meet its primary objective of replacing aquatic resources this program will make mitigation decisions utilizing a “watershed approach”. The objective of a watershed approach, as defined in the 2008 Final Rule, is to maintain and improve the quality and quantity of wetlands and other aquatic

resources in a watershed (additional information on the watershed approach and site selection and prioritization can be found in Section 7 -the Compensatory Planning Framework).

The primary goal of The Southeast Alaska Watershed Coalition Mitigation Fund will be to maintain and improve the quantity and quality of aquatic resources throughout Southeast Alaska. To accomplish this goal SAWC has incorporated the following objectives into the ILF Program:

1. Provide habitat restoration or enhancement as an option to mitigate for unavoidable, site-specific impacts to aquatic resources in Southeast Alaska.
2. Utilize a watershed approach as defined in the 2008 Final Rule to identify the most appropriate off-site mitigation options available.
3. Work in an efficient and transparent manner with the IRT, chaired by the COE, to review, analyze, and implement mitigation projects and enact amendments to the Program Instrument.
4. Utilize scale efficiencies by combining the impacts from individual smaller projects within each 8-digit HUC watershed into consolidated (larger) mitigation sites with greater ecological value.
5. Develop a program that identifies, prioritizes, and completes mitigation projects that collectively produce a no net resource loss on a watershed scale over time.
6. Provide an effective and transparent accounting structure for collecting in-lieu fees, disbursing project funds, and compliance reporting, as required under the 33 CFR § 332.8.
7. Provide public benefit by applying mitigation resources, deemed appropriate by the IRT, toward the restoration/enhancement of ecologically impaired publicly owned and those privately owned lands, which have important ecological value to the watershed.

3. How the in-lieu fee program will be established and operated

SAWC is incorporating as a private, non-profit Alaska corporation that will operate as a qualified ILF mitigation program sponsor for COE-authorized third-party mitigation services. The Southeast Alaska Watershed Coalition Mitigation Fund will be one of a few compensatory mitigation options available for use after permit applicants in Southeast Alaska have achieved avoidance and minimization of impacts to aquatic resources. The proposed program structure and processes for completing mitigation projects are based largely upon guidance outlined in the 2008 Final Rule issued in April 2008 by the U.S. Army Corps of Engineers and U.S. Environmental Protection Agency (EPA) [33 CFR Part 332 and 40 CFR Part 230]. Ultimately it is the goal of this program and the IRT to carryout compensatory mitigation projects that are commensurate with the amount and type of impact occurring and replace the lost resources at an equal or greater value.

The establishment, use, operation, and management of SAWC's approved ILF Program will be carried out in accordance with the following principal authorities.

A. Federal:

1. Rivers and Harbors Act of 1899 (33 USC § 403)
2. Federal Water Pollution Control Act (33 USCA §§ 1251 to 1387.)
3. Regulatory Programs of the Corps of Engineers, 2008 Final Rule (33 CFR Parts 320- 332)
4. Memorandum of Agreement between the Environmental Protection Agency and the Department of the Army concerning the Determination of Mitigation Under the Clean Water Act, Section 404(b)(1) Guidelines (February 6, 1990)
5. U.S. Army Corps of Engineers Regulatory Guidance Letter 05-1, Guidance on Use of Financial Assurances, and Suggested Language for Special Conditions for Department of the Army Permits Requiring Performance Bonds, U.S. Army Corps of Engineers, February 14, 2005
6. Guidelines for the Specification of Disposal Sites for Dredged and Fill Material (40 CFR Part 230, Section 404(b)(1))
7. National Environmental Policy Act (42 USC §§ 4321 et seq.)
8. Council on Environmental Quality Procedures for Implementing the National Environmental Policy Act (40 CFR Parts 1500-1508)
9. Executive Order 11990 (Protection of Wetlands)
10. Executive Order 11988 (Floodplains Management)
11. Executive Order 13112 (Invasive Species)
12. Fish and Wildlife Coordination Act (16 USC §§ 661 et seq.)
13. Fish and Wildlife Service Mitigation Policy (46 FR 7644-7663, 1981)
14. Endangered Species Act (16 USC §§ 1531 et seq.)
15. Magnuson-Stevens Fishery Conservation and Management Act (16 USC §§ 1801 et seq.)
16. National Historic Preservation Act, as amended (16 USC § 470)

It is the intent of the sponsor that this program be established and operated in a collaborative manner with the IRT members (as described below) and potential mitigation site project partners.

The proposed IRT is the group of representatives from Federal and State regulatory and resource agencies that will provide guidance regarding the establishment and management of the Program pursuant to the provisions of the programs Final Instrument. The IRT consists of:

1. Chair: COE, Alaska District, Juneau Regulatory Office
2. EPA, Region 10
3. National Oceanographic and Atmospheric Administration, National Marine Fisheries Service Habitat Conservation Division (NOAA/NMFS)
4. U. S. Fish and Wildlife Service (USFWS), Conservation Planning Assistance Program
5. Alaska Department of Environmental Conservation (DEC)

6. United States Forest Service, Tongass Forest
7. Other relevant parties as invited by the Chair and/or the Sponsor on a project-by-project basis.

The role of the IRT is to:

- Assist the COE in their role as chair of the IRT;
- Review of the *Draft Prospectus*, Prospectus, and Draft Instrument and Instrument of ILF Program;
- Evaluate mitigation plans;
- Review monitoring reports;
- Recommend adaptive management measures;
- Approve credit releases to agreed-upon projects.

As sponsor of the program, SAWC will be responsible for all roles required of a program sponsor in 33 CFR Part 332.8, including:

- Ensuring the success of compensatory mitigation for which fees have been collected (*performance standards will be defined in project mitigation plans and will support the measured success of each project*).
- Maintaining accounting ledgers, tracking all fees collected and expenditures (*this system will be further defined in the Draft Instrument*).
- Monitoring and maintaining mitigation projects developed under the program.
- Attaining IRT approval for mitigation plans and expenditures from the ILF account.
- Maintaining sufficient funds for the long-term management (as defined in the project mitigation plan) of mitigation projects (*this system will be further defined in the Draft Instrument*).
- Annually reporting on the progress and status of the program including financial accounting reports, credit transaction reports, mitigation receiving site monitoring and progress toward success, status of long term management endowment account, amount of mitigation provided for authorized impacts/fees collected, and any changes in land ownership or transfers of long term management responsibilities.

The ILF Instrument will provide authorization for the ILF program to provide credits and receive funds from applicants to satisfy compensatory mitigation requirements for Clean Water Act permits (§404 (B)(1) Guidelines (40 CFR 230.10(c)) and other regulated activities. The ILF Instrument will describe the program elements required by 33 CFR §§ 332.8 (6)(ii) & 332.8 (6) (iv), specifically:

1. Credit and debit accounting procedures
2. Provisions stating legal responsibility to provide compensatory mitigation
3. Default and closure provisions
4. Reporting requirements and protocols
5. Project selection criteria through a compensation planning framework (see section 7-*Compensation Planning Framework*)
6. Advance credits

7. Method for determining project-specific credits and fees and fee schedule
8. Description of the ILF program account (see section 8- *Description of Program Account*)

As projects are identified, SAWC will submit site-specific mitigation plans to the COE for review and approval. This is a separate review process for each proposed in-lieu fee project. Any time SAWC would like to implement a new mitigation project or add new acreage to an existing projects, it must submit a project mitigation plan, go through a public review and comment phase, and go through formal IRT review. This process ensures each mitigation site is well planned in advance with specific ecological performance standards and a long-term management plan. Mitigation plans will include the following information required by 33 CFR §§ 332.4 (c)(I)(iii) & 332.8 (i)(e).

1. Objectives
2. Site selection rationale § 332.2(d)
3. Site protection instrument § 332.7(a)
4. Baseline information
5. Determination of credits § 332.2(f)
6. Mitigation work plan
7. Maintenance plan
8. Performance standards § 332.5
9. Monitoring requirements § 332.6
10. Long-term management plan §§ 332.7 & 332.8(u)
11. Adaptive management plan § 332.7(c)
12. Financial assurances § 332.3 (n)

Once the program is approved to provide compensatory mitigation for unavoidable impacts to the waters of the United States, credits will be sold to Section 404 permittees. The funds received from permittees will be consolidated and used to implement identified and prioritized mitigation projects. In Southeast Alaska regulated activities are often dispersed across large areas and over time. Therefore achieving compensatory mitigation may sometimes benefit from combining funds from several permit applicants. At the IRT's discretion project funds may be disbursed among adjacent or disparate watersheds to ensure timely delivery of mitigation commitments as required in the final rule.

Compensatory mitigation projects will be selected based on an analysis of their ability to mitigate for impacts and provide measureable ecological benefits. The over-reaching goal is to maintain and restore the quantity and quality of aquatic resources within the service area.

To ensure successful operation of the ILF program SAWC will value fee amounts by setting credit prices that will allow the sponsor to meet all of the requirements of the 2008 Final Rule. Much criticism has been levied against in-lieu fee programs over the years for setting credit prices too low and failing to cover all of the costs necessary to deliver the promised mitigation.

The 2008 Final Rule states that the cost per credit must be based on "full cost accounting" – all the costs associated with the restoration, establishment, enhancement, and/or preservation of aquatic resources. The 2008 Final Rule lists the specific activities that may be considered in setting credit fees. These are:

- Land acquisition
- Permitting
- Project planning and design, including site selection
- Construction and inspection
- Plant materials
- Legal fees
- Monitoring
- Maintenance and or adaptive management activities
- Program administration
- Contingency costs appropriate to the stage of project planning, including uncertainties in construction and real estate expenses
- The resources necessary for the long- term management and protection of the in-lieu fee project, including compliance inspection.
- Financial assurances that are necessary to ensure successful completion of in-lieu fee projects

Additionally, the rule states third party mitigation programs will use funds generated from credit sales for program administration. The program administration for this ILF programs are describe in part as follows:

(1) A percentage of funds generated (not to exceed 15% of total fees collected) will defray administrative costs associated with operation of the ILF program. Examples of administrative costs include: staff time; planning and project identification costs; landowner contacts; contaminants investigations; meetings with the IRT, watershed representatives, and project partners; developing conservation easements and other legal protections for project sites; reporting; accounting; and others.

(2) In addition to this 15% administrative cost, the sponsor will also create two separate contingency accounts. The first will represent a contingency held separately for each project to defray unanticipated costs associated with maintaining the long-term success of the project. The second will be a general contingency that will be deposited into a program-wide contingency account to ensure long-term viability of the ILF program. This general contingency account will provide financial assurances for unexpected costs such as easement defense or others that may arise affecting several projects or the ILF program as a whole. SAWC will work with the IRT- during the Draft Instrument phase- to determine a standard percentage of a total project site cost to be deposited into these two contingency accounts. All other fees collected will be used by SAWC for project implementation, which will include, but may not be limited to: design, construction, construction oversight, site monitoring up to the time of credit release (do we

anticipate calling SAWC ILF fees credits?), and perpetual protection of mitigation sites which may include easement or fee title purchase, project site fencing, and others.

Once the COE has required the permittee to pay an appropriate credit amount, SAWC and/or SAWC partners will agree to accept legal responsibility for satisfying the mitigation requirements for all COE, for which mitigation fees from a permittee have been accepted under the terms of the program's instrument. Any transfer of mitigation responsibility is contingent upon the prior approval of the Corps.

Based on the 2008 Final Rule SAWC expects the following responsibilities of the COE – as Chair of the IRT- in establishing and operating the program

A. The COE agrees to provide appropriate oversight in carrying out their responsibilities under the provisions of the 2008 Final Rule and any special considerations written into the Programs final Instrument.

B. The COE agrees to review and provide comments on project plans, monitoring reports, contingency and remediation proposals, and similar submittals from the SAWC in a timely manner.

C. As IRT Chair, the COE will coordinate their review with the other members of the IRT.

D. The COE agrees to review requests to provide guidance in the development of the SAWC ILF Program Prospectus, Draft Instrument and Final Instrument. As well as, once the program is approved, the COE agrees to review requests to modify the terms of the Instrument, to transfer title or interest in any real estate subject to the program, to determine achievement of performance standards in order to evaluate the award of credits for each phase of the Program's mitigation projects, or to approve the Long-Term Management Plans. As Chairs, the COE will coordinate review with the members of the IRT so that a decision is rendered or comments detailing deficiencies are provided in a timely manner. The COE agrees to not unreasonably withhold or delay action on such requests.

E. The COE agrees to act in good faith when rendering decisions about acceptability of financial assurances, requiring corrective or remedial actions, requiring long-term management and maintenance actions, and releasing credits. The COE shall exercise good judgment in accessing financial assurances, and will utilize those monies only to the extent they reasonably and in good faith conclude that such remedial or corrective actions are an effective and efficient expenditure of resources. In implementing this process the COE will act in good faith in determining the scope and nature of corrective actions to be undertaken, shall act in good faith in conducting monitoring, developing reports, and assessing compliance with performance standards; and will not unreasonably limit options available as corrective action activities or otherwise apply their discretion so as to unduly prejudice the Sponsor regarding the timing or number of credits released. Approval by the COE of the identity of any assignee responsible for executing the Long Term Management Plan, and approval of the terms of any long-term management assignment agreement, will not be unreasonably withheld.

F. The COE will periodically inspect the mitigation sites as necessary to evaluate, in consultation with the other members of the IRT, the achievement of performance standards, to assess the results of any corrective measures taken, to monitor implementation of Long Term

Management Plans, and, in general, to verify SAWC's compliance with the provisions of the programs approved Instrument.

Upon satisfaction of the requirements of any mitigation site phase under the approved Instrument, the COE will certify, following consultation with the SAWC and the other members of the IRT, that the establishment period of a mitigation site has terminated, all credits associated with the site have been released, and that the site has entered the long-term management phase. Certification will occur upon the SAWC's receipt of a letter issued by the COE to the Sponsor confirming that all credits are released.

The 2008 Final Rule, requires all ILF programs to have a Compensation Planning Framework as part of the program's prospectus and final instrument (§332.8(d)(2)(vii). The compensation-planning framework is a detailed and extensive section of the prospectus and instrument that is "used to select, secure, and implement aquatic resource restoration, establishment, enhancement, and/or preservation activities."¹ This element of the in-lieu fee program instrument was added to the 2008 Final Rule to improve the practice's "accountability and performance" of ILF programs. Please refer to the compensation-planning framework in this prospectus for information, including site selection, prioritization, and implementation of the SE Alaska Mitigation Fund.

4. The proposed service area

(The ILF program service area is described in more detail in the Compensation Planning Framework section)

The service area for the SAWC ILF Program is the organization's existing area of focus servicing municipalities, tribes and local organizations throughout Southeast Alaska. Common usage describes Southeast Alaska as a coastal ecosystem located between 55 and 60 degrees latitude, extending about 500 miles from the Canadian border (south of Ketchikan) northwest to Yakutat Bay and roughly 120 miles in width. Southeast Alaska encompasses about 22 million acres. Within this vast region, SAWC is relying on established USGS Hydrologic Unit Code (HUC) delineations, which are defined by watersheds for program management purposes. These identifications of watersheds assist in framing a regional analysis that complements the 2008 Final Rule's focus on compensatory mitigation on a watershed basis.

Existing delineations define the SE Alaska service area watersheds and organize available aquatic resource data and management information, as follows:

- The U.S. Geological Service identifies four 6-digit and eleven 8-digit Hydrologic Unit 26 Codes: 19010101 – 19010401 covering the watersheds in the Service Area. (Natural Resources Conservation Service; www.ak.nrcs.usds.gov/technical/southeasternhucs.html)
- The U.S. Forest Service identifies 22 Biogeographic Provinces comprised of groups of watersheds, with further delineation of 926 "Value Comparison Units" (VCU) within the provinces. Each VCU generally encompasses a drainage basin (watershed) with one or more large stream system and includes estuaries and adjacent marine habitats associated

¹ 2008 Final Rule (§332.8(c)(1))

with the terrestrial drainage system (*Tongass National Forest Land and Resource Management Plan*, 1997; 2008).

- The Nature Conservancy and Audubon Alaska further combine the Forest Service's 22 Biogeographic Provinces into five sub-regional groupings based on climate, physiography, and plant distribution and provide watershed-scale information in a GIS format (*The Coastal Forests & Mountains Ecoregion in Southeastern Alaska and the Tongass National Forest*, 2007).

SAWC will rely on these watershed delineations in mitigation project identification and will maintain records using both the 8-digit USGS HUC and the biogeographic province nomenclature. SAWC will attempt, to the extent workable, to match mitigation projects within and/or near the watershed that received the unavoidable permitted impact.

The fees for jurisdictional impacts in each of the eleven 8 digit HUCs in Southeast Alaska will be collected and combined to fund mitigation projects in that HUC. In situations deemed appropriate by the IRT and Sponsor, the SAWC's ILF program funds may be used to compensate for an impact that occurs outside of the 8-digit HUC impacted. If the COE determines that SAWC has sold, used, or transferred credits at any time to provide compensatory mitigation for loss of aquatic resources outside of the HUC where the impact occurred without prior approval under the terms of this instrument, the COE, in consultation with other applicable members of the IRT, may direct that the sale, use, or other transfer of credits immediately cease. The COE will determine, in consultation with the IRT, SAWC, and the appropriate regulatory authority, what remedial actions are necessary to correct the situation.

5. The general need for and technical feasibility of the proposed in-lieu fee program

Commercial, urban and rural development, road and utility infrastructure, industrial sites, historic logging practices, and other human actions have altered aquatic habitat in Southeast Alaska. Valuable freshwater wetlands and estuarine habitat have been filled and/or isolated; stream channels have been blocked, straightened and disconnected from their floodplains; forests and riparian areas have been degraded by legacy issues; sections of the coastline have been degraded or lost due to habitat modifications and water pollution; and abandoned crab pots, fishing nets and other gear litter the bottom of the ocean floor near and around Southeast communities.²

Despite a nationwide goal of no-net-loss of wetlands, Southeast Alaska and the State continue to experience losses to the functions and values of wetlands, streams, riparian areas and other aquatic resources. Based on a gap analysis conducted by the SAWC three central factors have been identified as contributing to these losses: 1. Actions being permitted under the Section 404 and Section 10 programs without credible mitigation plans and projects that meet the requirements of the 2008 Final Rule, 2. A lack of identified and prioritized mitigation projects

² Alaska Region Step-down Plan 2007-2011; Partners for Fish and Wildlife and http://www.fs.fed.us/r10/tongass/projects/timp/2003_monitoring_report/17.5_wetlands.pdf

and, 3. A lack of third party mitigation programs operating in Southeast Alaska and the State that offers restoration, enhancement and creation opportunities.

Currently there are two ILF programs in Southeast Alaska that offer preservation opportunities to Section 404 and Section 10 permit applicants- The Southeast Alaska Land Trust and the Great Alaska Land Trust. There are no *active* third party mitigation programs (mitigation banks and/or in-lieu fee programs) that carryout restoration, enhancement and/or creation to offset unavoidable permitted impacts to aquatic resources in Southeast Alaska.

Federal regulations have identified in-lieu fee programs as one potential option to correct some of the shortcomings in existing mitigation techniques. A regulatory program that includes an ILF program provides the opportunity for consolidating compensatory mitigation projects and resources to target more ecologically significant functions, provide financial planning, provide scientific expertise, reduce temporal loss of function, and reduce uncertainty about project success. By consolidating resources and utilizing scientific expertise, this program will provide applicants an appropriate mitigation option for offsetting unavoidable impacts in a timely manner.

The population of Southeast Alaska region is expected to grow in coming years. In addition to pressures on Southeast Alaska's biogeographical regions from general population growth in certain communities, existing industry and land uses will continue to expand. This expected growth and development does and will continue to require more effective mitigation.

At this time- there are no state-wide or regional processes, structures or strategies that support third party mitigation programs in Southeast Alaska. SAWC is the only natural resource organization that is addressing and building awareness about aquatic resource mitigation- in the form of restoration/enhancement/creation in the region. There are limited natural resource managers and professionals in the region who are well informed and have an in depth understanding of the 2008 Final Rule. The COE regulatory office in Juneau has a staff of two, which means COE regulatory staff located in Anchorage are approving permit applications for impacts occurring in Southeast Alaska. Natural resource managers and conservation organizations all agree that the technical capacities of one entity to effectively carryout mitigation projects and manage the sites associated with an in-lieu fee program does not currently exist in Southeast Alaska. After a review of past restoration projects carried out in Southeast Alaska it is obvious that the majority of projects require partnerships between various organizations as well as the landowner(s) in order to develop project designs, construct the project, monitor the project over the long-term, and secure a site projection mechanism.

Therefore, SAWC is proposing to create strategic restoration partnerships with Mitigation Fund Partners (Appendix c)- for each mitigation project- with the agencies, organizations and consultants that are addressing aquatic resource management issues and carrying out restoration projects near and around the program's proposed site. SAWC is confident that the technical needs required to meet the objectives of the proposed ILF program are feasible. SAWC with oversight from the COE and IRT will undertake specific mitigation plans that compliment the organizational capacity of SAWC, as well as the technical expertise of the partnering organizations. See Section 7 for more information on qualification of sponsor and partners to carryout proposed structure.

Communities, scientists, government, tribes, natural resource managers, contractors and conservation groups are ripe with interest to utilize Section 404 and Section 10 mitigation funds to restore, enhance and create aquatic habitat in Southeast Alaska. Acting as a coalition, SAWC has access to extensive scientific resources, organizational partners, and technical service contractors to support its mitigation activities. Drawing from its network of natural resource professionals and managers that represent diverse stakeholder groups, including resource agencies, tribes, municipalities, industry, non-profit organizations, the Alaska State Legislature and environmental consultants and contractors SAWC will be able to respond to the technical requirements of this ILF program. Technical needs and requirements include mitigation site selection and prioritization, mitigation project design and construction, long-term monitoring of project site, data collection and storage and financial management.

6. The proposed ownership arrangements and long-term management strategy for the in-lieu fee project sites

SAWC will consider mitigation projects on public or private lands based on site-selection criteria within a watershed, which will be detailed in the ILF Instrument. Private properties with existing conservation easements or equivalent protections as well as lands held and protected by state, federal, tribal, or other entities in the public trust present opportunities to optimize mitigation on a watershed scale as land costs may represent one of the largest component costs of a mitigation project. Mitigation sites on private land will be protected by permanent conservation easement, deed restrictions, or other legal instruments as provided in the 2008 Final Rule. SAWC intends to partner with statewide and regional land trust entities that can hold a conservation easement or fee title to property on which mitigation is conducted, as well as other land owners both public and private who have the authority to hold legal instruments that dictate land and resource use.

Long-term stewardship and management of in-lieu fee project sites can take many different shapes. In some cases, the in-lieu fee sponsor is a government agency or non-profit conservation organization with land conservation as a mission and the sponsor fully intends to retain ownership and management responsibilities for project sites. In other cases, the in-lieu fee sponsor may intend to transfer the project sites to another entity for ownership or long-term management. In these cases, mitigation project sponsors may have difficulty securing a long-term steward until after the project is further along and the risks are clearer (i.e., the site is completed and meeting performance standards). As a result, the in-lieu fee instrument and project-specific mitigation plan(s) generally identify the sponsor as the long-term steward (the “default” long-term steward). Long-term management and funding then can be transferred to another party with the approval of the district engineer and IRT at some later point. This, presumably, holds true for the portion of the long-term management plan that describes long-term management needs (e.g., annual cost estimates for these needs) and how those needs will be financed.

SAWC will work with the IRT to develop a Final Instrument and mitigation plans under the proposed program that addresses the several different aspects of long-term management of mitigation sites, such as the long-term site protection duration and instrument, the long-term management activities themselves, the party responsible for long-term management, the

mechanism(s) for financing long-term management activities, and if and how the responsibility and funding for long-term management will be transferred to another entity.

Following the project performance period (process of implementing mitigation project and carryout project tasks), mitigation projects will be managed in accordance with long-term stewardship guidelines. Credit pricing will include costs associated with long-term management and monitoring of ILF mitigation receiving sites. In addition to long-term monitoring and management specified in the ILF program instrument, the ILF sponsor will protect ILF sites used for mitigation in perpetuity. SAWC has several legal mechanisms whereby its approved ILF Program compensatory mitigation properties could receive long-term protection and management:

1. SAWC can partner with a land trust to execute and hold a conservation easement on certain properties with willing public or private landowners.
2. SAWC can partner with a property owner that holds a conservation easement.
3. SAWC can partner with an appropriate public agency and place deed restrictions (per 2008 Mitigation Rule 33 CFR 332.7(a)).

Under the ILF Program, the specific project mitigation plan or terms of a project-specific conservation easement would clearly describe the conservation values being protected and the permitted/prohibited uses/activities for each project site. In accordance with 33 CFR 332.6, the mitigation plan for each mitigation site identifies the specific monitoring required for that specific site. The ILF Program legal instrument between the COE and SAWC will require reporting of all monitoring actions.

For projects on private lands, the ILF sponsor must require that a site protection mechanism, such as a conservation easement or restrictive covenant, be placed on the land. The site protection mechanism must grant the sponsor access for monitoring and enforcement, and stipulate long-term protection obligations.

Regardless of the legal mechanism protecting the mitigation site, SAWC or an identified partner in the Project Mitigation Plan will be responsible for long-term management of the site. The long-term management strategy will include the following components:

1. Specific needs for long-term success of the project including a general discussion of watershed and functional benefits that will be considered. Generally, the long-term management strategy for a project will consider long-term sustainability of the project where restoration and enhancement activities provide self-sustaining processes to produce and maintain aquatic resource benefits.
2. Each ILF project will meet the COE's Alaska District long-term protection requirements. Agreements will require that project sites be protected from adverse future land uses with a permanent conservation easement, deed restriction, or other legal mechanism. SAWC will submit a proposal for permanent conservation easement, deed restriction, or other legal mechanism to the COE and the IRT for review and approval prior to release of credits. Enactment of protection may serve as the basis for release of advance credits as identified in the credit release schedule.

3. Mitigation projects may be conducted by SAWC on lands protected by easements held by a separate land trust entity. SAWC may either continue to assume responsibility for long-term management or delegate monitoring and/or management responsibilities to that land trust entity. However, it may be most advantageous or necessary to transfer responsibility for long-term management to a third party; e.g. where property owners request that a single entity hold the easement and provide long-term management. Where long-term management becomes the responsibility of a third party, a Stewardship Management Agreement may be presented to the COE for approval that describes how the third party will implement the strategy. In either case, the responsible party will maintain long-term management funds sufficient to ensure long-term protection of the site.

4. Monitoring of mitigation sites will be required for a minimum five-year period. However, the COE may release credits prior to completion of the five years if it believes it is warranted. The COE may require longer periods of monitoring when necessary; e.g. where an ILF project involves restoring forested wetlands, to ensure performance standards are met.

5. Mitigation projects will involve deposits to both a project-specific and a general, program-wide contingency account. SAWC or a SAWC partner- that has agreed to assume monitoring and/or long-term management responsibilities for a project- may hold these long-term management funds.

Accomplishment of Sponsor Responsibilities; Transfer of Ownership of a Mitigation Site:

SAWC will remain responsible for complying with the provisions of the final Instrument throughout the operational life of the Program, regardless of the ownership status of the underlying real property where mitigation sites are located, unless those responsibilities have been re-assigned. The SAWC is not required to, but may transfer ownership of all or a portion of the mitigation sites' real property interest to another party, provided the COE, expressly approves the transfer in writing. The SAWC will provide no less than 60 days written notice to the IRT of any transfer of fee title or any portion of the ownership interest in the Program real property interest to another party.

Transfer of Long Term Management Responsibilities: The Sponsor may assign its long-term management responsibilities to a third party assignee, which will then serve as Long-Term Steward in place of the Sponsor. The identity of the assignee and the terms of the long-term management and maintenance agreement between the SAWC and the assignee must be approved by the COE following consultation with the IRT, in advance of assignment.

Upon execution of a long-term management assignment agreement and the transfer of the contents of the Long-Term Management Account, and upon satisfaction of the remaining requirements for termination of the establishment phase of the ILF Program, SAWC shall be relieved of all further long-term management responsibilities under this Instrument, which are associated with the site for which responsibilities have been transferred.

Funding for ownership agreements and long-term management:

Mitigation Fees will comprise of two fees: a Credit Fee and a Land Fee. The Credit Fee price will reflect average costs for implementing all components of a mitigation project. Once in operation for a few years SAWC will strive to adapt an average Credit Fee for each 8-digit HUC

based on cost analyses of recent projects completed by The Southeast Alaska Watershed Coalition Mitigation Fund.

The Land Fee prices will be based on an analysis of average cost of recent land acquisitions made by various stakeholders including the Southeast Alaska Land Trust ILF program within different areas and zoning categories.

As the 2008 Final Rule requires, the Mitigation Fee prices will thus be formulated to reflect full-cost accounting for establishment and management of mitigation sites, which includes: costs associated with site selection, permitting and design, construction, monitoring and maintenance, **long-term management, program administration, contingencies and property right acquisition.**³

7. The qualifications of the sponsor

SAWC is a natural resources management coalition and is committed to the strategic conservation and promotion of the aquatic, natural, and cultural resources in communities throughout Southeast Alaska. The mission of SAWC is to inspire Southeast Alaskans and support community organizations to wisely manage our watersheds. SAWC does this by facilitating a professional network for natural resource practitioners, offering trainings to build local and state natural resource management capacities and providing aquatic resource mitigation services to municipalities, tribes, landowners, resource management agencies, industry, and the private sector throughout Southeast Alaska.

The Southeast Alaska Watershed Coalition Mitigation Fund will serve the critical need for identifying mitigation opportunities and establishing mitigation projects where private mitigation banks do not exist, lack available credits, or are not expected to begin operating in the foreseeable future. The ILF program can strengthen SE Alaska's ability to mitigate and conserve its aquatic resources. Additionally, the ILF Program may collaborate, by contributing mitigation-based restoration elements to projects with other entities, including public agencies, watershed groups, conservation organizations, land trusts, and others. Partnering with other restoration ventures is in the public interest. The ILF program can mobilize mitigation funds for larger-scale restoration projects, including those where mitigation funds alone may be insufficient to implement restoration at an effective watershed scale

To meet the needs of each mitigation project, the best available science will be incorporated along with an appropriate monitoring program to evaluate the effectiveness of the implemented strategies and inform adaptive management. The IRT and other relevant experts will review the mitigation and monitoring plans of each project site to ensure the greatest chance of success.

Below is a list of events and/or services that SAWC has facilitated and/or presented that demonstrates the qualifications of SAWC as *the* natural resource management organization in Southeast Alaska that understands the goals and objectives of the 2008 Final Rule for mitigation providers offering *restoration, enhancement and creation* opportunities to permit applicants. SAWC's investment in facilitating trainings, regional scoping discussions and workshops to build the institutional knowledge of local, regional and state organizations and agencies and the

³ 33 CFR 332.8(o)(5)(ii)

awareness of the public of the CWA Section 404 has been significant over the past three years. SAWC has demonstrated that it has the capacity to facilitate and coordinate an aquatic resource mitigation program that meets the requirements of the 2008 Final Rule and is committed to supporting the COE in achieving the functional lift of aquatic resources in the Southeast region. SAWC has reached over 200 southeast Alaskan natural resource professionals through the following events:

1. *Scoping Discussion: Wetland and Aquatic Resource Mitigation*, October 21st, 2011, Juneau Alaska. 43 participants; including 5 COE staff and 20 other agency staffer. Presenters: COE, FS and USFWS Staff and WA mitigation experts. (SAWC, 2011).
2. *Clean Water Act Section 404 Program and Identifying and Planning for Mitigation in Your Community*, Public Meeting with Borough, Tribes, Local Agency Staffers, Petersburg AK, October 17th 2011.
3. *Clean Water Act Section 404 Program and Identifying and Planning for Mitigation in Your Community*, Public Meeting with Borough, Tribes, Local Agency Staffers, Wrangell AK, October 18th 2011.
4. *Introduction to Wetland Functional Assessments and Delineations to support Permitting Process*, Haines AK, August 12th, 2011. Trainers: COE Staff
5. American Water Resources Association, Alaska Section 2012 Annual Conference. Juneau March 2012. *Developing a Third Party Aquatic Resource Mitigation Program and the Need for Science to Inform Credible Mitigation in Southeast Alaska*.
6. *Wetland Functional Assessment Training: WESPAK-SE*, Haines AK September 20th 2012. Trainer: Dr. Paul Adamus
7. Sub-contractor with PND Engineers to conduct the functional assessments and support the development of the Mitigation Plan for the Petersburg Drive Down Facility. Petersburg, 2012.
8. Sub-contracting with Chilkoot Indian Association to support the development of a Wetland Management Plan with the Tribe and Haines Borough staffers. Haines AK. January 1, 2013- 2016.

SAWC recognizes that, though it has an in-depth understanding of the 2008 Final Rule and developing an ILF program, it does not have extensive experience conducting on-site mitigation. Based on the extensive needs assessments conducted by SAWC over the past three years there is no *one* organization, agency, and/or environmental consultant operating in Southeast Alaska that understands the requirements listed in the 2008 Final Rule nor that has the experience and expertise to conduct all stages of a restoration, enhancement and creation project from site selection to long-term monitoring. The Southeast Program Director for Trout Unlimited, Alaska emphasized this point in an email dated March 13, 2013:

“In my mind it is the very lack of comprehensive expertise on the part of any one group which makes partnerships essential and why organizations in the region gravitate towards them. At TU-AK we have particular experience and expertise in bringing funding resources to a project and influencing decision makers and the public to support restoration. However, we rely on and partner with the FS/USFWS/SCS/NOAA to provide the science, engineering and monitoring expertise. “

Multiple organizations and contractors coming together to carryout mitigation projects is not an uncommon process. Across the country ILF programs facilitate partnerships to carryout mitigation. SAWC has worked with COE staff and the IRT since 2009 to develop a structure for this ILF program- similar to ILF programs in WA, OR, NH and ME. These ILF programs invest in and capitalize on the expertise of organizations operating in the program service area to carryout various elements of the mitigation projects.

SAWC, the COE, and other regulatory agencies understand that in order to uphold the requirements of the Section 404 program it is in their best interest and the best interest of the public to support the development of an ILF mitigation program that brings together the diverse expertise in the region needed to ensure mitigation sites are planned and carried out in a way that meets the 2008 Final Rule.

Throughout SE Alaska, conservation organizations, state and local agencies, tribes and municipalities collaborate to identify, plan, and execute watershed protection, restoration and enhancement projects that meet salmon recovery, ecosystem conservation, water quality improvement and other federally and state mandated and local natural resource management objectives. These largely grant-funded collaborative efforts have a successful track record restoring the impacts to aquatic resources in both rural and urban communities. The main objective of The Southeast Alaska Watershed Coalition Mitigation Fund is to support and bolster these successful collaborations in a mitigation context.

SAWC will work with **Mitigation Fund Partners** and **Mitigation Fund Service Providers** to carryout the mitigation plans for each mitigation site.

Mitigation Fund Partners are those organizations, local, state and federal agencies, tribes, and municipalities that have the capacity and experience administrating and/or acting as a project manager for aquatic resource restoration, enhancement, creation, and preservation within the 8 digit HUC's that make up the program's service area. Mitigation Fund Partners will be considered by SAWC and the IRT, with final approval by the COE, to provide project management and/or long term monitoring activities that are carried out under the Mitigation Fund. In order to be considered a Mitigation Fund Partner SAWC must receive a statement of qualifications and how the services being offered will support the operations of the ILF program. The list of qualification for these entities will be made available on the SAWC website and will be presented to the IRT on a yearly basis as updates and changes are made annually to the list by the program manager. The program sponsor has identified “Local” Mitigation Fund Partners and “Regional” Mitigation Fund Partners. A list of qualifications for each Partner can be found in the Appendices. Local Partners operate within a specific 8 digit HUC, where Regional Partners offer their services across Southeast Alaska.

Mitigation Fund Technical Service Providers are those entities that provide technical services that support the mitigation of aquatic resources throughout Alaska and the greater Pacific Northwest region. These entities will provide contractual services to carryout specific elements of mitigation projects. This list does not include all of the potential Service Providers, however, it does identify the expertise that does exist and is available to SAWC and Mitigation Fund Partners to draw upon to ensure successful mitigation. Similar to the list of Mitigation Fund Partners, SAWC will keep a list of potential Service Provides that will be made it available to the IRT on a yearly basis as the program manager makes updates and changes annually to the list.

At the time this instrument is signed the program sponsor will focus program resources towards the 8-digit HUC watersheds within the service area where the coalition has established Mitigation Fund Partners. In addition, the type of projects the program carries out will match the experience and expertise of the Mitigation Fund Partners and Technical Service Providers.

Listed below are the local and regional Mitigation Fund Partners and Technical Service Providers that SAWC has established relationships with at the time this Instrument is being developed. These entities have vetted the Southeast Alaska Mitigation Fund and have the capacity and expertise to support mitigation activities under the ILF program. In the table below, the *Watershed of Operation* column is the 8-digit HUC watershed within the service where the program sponsor will focus its mitigation activities at the onset of the program. Please see the service area map in Appendix A to reference specific HUC names and locations. Again, this list is not a comprehensive list of all potential partners and contractor operating in the region. The Technical Service Providers listed below have provided SAWC Mitigation Fund Partners with technical expertise to accomplish various elements of habitat restoration activities and/or have been contracted by SAWC to support in the development of the Southeast Alaska Mitigation Fund.

Mitigation Fund Partner List

Organization and Name of Restoration Contact	Expertise	Watershed of Operation (8digitHUC)
Local Partners		
City and Borough of Yakutat Bill Lucey: Planning and Natural Resources	Aquatic resource restoration project management, watershed research and assessment, wetland delineations	Yakutat Bay HUC
Takshuanuk Watershed Council Brad Ryan: Executive Director	Aquatic resource restoration project management, watershed research and assessment, wetland functional assessments	Chilkat Skagway HUC
Sitka Conservation Society Scott Harris: Watershed Restoration Coordinator	Aquatic resource restoration project management, watershed research and assessment, watershed prioritization	KKMEZW HUC

Juneau Watershed Partnership	Aquatic resource restoration project management and assessment	Lynn Canal HUC
The Nature Conservancy, Alaska Norman Cohen: Executive Director	Aquatic resource restoration project management, watershed research and assessment, site prioritization	Ketchikan HUC
The Nature Conservancy, Alaska Norman Cohen: Executive Director	Aquatic resource restoration project management, watershed research and assessment, site prioritization	Prince of Wales HUC
Regional Partners		
The Nature Conservancy, Alaska Norman Cohen: Executive Director	Aquatic resource restoration project management, watershed research and assessment, site prioritization	Southeast Region
The Southeast Alaska Land Trust Diane Mayer: Executive Director	Aquatic resource mitigation in the form of preservation	Southeast Region
Trout Unlimited, Alaska Mark Kaelke: Southeast Alaska Director	Project funding acquisition, pre-project implementation coordination. Contract development and awards	Southeast Region
United States Fish and Wildlife Service, Coastal Program Neil Stichert: Juneau Field Office	Aquatic resource mitigation, specifically Fish Passage, assessment	Southeast Region
United States National Forest, Tongass National Forest Sheila Jacobson: Fish Biologist	Aquatic resource mitigation, watershed research and assessment, watershed inventory and prioritization	Southeast Region

Mitigation Fund Technical Service Provider

Contractual Service Provider and Point of Contact	Expertise	Region(s) of Service
Herrera Integrated Environmental and Engineering Services Mark Merkelbach:	Fish passage, bank stabilization, Engineering, design and on-site construction management assistance	Pacific North West and Alaska
DowlHKM Brad Melocik	Hydrologic analyses, Fish passage design, Flood hazard analysis, Permitting	Alaska

Waterman Mitigation Partners Steve Sego	Permitting mitigation projects including site selection, permit support, design coordination, site monitoring and maintenance	Washington, Oregon and Southeast Alaska
Ecological Land Services Francis Naglich:	Wetland delineations, Functional assessments, mitigation banking, wetland creation, land and easement acquisition	Washington, Southeast Alaska
Interfluve Dan Miller, PE	Wetland creation/enhancement, design, construction oversight, mitigation planning, fish passage design	Pacific Northwest, Alaska
<i>Please note: there are other identified contractors who work with Mitigation Fund Partners on a regular basis throughout the service areas. These contractors are listed in the "Statement of Qualifications" of the Mitigation Fund Partners. See Appendix</i>		

In addition to the watershed expertise listed above SAWC has developed specific organizational partnerships with The Nature Conservancy (TNC) and the Southeast Alaska Fish Habitat Partnership (SEAKFHP), in order to, enhance and facilitate the flow of relevant and scientifically based information and services regarding aquatic resource management and mitigation throughout the programs entire service area.

Once the ILF program is certified SAWC will utilize the expertise within its Mitigation Fund Partners to support the identification of mitigation sites and ensure mitigation plans are equipped with the best available science.

SAWC will utilize the expertise of the SEAKFHP Science and Data Committee and Steering Committee to inform the development and review the ecological performance standards and monitoring protocols at the mitigation sites to ensure functional lift of aquatic resources.

8. The Compensation Planning Framework:

The *Compensation Planning Framework for The Southeast Alaska Watershed Coalition Mitigation Fund* presents the condition of aquatic resources, and the historic losses and potential threats to those resources (due to urbanization, local and regional transportation infrastructure, hydropower development and transmission, resource development, etc.) as best possible considering aquatic resource impacts have not been tracked in a systematic way that is available to the public and third party mitigation programs in Alaska. The compensation-planning framework (the Framework) explains how the ILF Sponsor will use permittee-provided fees to mitigate aquatic resources on land parcels to offset impacts to aquatic functions and services throughout the service area. Further, the Framework identifies the ILF Program goals and objectives, and a strategy for prioritizing the selection and implementation of mitigation projects

a. The geographic service area(s), including a watershed-based rationale for the delineation of each service area;

The service area for the SAWC ILF Program is the organization's existing area of focus servicing municipalities, tribes and local organizations throughout Southeast Alaska. Common usage describes Southeast Alaska as a coastal ecosystem located between 55 and 60 degrees latitude, extending about 500 miles from the Canadian border (south of Ketchikan) northwest to Yakutat Bay and roughly 120 miles in width. Southeast Alaska encompasses about 22 million acres. Within this vast region, SAWC is relying on established USGS Hydrologic Unit Code (HUC) delineations, which are defined by watersheds (8 digit HUC) for program management purposes. These identifications of watersheds assist in framing a regional analysis that complements the 2008 Final Rule's focus on compensatory mitigation on a watershed basis.

Existing delineations and planning documents define the SE Alaska service area watersheds and organize available aquatic resource data and management information, as follows:

- The U.S. Geological Service identifies four 6-digit and eleven 8-digit Hydrologic Unit 26 Codes: 19010101 – 19010401 covering the watersheds in the Service Area. (Natural Resources Conservation Service; www.ak.nrcs.usds.gov/technical/southeasternhucs.html)
- The U.S. Forest Service Watershed Condition Framework for Southeast Alaska: <http://apps.fs.usda.gov/WCFmapviewer/> offers ratings of the condition of the USFS managed watersheds.
- The U.S. Forest Service identifies 22 Biogeographic Provinces comprised of groups of watersheds, with further delineation of 926 "Value Comparison Units" (VCU) within the provinces. Each VCU generally encompasses a drainage basin (watershed) with one or more large stream system and includes estuaries and adjacent marine habitats associated with the terrestrial drainage system (*Tongass National Forest Land and Resource Management Plan*, 1997; 2008).
- The Nature Conservancy and Audubon Alaska further combine the Forest Service's 22 biogeographic provinces into five sub-regional groupings based on climate, physiography, and plant distribution and provide watershed-scale information in a GIS format (*The Coastal Forests & Mountains Ecoregion in Southeastern Alaska and the Tongass National Forest*, 2007).
- The Alaska Department of Environmental Conservation list of Impaired Waterbodies identified for water quality improvements
- The Alaska Department of Fish and Game Southeast Alaska Fish Passage Culvert Inventory. Now in its third year of inventory, assessing and mapping stream/road crossings in Southeast Alaska, this program offers improved access to fish passage information in the region.

SAWC will rely on these regional delineations and assessments in mitigation project identification and will maintain records using both the 8-digit USGS HUC and the more broadly defines biogeographic province nomenclature. SAWC will attempt, to the extent workable, to match mitigation projects within and/or near the watershed that received the unavoidable permitted impact.

The fees for jurisdictional impacts in each of the twelve 8-digit HUCs in Southeast Alaska will be collected and combined to fund mitigation projects in that HUC. In situations deemed appropriate by the IRT and Sponsor, the SAWC's ILF program funds may be used to compensate for an impact that occurs outside of the 8-digit HUC impacted.

To meet its primary objective of maintaining and improving the quantity and quality of aquatic resources in Southeast Alaska SAWC and the IRT will make mitigation decisions utilizing a "watershed approach". The 2008 Final Rule states that mitigation is most successful when it is based upon a "watershed approach" and provides strategies and processes for the district engineer, IRT and program sponsor to follow in mitigation site selection and project prioritization. Making mitigation decisions according to a "watershed approach" is an important requirement of the 2008 Final rule, and is a guiding principle for The Southeast Alaska Watershed Coalition Mitigation Fund. The 2008 Final Rule states:

"Watershed approach means an analytical process for making compensatory mitigation decisions that support the sustainability or improvement of aquatic resources in a watershed. It involves consideration of watershed needs, and how locations and types of compensatory mitigation projects address those needs. A landscape perspective is used to identify the types and locations of compensatory mitigation projects that will benefit the watershed and offset losses of aquatic resource functions and services caused by activities authorized by DA permits. The watershed approach may involve consideration of landscape scale, historic and potential aquatic resource conditions, past and projected aquatic resource impacts in the watershed, and terrestrial connections between aquatic resources when determining compensatory mitigation requirements for DA permits." [33 CFR 332.2]

At this time the state of Alaska does not have comprehensive and coordinated aquatic resource mitigation policies and strategies to support third party mitigation programs identify and prioritize mitigation sites using a watershed approach- like those in WA, OR, NC, and/or MT. However various stakeholder groups in Southeast Alaska have developed a wealth of information and data about the ecological conditions of Southeast Alaska watersheds to use in making decisions about implementing mitigation according to a *watershed approach* as required in the 2008 Final Rule.

For example, the following regional resources provide a great deal of information that will enable mitigation decisions to be made according to a watershed approach. The Nature Conservancy in partnership with the Audubon Society developed *A Conservation Assessment and Resource Synthesis for the Coastal Forests and Mountains Ecoregion in Southeastern Alaska and the Tongass National Forest*. This assessment identified the core watersheds of high biological value of both intact and impacted watersheds throughout Southeast Alaska. In addition the Forest Service has recently completed its Watershed Condition Framework, which has helped set restoration priorities for the next 5 years in watersheds located in the Tongass Forest. Both of these assessments provide regionally appropriate and meaningful information regarding aquatic resource needs within watershed in Southeast Alaska.

In addition to information related to regional assessment of watershed conditions, there are also resources available regarding conditions within a particular watershed based on a smaller scale. These natural resource management plans and land use plans will also help guide the process for making decisions using a watershed approach. Examples of these types of resources and plans include but are not limited to: The *Pullen Creek Action Plan*, the *Taiya Inlet Stream Condition Assessment* and the *Stormwater Best Management Practices Manual for the City of Skagway* developed by the Taiya Inlet Watershed Council and the United States Fish and Wildlife Service, the *Hoonah Community Forest*, *The Kake Community Forest*, and the *Wrangell Community Forest* sponsored by the Southeast Alaska Conservation Council, the *Haines Area Fish Passage Inventory* completed by the Takshanuk Watershed Council and USFWS, *The Peterson Hill Creek Watershed Mapping and Conservation Plan*, the *Auke Lake Watershed Assessment* and the *Vanderbilt Creek Watershed Recovery and Management Plan* and the *Jordan Creek Urban Hydrography Mapping and Stormwater Management Plan* developed by the Juneau Watershed Partnership, and the *Staney Community Forest Project* sponsored by The Nature Conservancy.

Collectively, these reports, plans and analyses provide a more complete picture of how the ecological conditions in watersheds throughout Southeast Alaska have changed through time in the face of development, and which aquatic functions within a watershed are most important to protect and/or restore; this body of work will provide a solid scientific basis (as well as information about societal value of resources) for making decisions about how to implement mitigation that will achieve “no-net-loss” policies and have the greatest benefit to aquatic resources in Southeast Alaska.

Depending on which 8-digit HUC is receiving impacts and therefore needs mitigation sites SAWC will do a thorough aggregation of the plans, reports, and documents within that HUC in order to ensure mitigation site identification and prioritization process is being carried-out utilizing existing scientific information and a watershed approach.

The information available to guide mitigation decisions is by no means static. Scientists and planners in SE Alaska continue to collect new data, perform new analyses and employ innovative methods in examining the ecological systems across the region landscape. As new reports and analyses become available, they will be added to the resources informing mitigation decisions through the SAWC and be incorporated by reference into this instrument.

b. A description of the threats to aquatic resources in the service area(s), including how the in-lieu fee program will help offset impacts resulting from those threats;

This analysis of the current conditions of aquatic resources and the potential threats to these resources in Southeast Alaska is based on a review of region-wide or local publications and online information sources including, but not limited to Alaska Department of Fish and Game Catalog of Anadromous Waterbodies Catalog, DEC Total Maximum Daily Load reports, EPA/DEC list of impaired Waterbodies, TNC and Audubon Conservation Assessment for Southeast Alaska, the Forest Service’s Tongass Watershed Framework, the National Wetland Inventory and Juneau Watershed Partnership Resource Library. Given the size of the service area, SAWC did not perform site-specific field documentation for this Compensation Planning

Framework. As a result site-specific field documentation will accompany all Project Mitigation Plans. Examples of site-specific mitigation information will be presented in the Draft Instrument.

From a regional perspective, the potential future threats that aquatic resources face depend on the extent that resource development (timber harvest, mining, energy, and small-scale activities), intraregional highway and power transmission, and community redevelopment or expansion occur. In general, future community and resource developments in Southeast Alaska -- and the associated, unavoidable impacts to aquatic resources -- are likely to be similar to those that have occurred in the past. We do not anticipate unfamiliar development activities to occur that would have unique or unusual impacts on aquatic resources not already experienced in Southeast Alaska. Thus, the types of historic impacts to aquatic resources discussed below are also those that may occur in the future, although the extent, severity and duration of future impacts may be minimized as a result of improved scientific knowledge, enhanced developer cooperation, increased community land use planning, and targeted regulatory actions. One exception to this might be the future development of one or more ocean kinetics (tidal) projects in Southeast Alaska, which could lead to potential impacts to submarine, near shore aquatic resources heretofore not experienced in Southeast Alaska.

Urbanization

Because of the relative remoteness of Southeast communities and the high proportion of federal and state public lands throughout the region, the effects of urbanization in Southeast Alaska will likely remain localized.

In the region as a whole and at the individual community level, future public funding is likely to focus primarily on the rehabilitation and maintenance of existing roads, streets, water/sewer utilities, docks/harbors, airports and public buildings, rather than substantial new construction of public infrastructure as occurred in past decades. The economic vitality of communities will largely determine the amount of private capital invested in new homes, commercial buildings, etc. in the future. Looking forward, fairly stable government and fishing employment provide the regional economy some insulation from external events affecting the other two engines of the Southeast economy – tourism and mining.

To the extent Southeast communities expand or are renewed in the future, there is likely to be an increase in impervious surfaces (new/rehabilitated roads, building roofs, bridges, and parking lots) and continued loss of riparian, wetland and shoreline habitat and vegetation. In addition to the unavoidable impacts to aquatic resources, other valuable functions (open space, recreation, drinking water protection) may be compromised and diminish a community's aesthetics or livability.

Timber Harvest

New timber road construction is currently anticipated to be less than 30 miles per year on average (USFS TLMP 2008 Revision EIS). Prince of Wales Island, the Petersburg and Wrangell areas, and northeastern Chichagof Island are currently at greatest risk of potential threats to aquatic resources from continued logging activities, largely on existing road networks.

Community Infrastructure and Road Development

As communities develop they face additional infrastructure demands and/or need to replace old infrastructure with new infrastructure. This is true for the development and/or repair of roads, as well as, schools, fire halls, hydroelectric facilities, clinics, business etc. In many communities throughout southern Southeast it is nearly impossible to build without impacting aquatic resources, including wetlands.

Mining

The current high price of metals is encouraging additional mineral exploration, at existing mines (Kensington and Greens Creek), as well as reopening historic mining sites (AJ and Niblack). Future mining activity in the Southeast region is largely contingent on worldwide demand and the pricing of silver, gold or base metal commodities. While not subject to COE mitigation, some Canadian mine prospects along the Taku River (Tulsequah Chief), Stikine River (Galore Mine) and Unuk River (Kerr-Sulphurets-Mitchell) could have downstream water quality impacts in Southeast Alaska.

Tourism

New remote tourism lodges or developments to satisfy potential demand for ecotourism niche markets in the future could cause localized impacts to aquatic resources. For example, Sealaska Native Corporation is seeking federal legislation to complete its Alaska Native Claims Settlement Act lands selections, including some remote coastal sites for potential cultural tourism operations.

Aquaculture

Aquaculture is the breeding, rearing, and harvesting of plants and animals in all aquatic environments, including ponds, rivers, lakes, and near- and off-shore ocean areas. Currently, salmon hatcheries for fish stock enhancement dominate the aquaculture industry in Southeast Alaska, and the footprint of this coastal infrastructure has been in place for decades. No new fish hatcheries are slated for Southeast Alaska. Freshwater aquaculture and the farming of marine finfish are prohibited in Alaska state waters. Although offshore fish farming has received some attention at the federal level in recent years, no current efforts are underway off Alaska.

Shellfish aquaculture projects potentially could occur anywhere in Southeast Alaska where growing, tending, and harvesting conditions are favorable. Marine shellfish operations culturing oysters and clams are likely to increase as technology improves, shellfish farms become more profitable, and people are drawn to the remote lifestyle where few other economic opportunities exist. The State has identified 42 sites in coastal Southeast Alaska that are available as potential shellfish farm locations through its over-the-counter lease program. Shellfish operations have the potential to harbor and spread marine invasive species: the first documented occurrence of an invasive sea squirt *Didemnum vexillum* is in Whiting Harbor, Sitka.

SAWC and its member watershed councils have been working within individual Southeast communities to help develop solutions that restore functioning aquatic resources as well as protect these less tangible but important community values. As a regional in-lieu fee program sponsor, SAWC will continue to focus first at the community level to identify compensatory mitigation projects that ameliorate local aquatic resource losses from a community's renewal or expansion. If local restoration opportunities are not available in a timely manner, SAWC intends

to look farther afield in adjacent biogeographic provinces for projects that will restore important aquatic resources.

c. An analysis of historic aquatic resource loss in the service area(s);

To date there is no in-depth database that shows the cumulative aquatic resource loss across Southeast Alaska. This type of data collection and analysis has not been conducted by any natural resource agency and/or conservation organization working in the region. However, there are several scientific papers, natural resource agency management reports, spatial analysis tools and local and traditional watershed plans that SAWC has aggregated over the past three years to support the development of the Southeast Alaska Mitigation Fund. These documents and resources provide valuable scientific information to any mitigation provider operating in Southeast Alaska. SAWC will utilize these plans and reports to understand aquatic resource loss in a watershed. These resources will guide the site selection and prioritization process, as well as, inform the advance credit scheme for the Draft Instrument and Instrument. Listed below is a summary of a few of the documents and spatial analysis tools the program sponsor will use to analyze historic aquatic resource loss across the service area. Additional resources are listed on page 25 of this document.

- On February 19, 2013 the COE, Alaska District Office of Council provided the program sponsor documentation regarding data for 404 permits issued within Southeast Alaska over the past 5 years. The information in this database provides the IRT and SAWC with information on the type(s) and amount of aquatic resources that have been impacted. With this information the IRT can encourage permittee applicants and third party mitigation providers to identify mitigation sites that replace the area and/or functions being lost due to permitted impacts.
- In 2011 the Nature Conservancy published *Mapping Human Activities and Designing an Index of Cumulative Use within Estuarine and Nearshore Marine Ecosystems in Southeast Alaska*. This project and the accompanying report sought to assemble the best available spatial data on human activities and their impacts associated with coastal, estuarine and nearshore marine ecological systems. The purpose of the project and report was to provide an integrated GIS tool to support coastal planning, permitting and decision-making. The results of the data selection and final analyses show that the highest level of impact activity is around urban and community centers and the next highest level of activity displayed can be roughly characterized by transportation “hotspots”, such as concentrated road networks or shipping traffic centers.
- In 2009- 2010 the USFWS partnered with the Juneau Watershed Partnership to develop the *Aquatic Habitat Rehabilitation, Enhancement and Mitigation in Juneau, Alaska: Inventory and Case Studies (REM Report)*. The primary goal of this project was to inform and improve the success of future restoration and enhancement projects in Juneau waterways. Using “lessons learned” from past restoration projects, this inventory can be used as an adaptive watershed management tool for future projects. The inventory also identifies sites that may benefit from additional restoration or enhancement work, in order to improve fish and wildlife habitat and water quality in our watersheds. In addition, it can be deduced from this information the type of aquatic resources that have been lost and have required mitigation techniques.

- USFS, Tongass National Forest has a wetland-monitoring component to its Forest Plan. For the fiscal year 2006 Forest Plan the wetland-monitoring component included a goal to document the physical and hydrologic impacts to wetlands. The program sponsor will work closely with FS staffers to incorporate the agency information and resources regarding aquatic resource loss on the Tongass.
- In 1994 the ADF&G published a report entitled *Restoration and Enhancement of Aquatic Habitats in Alaska: Case Study Reports, Policy Guidance, and Recommendations (Perry and Seaman 1194)*. Similar to the REM Report, the program sponsor will utilize this resource to understand what types of aquatic resources have been impacted throughout Southeast Alaska. This information will inform site selection and the advance credit scheme.
- *ShoreZone.org*. The Alaska ShoreZONE Coastal Inventory and Mapping Project. ShoreZone is a standardized coastal habitat mapping system that covers the supratidal, intertidal and some subtidal areas of the coast at lowest tides of the year. The mapping system provides data to support coastal management, community planning, facilities citing, conservation planning, research and fisheries management
- Alaska Department of Environmental Conservation's List of Impaired Watersbodies. This list depicts historic aquatic resource loss, as well as, a list of waterbodies that should be considered during the site selection and prioritization process.
- The Wetlands Module of the Southeast Alaska GIS Library: An online compilation and data visualization website. The purpose is to provide planning-level information and links to wetland and aquatic resource data sets. Most importantly, these data sets support evaluation of wetland functions using the WESPAK-SE aquatic function assessment methodology.

The Mitigation Fund intends to mitigate for unavoidable impacts to aquatic resources that are most likely to occur in the areas of concentrated human development and at the occasional remote site development for hydropower, mining, tourism activities, and intra-region hydropower sites, power transmission lines and highways.

The high precipitation of the temperate rainforest and flat coastal topography yield productive forested and emergent estuarine wetlands that have inevitably experienced losses because people and their activities are also found along the coastline of Southeast Alaska. In general, impacts to aquatic resources in Southeast Alaska are locally concentrated in towns, along roads radiating from the towns, and also where timber harvest, transfer or milling has occurred. To a lesser extent, impacts occurred at isolated cannery or mine sites occupied along the coast in the early decades of the 20th century and at modern-day seafood processing, mining, and a few tourism-related sites found in the region. Hydropower sites with associated transmission lines have also impacted aquatic resources in locations throughout the region. Human activities and impacts historically occurred primarily along the coastline where flat and buildable land, fish-bearing marine and freshwaters, and access to relatively inexpensive marine transportation are found.

In Southeast Alaska towns, miles of marine shoreline are developed and stabilized; forested and scrub-shrub wetlands are replaced by roads, buildings, and other impervious surfaces; streams are channelized and impacted by road crossings, fill and runoff; and floodplains and wetlands are developed for residences and commercial sites. Urban shoreline alteration may disrupt nearshore

primary productivity by blocking sunlight, altering water circulation patterns, and converting fine sediment shallows to rocky deep-water shoreline, as in the case of riprap fill. While not regulated under the COE authority and not a primary focus of this Framework, additional human activities impact aquatic resources through storm water runoff leading to chemical and biological pollutants, stream bank erosion, increased sediment loads, and water temperature changes; the disposal of poorly treated wastewater (sewage, detergents, chlorine, etc.) into the groundwater and the near shore marine waters; and the introduction of invasive plants or aquatic organisms.

In general, aquatic resource functions have been affected most intensively within and around the larger communities of Southeast Alaska and at heavily utilized areas of timber production and mineral extraction. The landscapes around many medium or small-sized Southeast communities are dominated by altered habitat resulting from past timber harvest, impacted by roads built primarily to facilitate that timber harvest, and community infrastructure. Away from urban centers and timber production areas, long reaches of wild shoreline and large areas of pristine rainforest, alpine tundra, and ice fields occur.

In a document developed by ShoreZone Coastal Habitat Mapping Program, *Southeast Alaska Data Summary Report*, dated October 2011 anthropogenic modifications to the shoreline have occurred along 140.9 km of shoreline, mostly in the communities of Ketchikan, Sitka and Juneau. The types of shore modification features and their relative proportions of the intertidal zone are mapped into the Shore Zone database.

d. An analysis of current aquatic resource conditions in the service area(s), supported by an appropriate level of field documentation;

In addition to the information below, the documents listed on pages 23, 24, 25, 29 and 30 add significant field documentation in regards to the aquatic resource conditions in the programs proposed service area.

Southeast Alaska is a collection of over 2000 islands and is framed by a narrow band of mountainous mainland. The archipelago lies between the coastal mountain ranges of western North America and the North Pacific Ocean and contains the world's largest temperate rainforest. The region is characterized by a maritime climate, moderated by warm ocean currents from the south, and is dominated by heavy precipitation and cool, overcast conditions year-round. At lower elevations in the southern end of the region, nearly all of the 50 to 200 inches of annual precipitation falls as rain, whereas in the north and at higher elevations snow is typical in winter. This abundant precipitation maintains rainforests, extensive wetlands, thousands of small streams, rivers, lakes, ponds, estuaries, and large ice fields and glaciers. Southeast Alaska encompasses an astounding 1,030 watersheds (Schoen and Dovichin 2007).

Southeast Alaska Land Cover

The Tongass National Forest, which covers approximately 78 percent of the service area, supports approximately 4,000,000 acres of wetlands (USFS 2008, p. 3-43); other landowners may support another 880,000 acres of wetlands (assuming similar ratios of uplands and wetlands). The terrestrial landscape is dominated by rainforest and muskegs (*Sphagnum* bogs) in the lower elevations, with alpine meadows, tundra, and glaciers at higher elevations. In some areas along the mainland, glaciated landscapes extend from sea level to the mountaintops, which reach to 18,000 feet at Mount St. Elias at the northwestern edge of the service area.

Vegetation and land cover statistics for Southeast Alaska are shown in Table 1. In summary, forests cover just over half of the landscape of Southeast Alaska (51 percent), ice/glaciers and rock about one-third (30 percent), non-forested upland (non-wetland) vegetation about one-seventh (15 percent), and non-forested waters of the U.S. (wetlands/meadows, lakes, stream, rivers, and marine shorelines) cover the remaining 4 percent. Clearly, the non-forested freshwater and coastal wetlands that provide important ecological functions are not abundant in Southeast Alaska and are worthy of restoration and mitigation.

Table 1. Vegetation and Land Cover Classes for Southeast Alaska across all Land Ownerships (Albert and Schoen 2007)

Land Cover	Acres	Percent
Forest (including forested wetlands)		
Productive Old Growth	5,807,155	26.5
Clear-cut and 2nd growth	786,285	3.6
Other Forests	4,498,746	20.5
Non-forest Upland		
Alpine tundra	544,293	2.5
Slide zone	808,010	3.7
Shrub land	961,977	4.4
Herbaceous meadow	22,280	0.1
Other nonforest	1,059,347	4.8
Freshwater wetlands		
Muskeg meadow	261,579	1.2
Emergent wetlands	47,630	0.2
Lake	204,547	0.9
River bars and channels	199,082	0.9
Coastal Cover/Wetlands		
Algal bed (marine)	82,370	0.4
Rocky shore	38,703	0.2

Salt marsh	33,458	0.2
Sand/gravel beach	5,795	0.0
Tide flat	12,577	0.1
Unconsolidated sediments	111,824	0.5
Unvegetated		
Ice and snow	3,596,244	16.4
Unvegetated	2,999,016	13.7
Urban	9,831	0.0
Total	21,891,885	100.0

Freshwater Wetland Types, Functions and Services

Ecological and societal services provided by forested wetlands include water storage, filtration, and release; wildlife habitat; timber production; recreation; and carbon sequestration. *Sphagnum*-dominated bogs store, release, and filter water, store carbon, and provide wildlife habitat. Sedge-dominated fens typically have higher rates of photosynthesis than bogs, and therefore store more carbon while storing, filtering, and releasing water. The fens also provide feeding and nesting habitat for many wildlife species. Streams, lakes and ponds provide fish and wildlife habitat and water supply for human and wildlife needs. The Tongass National Forest encompasses 45,000 miles of known streams and more than 20,000 lakes and ponds. Of this vast freshwater habitat, about 10,800 miles (25%) of streams and 4,100 (21%) of lakes and ponds are documented anadromous fish habitat (Schoen and Dovichin 2007, Ch 9.5). The Alaska Department of Fish and Game's *Catalog of Waters Important for the Spawning, Rearing, and Migration of Anadromous Fishes* identifies numerous salmon streams throughout Southeast Alaska, and the Forest Service identifies these as Class 1 anadromous and high-value resident fish streams.

Local, intact aquatic resources also provide valuable services as open space, recreation sites, (drinking) water quality protection, and flood control that enhance the human use and aesthetics of a community. The functions and services are subject to unavoidable impacts when the COE issues permits for projects that clear, drain, and fill wetlands as communities grow or redevelop and transportation or resource developments occur throughout Southeast Alaska.

Coastal Marine Habitats

Southeast Alaska has approximately 30,000 km (18,000 mi) of marine shoreline that supports abundant populations of shellfish, fish, and wildlife in a complex mosaic of geophysical and biological features where uplands, freshwater, estuarine, and marine environments interface (Schoen and Dovochin 2007). These combined features support primary productivity from plankton, algae, kelps, eelgrasses and marsh grasses; shellfish production from Dungeness crab, clams and shrimp; fish production from herring, flatfish, rockfish and salmon; and a diverse

ecosystem that includes many species of marine birds and marine mammals. The communities of Southeast Alaska rely on these coastal resources to support significant components of their economies dependent on subsistence, sport and commercial fishing, hatcheries, tourism, recreation, and wildlife viewing.

The ShoreZone system maps the occurrence of common organisms as distinct biological features along the shoreline and nearshore areas. Some features, such as eelgrass and kelp beds, are considered high value because of the primary productivity, structure and spawning/rearing habitat these provide for shellfish, fish and wildlife of ecological, subsistence, sport, commercial and cultural importance.

The ShoreZone project also classifies larger scale features such as mudflats, estuaries and man-modified shoreline (i.e., shoreline altered by bridges, docks, fill, etc.). Mudflats and estuaries are considered high-value habitat, while man-modified shorelines offer less valuable habitat. Mudflats are important for many species of shellfish and flatfish and are critical to migrating shorebirds. Estuaries are nursery areas for many fish species, including juvenile salmon out-migrating from freshwater to the ocean. These high-value coastal habitats are relatively rare: mudflats being less than 1% and estuaries less than 15% of the shoreline.

The mudflats and estuarine habitats provide accessible, low-gradient shorelines, and many Southeast Alaska communities are located near these valuable habitats. The ShoreZone project provides SAWC with enhanced and readily accessible information about high-value coastal habitats and a tool to help identify opportunities for coastal restoration sites throughout the service area.

e. A statement of aquatic resource goals and objectives for each service area, including a description of the general amounts, types and locations of aquatic resources the program will seek to provide;

The overall aquatic resource goals for The Southeast Alaska Watershed Coalition Mitigation Fund are to:

- a) Substantially increase the extent and quality of restoration, enhancement, creation, and protection of natural resources for activities that impact wetlands, and other waters of the U.S.
- b) Achieve ecological improvements in the service areas by directing ILF funds to restore, enhance, and create aquatic resource types and functions that are appropriate to the geographic service area, and by integrating ILF projects with other conservation activities (including preservation) whenever possible;
- c) Identify wetland systems and other aquatic resources of watershed significance that should be protected through fee acquisition, conservation easements, or other tools for permanent conservation;
- d) Improve coordination among and between agencies with respect to wetland policies and regulatory programs to ensure efficiency in effort, consensus in outcome, and consideration of wetlands at the landscape scale

In Southeast Alaska there are few defined aquatic resources mitigation goals and objectives set for each of the 8-digit HUC's in the ILF Program's service area. In addition, there is very little publically available information that describes the cumulative aquatic resource loss incurred to date. SAWC will use the resources listed in **Section c.** of this Compensation Planning Framework to further define the resource goals and objectives in the required mitigation plan for each mitigation site.

Under The Southeast Alaska Mitigation Fund the ILF Program sponsor will look to mitigate all types of aquatic resources, including wetlands, streams, shorelines, estuaries, floodplain areas, upland buffers, and riparian zones. It is the long-term goal for the ILF Program sponsor to carryout a wide spectrum of mitigation techniques and methods to maintain and improve the quantity and quality of aquatic resources in the services area.

The scale, scope and the level of expertise required to reach functional life of the mitigation sites offered through this program *must* match the capacity of SAWC to administer funds, provide project management oversight and the expertise of the site partners to carry-out activities. After completing an initial analysis of potential restoration sites in areas of Haines, Skagway and Juneau it is apparent to regulatory staff and SAWC where mitigation opportunities do exist the necessary scientific documentation and expertise to successfully implement and monitor the project vary significantly. Therefore, mitigation techniques that have a lower level of risk with attainable ecological performance standards, monitoring protocols and scientific documentation demonstrating success will be prioritized.

SAWC used the Statement of Qualifications provided by the Mitigation Fund Partners, as well as, the *Aquatic Habitat Rehabilitation, Enhancement, and Mitigation in Juneau Alaska: Inventory and Case Studies* (Hudson, Seifert 2012) to inform the list of possible project types. The types of projects listed below have been supported by natural resource managers and carried out by Mitigation Fund Project Partners. In addition, there is information pertaining to project design and monitoring for these types of mitigation projects. Resource managers agree that there is enough scientific research and information, as well as expertise and experience in this region to carry out the following types of mitigation projects. In general, the program sponsor will pursue the following types of mitigation projects, while reserving the right to carry out other types of mitigation when deemed appropriate by the COE and IRT.

- 1. Stream bank stabilization**
- 2. Stream channel creation or reconfiguration**
- 3. Plant/enhance riparian vegetation**
- 4. Flood plain restoration/reconnection**
- 5. Wetland and tideland restoration, enhancement and creation**
- 6. Restore and/or enhance fish habitat (e.g. instream structures)**
- 7. Stormwater attenuation and management**
- 8. Restore and/or enhance fish passage (man-made barriers)**

As stated on Page 6 of this prospectus, each mitigation site will have a detailed mitigation plan. These mitigation plans will outline specifically the techniques that will be used to carry out each

type of mitigation. In this way, the IRT, other agencies, interested and/or concerned stakeholders and members of the general public will be able to provide input to SAWC on project site design, implementation and ecological performance standards.

f. A prioritization strategy for selecting and implementing compensatory mitigation activities;

This section provides an overview of how the program sponsor will select and prioritize mitigation sites.

SAWC has developed a prioritization and site selection strategy that is based on a watershed approach that is specific to Southeast Alaska and works to ensure each mitigation site meets the requirements of the 2008 Final Rule. SAWC's prioritization strategy for selecting and implementing compensatory mitigation sites is a two-step process. The first step is to identify which watersheds and restoration sites within the impacted 8-digit HUC are of top priority based from existing assessments and other sources. The second step is to identify which of the restoration sites selected can be implemented and meet the necessary requirements of the 2008 Final Rule for mitigation sites.

To accomplish the first step – to identify which watersheds and restoration sites within the impacted 8-digit HUC are of top priority based from ecological assessments and other sources- SAWC will rely heavily on the methods for prioritizing restoration that have been developed for Southeast Alaska in recent years. Each of these methods incorporates a watershed approach.

- *The Watershed Condition Framework* (USFWS 2011). The USFS recently identified priority watersheds for restoration in the Tongass using its national Watershed Condition Framework. The framework includes a strategic planning outline and includes 6 key steps: 1. Classify Watershed Condition, 2. Prioritize Watersheds for Restoration, 3. Develop Watershed Restoration Action Plans, 4. Implement Integrated Suites of Projects, 5. Track Restoration Accomplishments, 7. Verify and Monitor Accomplishments.
 - *Watershed Restoration Plans* (FS 2011, ongoing). Over 20 watershed restoration plans have been written for 6th code (12 digit) watersheds based on the projects identified through this assessment.
- *A Conservation Assessment and Resource Synthesis for The Coastal Forests and Mountains Ecoregion in Southeast Alaska* (TNC/Audubon 2011). The assessment includes a Map Gallery of GIS products developed as part of the assessment; a ranking of ecological values among watersheds throughout the region in Watershed Matrix, and a GIS database that provides a common inventory of ecosystem and habitat values that encompass lands throughout Southeastern Alaska.
- *Prince of Wales Watershed Restoration* (TNC)
- *Ecological Forest Restoration in the Tongass National Forest* (TWS/SEAWHEAD Assessment 2012).
- *Alaska's Anadromous Waters Catalog* (ADF&G)
- *Fish Passage Culvert Inventory* (ADF&G and USFS)
- *Upstream Habitat Assessments and Prioritizations Schema for Culverts for Remediation* (USFS)
- *Southeast Alaska Impaired Waterbodies* (DEC)
- *ShoreZone*

- *Watershed Restoration Priorities: A Strategic Plan for the Sitka Community Use Area (SCS 2012)*
- *A Framework for Setting Watershed-/scale Priorities for Forest and Freshwater Restoration on Prince of Wales Island (TNC/USFWS/FS/Klawock Watershed Council 2008)*

In addition to these larger collaborative efforts there are many ecological assessments conducted on watershed scales smaller than the 8-digit HUC boundary that have been conducted throughout the region. These are listed on page 25. The program sponsor will utilize these assessments and others as part of this first step to ensure that watershed and project selection are based on a watershed approach and based on best available science.

To accomplish the second step: *to identify which of the restoration sites identified using a watershed approach will meet the requirements of the 2008 Final Rule for mitigation sites* – SAWC will base its site selection process on the State of Maine’s ILF program.

The program sponsor will utilize elements from the *State of Maine- In Lieu Fee Program Instrument, August 17, 2011* to ensure the sites selected can meet the requirements of the 2008 Final Rule. The State of Maine ILF Program has a very similar structure to that of the proposed Southeast Alaska Mitigation Fund. SAWC endorses this prioritization strategy for the Southeast Alaska Mitigation Fund because of its step-wise approach to ensuring the project meets the requirements written in the 2008 Final Rule and that the sponsor and project partners have the capacity to carry-out the technical aspects and provide stewardship actions over the long-term.

This selection criterion will support the program sponsor and the IRT to evaluate in a fair and transparent manner whether or not a proposed mitigation project meets or exceeds the core requirements of the 2008 Final Rule.

The Southeast Alaska Mitigation Site Selection Criteria encompasses the following 6 elements:

- 1. Potential to Meet the Southeast Alaska Mitigation Fund Goals**
- 2. The “Landscape Context”**
- 3. Project Readiness/Feasibility**
- 4. Project Sponsor Capacity**
- 5. Cost Effectiveness**
- 6. Other Benefits**

These six elements are explained below:

1. Potential to Meet the Southeast Alaska Mitigation Fund Goals: Assesses the extent to which the proposed project meets the core program requirements that a compensatory mitigation project must restore, enhance, preserve, or create aquatic resources that have been prioritized using a watershed approach, best available science and/or by the district engineer of the COE. All project sites must be conserved with a durable instrument. Considerations include:

- a) The sustainability of the proposed conservation action (restoration, enhancement, preservation, and creation) and the acreage affected.
- b) The resource types to be restored, enhanced, preserved or created and the degree to which the proposed project replaces the area and/or functional benefits of impacted resources in the biophysical region based on a functional assessment or best professional judgment of the site.
- c) Proximity of proposed project to impacted resources in the watershed.
- d) When preservation is considered include, if possible, upland areas sufficient to protect, buffer, or support identified resource functions and ecological connectivity to other conservation areas or undeveloped large blocks of habitat.
- e) Inclusion of upland areas sufficient to protect, buffer, or support identified resource functions and ecological connectivity to other conservation areas or undeveloped large blocks of habitat.
- f) Current and proposed condition of the property, and functional lift provided by project (e.g., proposed change in habitat quality, contribution to functioning biological systems, water quality, etc.
- g) Other specific conservation objectives developed for each biophysical region or watershed, as described in watershed plans, municipal management plans, statewide conservation objectives

2. Landscape Context: Assesses the extent to which the proposed project meets the core program requirement to consider the location of a potential project relative to focus areas for land conservation or habitat preservation identified by a state agency, or other regional or municipal plans.

Considerations include:

- a) Presence within or adjacent to habitat areas of statewide conservation significance or other natural resource priority areas.
- b) Presence within or adjacent to public or private conservation lands to maintain and preserve habitat connectivity.
- c) Presence of natural resources of significant value and/or rarity within the project site boundaries

3. Project Readiness/Feasibility: Assesses the extent to which the proposed projects meets the core program requirement to demonstrate project readiness and likelihood of success, where success is defined by the ability of the project to meet the requirements stated in the 2008 Final Rule and the goals of the Southeast Alaska Mitigation Fund. Considerations include:

- a) Documentation of landowner willingness to participate in proposed project, including conveying a conservation easement or fee title, with conservation covenants, to the property (for projects not on public or private conservation lands).
- b) Level of project urgency (e.g., area of rapid development or on-going site degradation, other available funding with limited timing, option to purchase set to expire, etc.)

- c) Degree to which proposed conceptual plan demonstrates understanding of resource conservation issues and needs.
- d) Soundness of the technical approach presented in conceptual plan for the proposed project.
- e) Initial progress (e.g., planning, fundraising, contracting, site design, etc.).
- f) Likelihood that the project will meet proposed schedule and/or required deadlines.
- g) Likelihood that the proposed actions will achieve the anticipated ecological benefits and results.
- h) Completeness and feasibility of long-term stewardship and monitoring plan.
- i) Potential for adverse impacts (such as flooding or habitat loss) associated with the project.
- j) Conformance with any applicable COE and state mitigation policy, guidance and permitting requirements, including appropriate financial assurances for various construction activity.

4. Project Sponsor Capacity: Assesses the extent to which the proposal meets the core program requirement to provide for long-term management and/or stewardship by a responsible state or federal resource agency, or conservation organization. Considerations include:

- a) Presence of qualified, capable conservation entity willing to sponsor and/or maintain the project.
- b) Level of support and involvement of other relevant agencies, organizations, and local community.
- c) Degree to which project sponsor, and any associated partners, demonstrate the financial, administrative, and technical capacity to undertake and successfully complete the project.
- d) Adequacy of long-term stewardship to ensure the project is sustainable over time and funding mechanism for the associated costs (e.g., endowment or trust).
- e) Legal and financial standing of the project sponsor.
- f) Quality and completeness of proposal materials.

5. Cost Effectiveness: Assesses the extent to which the proposal meets the program requirement that a project represent an efficient use of funds expended given the condition, location and relative appraised values of properties. Considerations include:

- a) Clarity and detail of budget submitted.
- b) Sufficiency of funds available in the applicable biophysical region.
- c) Availability and source of matching funds necessary to complete the project.

6. Other Benefits: Assesses the potential for this project to support recreational access, scenic enhancements, economic activity, or other contributions to the community or region where the project is located.

Following review and approval by the IRT of the selected site and associated conceptual plans SAWC staff will develop a Mitigation Plan for IRT review. Upon IRT approval of the Mitigation

Plan, The Southeast Alaska Mitigation Fund program manager will begin implementing the mitigation project according to the credit fulfillment steps that will be outlined in the Draft Instrument and Final Instrument. In all cases, “Land acquisition and initial physical and biological improvements must be completed by the third full growing season after the first advance credit in that service area is secured by a permittee, unless the district engineer determines that more or less time is needed to plan and implement an in lieu fee project.” (33 CFR 332.8(n)(4))

In the event of failure to meet this schedule without appropriate justification and approval by the COE following consultation with the IRT, SAWC shall be subject to non-compliance provisions that will be described in the program instrument. Additionally, “if the sponsor fails to provide the required compensatory mitigation, the district engineer may pursue measures against the sponsor to ensure compliance.” (33 CFR 332.3(l)(3)). These measures will be discussed with the sponsor and/or other responsible parties and, “may include site modifications, design changes, revisions to maintenance requirements, and revised monitoring requirements. The measures must be designed to ensure that the modified compensatory mitigation project provides aquatic resource functions comparable to those described in the mitigation plan objectives.” (33 CFR 332.7(c)(2),(3))

g. An explanation of how any preservation objectives identified in paragraph (c)(2)(v) of 33 CFR part § 332.8 and addressed in the prioritization strategy in paragraph (c)(2)(vi) satisfy the criteria for use of preservation in 33 CFR part § 332.3(h);

Generally, SAWC does not expect to propose preservation as a mitigation option as its core service. However, SAWC views itself as a cooperating agent and catalyst that can help developers and agencies identify solutions that meet mitigation goals and development needs. In cooperation with the COE and IRT preservation may be decided upon as a solution or partial solution to maximize the overall ecological health and sustainability of watersheds and aquatic resources in Southeast Alaska.

h. A description of any public and private stakeholder involvement in plan development and implementation, including, where appropriate, coordination with federal, state, tribal and local aquatic resource management and regulatory authorities;

As stated above, under Section 7, the Mitigation Fund will ensure there is both public and private stakeholder involvement throughout the entire process from mitigation site selection to the long term monitoring of the sites. The primary stakeholders involved with the development of this prospectus and the Final Program Instrument are the IRT members which have a review and advisory role to the COE regarding the approval of SAWC’s In-Lieu Fee Program under the 2008 Final Rule. In an effort to explain The Southeast Alaska Mitigation Fund and the current review to other potentially interested parties in the Southeast Alaska region, SAWC has been and will continue to conduct outreach to Southeast community land use/planning officials, non-profit organizations, tribes, municipalities, landowners, native corporation land managers, and other resource and real estate professionals. SAWC developed a *Draft* Prospectus, which is not required under the 2008 Final Rule, in order to build knowledge and awareness of SAWC staff, advisory board, board of directors, and IRT members. We have incorporated feedback, concerns, and questions into this Prospectus. In addition, over the past two years, we have

organized significant outreach and public education opportunities in order to understand better the diverse spectrum of stakeholder perspectives of aquatic resource mitigation and what strategies and processes a third party mitigation program provider should consider in order to respond to the unique aquatic resource mitigation challenges and opportunities that exist throughout Southeast Alaska. We invite questions or comments and provide a link to the SAWC website (www.alaskawatershedcoalition.org) for the public and agencies alike to review our draft documents and provide comments to the COE Chair and IRT during the public review process.

i. A description of the long-term protection and management strategies for activities conducted by the in-lieu fee program sponsor;

See section 5 of this document.

j. A strategy for periodic evaluation and reporting on the progress of the program in achieving the goals and objectives in paragraph (c)(2)(v) of 33 CFR part § 332.8, including a process for revising the planning framework as necessary;

SAWC will be obligated to provide an annual accounting to the COE and the IRT in the form of a credits-debits ledger to quantify and account for permit-specific aquatic resource losses and SAWC's offsets gained through compensatory mitigation projects.

SAWC anticipates that it will meet regularly with the COE and IRT as the ILF Program matures. Also, SAWC will be obligated to submit an annual report on the in-lieu fees received and disbursed from its ILF Program Account, income generated through investments, and expenditures for compensatory mitigation projects and administrative costs.

As part of these overall evaluations, SAWC would examine its efforts in achieving the previously identified goals and objectives of the SAWC ILF Program. At that time this Framework and other documents associated with this ILF will be reviewed.

9. A description of the in-lieu fee program account

The program sponsor establishes the ILF program account to track the fees accepted and disbursed. The account must track funds accepted from permittees separately from those accepted from other entities and for other purposes (i.e., fees arising out of an enforcement action, "such as supplemental environmental projects," donations, and grants.) The account must be established after the instrument is approved and before any fees are accepted.

SAWC, as the ILF Sponsor, will maintain the SE Alaska Mitigation Fund program account with a financial institution that is a member of the Federal Deposit Insurance Corporation (FDIC). The ILF program account will be professionally managed, funds to be held in FDIC-insured sub-accounts and certificates of deposit, and interest earned is regularly deposited into the account. The ILF payments received will be deposited in the ILF Program Account, with a 15% administrative fee directed to the ILF Sponsor's unrestricted funds account and used for reasonable overhead and the administrative costs to operate and manage the ILF Program.

Funds from the ILF Program Account will be used for the selection, design, acquisition, implementation, monitoring, long-term stewardship or management, and permanent protection of ILF mitigation projects. The ILF Sponsor will track staff time and other routine expenses to specific ILF Program activities as they evaluate, select, acquire and establish long-term stewardship or management of preservation properties. The COE has the authority to audit the ILF Program Account at any time. Any interest accruing from the account must remain in the account for the program to use for the purposes of providing compensatory mitigation.

Fees will only be used for the purposes of directly replacing and managing aquatic resources, such as: identification and selection of appropriate compensation sites, survey and design of mitigation projects, acquisition-related costs (e.g., appraisals, surveys, title insurance, etc.), fees associated with securing a permit for conducting mitigation activities, activities related to the restoration, enhancement, creation, and/or preservation of aquatic resources, maintenance and monitoring of mitigation sites, and the purchase of credits from mitigation banks.

SAWC's ILF program Instrument will include a provision that requires SAWC to establish and maintain an annual report ledger and individual ledgers. The credits and financial transactions must be tracked not only on a programmatic basis (i.e., the number of credits available for the entire program and the total amount of funds accepted and expended by the program), but for each individual compensation project undertaken by the program sponsor (i.e., the number of credits generated for each individual project and the amount of funds accepted and expended for each individual project).

SAWC will work with the IRT and establish and maintain an electronic system for tracking the production of credits, credit transactions, and financial transactions between the ILF Sponsor and permittees, as follows:

- **Credits Ledgers** will account for the credit transactions. The ledgers will track credits sold to permittees (that become ILF Sponsor "debits") as well as the credits that are fulfilled (and released) when ILF mitigation projects are completed. The Sponsor will maintain a *routine projects ledger* that tracks credit transactions for projects with smaller-scale wetlands impacts throughout the service area. The running balance of advance credits available for the entire ILF Program will be calculated as routine project credits transactions occur. Individual *large project ledgers* will also be maintained, as needed, for the less frequent, larger-scale project with separate accounting of credit transactions as the credits are sold and subsequently fulfilled when mitigation projects are executed. The production of credits from each ILF mitigation project (i.e., released credits) will also be tracked.
- **The ILF Financials** (i.e., the ILF payments accepted and the ILF funds expended from the ILF Program Account) will be tracked according to standard accounting practices and reported annually.

10. Next Steps

After reviewing this Prospectus and public comments, if the COE determines that SAWC may proceed with submission of a draft instrument, SAWC will develop the following elements required of a complete draft instrument:

- Service area
- Accounting procedures
- Provision stating legal responsibility to provide compensatory mitigation
- Default and closure provisions
- Reporting protocols
- Compensation planning framework
- Advance credits
- Method for determining project specific credits and fee and draft fee schedule
- In-Lieu Fee program account

References:

(2001) Montana Statewide In-Lieu Fee Program. *Montana Department of Environmental Quality and Trout Unlimited – Montana Waters Project*

(2010) Oregon In-Lieu Fee Program. *Oregon Department of State Lands*

(2011) Aquatic Resource Mitigation Fund. *New Hampshire Department of Environmental Services*

(1994) Alaska Wetlands Initiative: Summary Report. *EPA, COE, USFWS, National Marine Fisheries Service*

(2009) Alaska District Regulatory Guidance Letter: RGL ID No. 09-01. *COE*

(2008) Compensatory Mitigation for Losses of Aquatic Resources Final Rule: 33 CFR Parts 325 and 332 and 40 CFR Part 230. *EPA, COE*

(2009) In-Lieu Fee Mitigation: Model Instrument Language and Resources. *Environmental Law Institute*

(2010) In Lieu Fee Prospectus. *Puget Sound Partnership*

(2011) Southeast Alaska Land Trust In-Lieu Fee Program. *Southeast Alaska Land Trust*

(2009) Alaska District Regulatory Guidance Letter: RGL ID No. 09-01AKCOE

(2011) King County Mitigation Reserves Program In Lieu Fee Program Instrument. *King County Department of Natural Resources and Park*

(1994) Alaska Wetlands Initiative; Summary Report. *EPA, COE, USFWS, NOAA*

(2001) Compensating for Wetland Losses Under the Clean Water Act. *The National Academies*

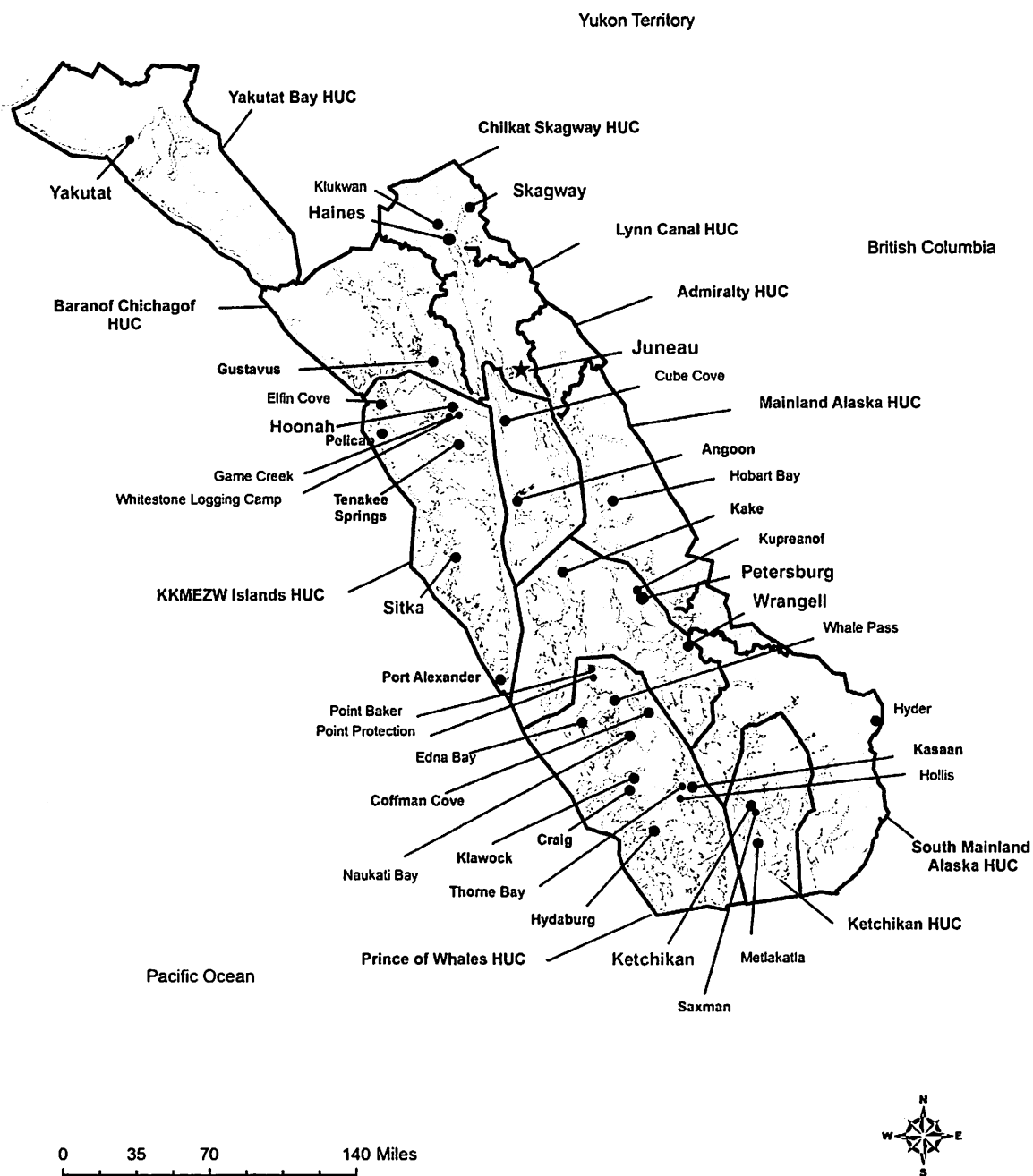
(2011) Maine In Lieu Fee Program.

(2011) ShoreZone SE Summary Report. *Prepared for the Nature Conservancy*

(2011) REM Report. Hudson and Steifert. *Juneau Watershed Partnership and USFWS*

Appendix A: Service Area Map

Southeast Alaska Watersheds



Appendix B: Example Mitigation Site Project Report, Map and Photos

Project Report

Haines, Alaska

Site Name: DOT Culvert Site

Project Location: Located along the southern border of the DOT gravel yard running east to west along the fence. 59.235868, -135.4539

Wetland Type: Riverine

Watershed Name: Sawmill Creek

AWC Stream ID: 115-32-10250-2044

USGS-HUC: 19010303

Ownership Type: State

Size: 727 linear feet

Site Characteristics: The culvert runs along the south side of the DOT gravel yard along the Sawmill Creek tributary from east to west and extends approximately 700 feet. It is observed that the tributary contains chum smolt downstream of the culvert on the west end of the DOT yard. The vegetation along the tributary includes equisetum, fireweed, sedges, nettles, daisies and grasses.

Background: DOT moved creek into culvert to expand Maintenance Shop Yard, it is unclear the exact year this occurred. The Yard is graded to drain into a grate in the top of the culvert; this is a significant sediment source for Sawmill Creek. The existing culvert has 0% gradient and is not a block to fish passage and does provide cover from predators. There is little material in the bottom of the culvert so there is no spawning habitat, no vegetation to support food sources and little habitat complexity.

Overall Project Goal(s): Return creek to an open stream channel and increase fish habitat complexity. Reestablish a riparian zone around this creek. Remove a significant sediment source to Sawmill Creek.

Project Objectives:

1. Relocate stream out of a culvert
2. Create stream channel that includes habitat suitable for spawning and rearing salmonids.
3. Restore riparian zone along the creek
4. Re-grade the DOT Yard to minimize sedimentation into the creek.

Type of Mitigation: Restoration and Enhancement

Potential Functions to be restored: spawning habitat, riparian vegetation, rearing habitat.

Project Significance for Mitigation: This project is immediately downstream of a previous restoration project and limits the effectiveness of the previous work. Removing this sediment source would be a great improvement for Sawmill Creek during high rainfall events.

Potential Barriers to Project Success: DOT non-compliance

Contact Information: Ben Kirkpatrick

Ecological Suitability: (refer to 332.2(d) Site Selection of the 2008 Final Rule)

- a. **Hydrological conditions:** This creek has accumulated too much sediment and is no longer a viable tributary. The tributary no long serves as a fish passage due to the culvert and extreme sedimentation process.
- b. **Watershed scale features:** This is a tributary of Sawmill Creek, which runs into the Chilkat River.
- c. **Size and location in relative to other hydrologic sources:** This is a tributary to Sawmill Creek.
- d. **Compatibility with adjacent land uses and watershed management plans:** Project success and implementation is not compatible with DOT operations.
- e. **Foreseeable affects this project will have on aquatic or terrestrial resources:** Restore fish passage, riparian vegetation and rearing habitat.
- f. **Other habitat relevant factors including, habitat trends, stream impact, habitat corridor for wildlife, habitat for state or federally listed threatened and endangered species, etc.;** Brown and black bears have been seen on this site.
- g. **Other human use relevant factors including, land use changes, development trends, local or regional goals for water quality and floodplain management, relative potential for chemical contamination of the aquatic resources:** The impact of the DOT yard on this tributary has had a severe effect on the fish habitat.

Project Efficacy: (as a potential Compensatory Mitigation Site)

GREEN: NO obstacles

✓ Potential obstacles based on private ownership, compliance order, etc.

RED: Major obstacles that may be insurmountable in the mitigation process



Figure 7. The DOT yard drains directly into the Sawmill Creek tributary.

Appendix C: Statement of Qualifications

Mitigation Fund Project Partners

The Takshanuk Watershed Council

Contact: Brad Ryan

The Takshanuk Watershed Council (TWC) has performed restoration and monitoring projects within the Haines borough since 2003. We have partnered with numerous agencies to work on State, Borough and private lands and waters. The TWC has staff capacity to complete on the ground projects alone and with contractors. Past restoration work includes wetland functional analysis, stream assessments, in-stream habitat work, fish passage, silviculture actions for wildlife and riparian enhancement, and marine intertidal restoration.

Projects that The Takshanuk Watershed Council has been involved in during the past decade:

Watershed Restoration Projects:

- **Big Boulder Creek Restoration** – stabilization of an incising stream that was causing a head-cut along with constructing a second channel to help divert flow away from the incised stream stretch.
- **Sawmill Creek Brown Parcel Restoration** – removed a section of Sawmill Creek from the ditches in the Haines town site to a natural flowing stream through two acres of wooded lots.
- **Chilkat River Riparian Restoration** – stream bank restoration on the Chilkat River to stop erosion from a popular raft haul out using coir logs, willow bundles, vegetated mat, and willow cuttings.
- **Sawmill Creek Fish Passage Enhancement** – removed a fish passage barrier and replaced it with a culvert to improve fish passage including stream simulation inside the culvert and reconstructed the incised stream channel downstream of the culvert.
- **Cannery Creek Fish Passage**- contracted the construction designs to replace two culverts on this high value cutthroat trout and Coho salmon rearing stream on the Chilkat Peninsula and will be installing the first of these culverts in the summer of 2013.
- **Picture Point Tide Pool Construction**-Constructed nine tide pools in the intertidal area along Lynn Canal as mitigation for a parking lot the Haines Borough constructed within the intertidal zone just east of this area.
- **Invasive Weed Control** – Organize community weed pulls to remove invasive species from the flood plain along the Chilkat River.

Research Projects

- **Eulachon Population Estimates**– Worked with the Chilkoot Indian Association to develop a Mark-Recapture study to estimate Eulachon populations in the Chilkoot River from 2010 through 2012.

- Wetland Program Planning-TWC is currently working with the Chilkoot Indian Association to develop a Wetland Program Plan for the Haines Borough and Upper Chilkoot Watershed.
- Chilkoot Watershed Assessment- In cooperation with the USFWS developed a watershed assessment for the upper Chilkoot Watershed.
- Mosquito Lake Water Quality Assessment- Developed a water quality study for Mosquito Lake north of Haines to monitor the lake for anthropogenic influences and aquatic invasive weeds. This included sampling for Fecal Coliform and Nitrogen levels.
- Porcupine Mining Area Water Quality Assessment- developed a water quality-sampling plan to establish baseline water quality parameters for the southeast Klehini Watershed. Completed water quality samples on a quarterly basis along with anadromous fish residence observation.
- Anadromous Waters Cataloging – Documented anadromous streams and rivers throughout the Haines Borough and submitted these observations to the anadromous catalog.
- Paralytic Shellfish Poisoning Monitoring – Currently working with the Chilkoot Tribe monitoring PSP levels at two popular subsistence shellfish harvesting beaches.
- Upstream Habitat Assessment – Survey streams and rivers upstream of fish passage barriers to prioritize replacement of these barriers based on the available upstream habitat.

In-House Capabilities

- QAPP-development
- Culvert Replacement
- Invasive Weed Identification and Control Plans
- Wetland identification and Functional Assessment
- Riparian Planting
- Scientific Research
- Water Quality Monitoring
- Restoration Monitoring

Contractors Utilized:

- White Rock LLC. Haines - channel excavation and reconstruction
- Southeast Road Builders, Haines – Culvert Replacement and Channel reconstruction.
- DOWL HKM, Anchorage – Culvert and stream reconstruction design.

The City and Borough of Yakutat

Department of Planning and Natural Resources

Contact: Bill Lucey

The Yakutat Department of Planning and Natural Resources Nature has performed restoration and monitoring projects within the borough since 1994. We currently are completing a HUC5 watershed-scale restoration effort on the Situk River. We have partnered with numerous agencies to work on National Forest as well as state, municipal and private lands and waters.

The City has staff capacity to complete on the ground projects alone and with contractors. There is both contract and borough heavy equipment available for use. Past restoration work includes wetland delineations, stream assessments, in-stream habitat work, fish passage, silviculture actions for wildlife and riparian enhancement, road decommissioning and wetland restoration.

Projects that The Yakutat Department of Planning and Natural Resources has been involved in during the past two decades:

Watershed Restoration Projects:

- Ophir Creek Restoration – Included mechanized and hand instream and riparian channel work, continuous flow monitoring, groundwater and bed profiling. In addition we replaced six culverts with four bridges and two properly sized culverts. Finally, 1800 acres of clear-cuts were thinned with city staff and contractors within the watershed to restore canopy cover and provide wildlife habitat.
- Greater Situk Watershed Restoration – decommissioned fifteen miles of trenched roads located in forested wetland soils. Reconnected historic channels diverted due to road building with downstream wetland channels restored by local tribe.
- Ten-mile bog wetland restoration – worked with USFS to reestablish braided ATV route back to functioning wetland using coir logs, jute matting and wetland plug planting.
- Ankau River Fish Passage Assessment – Replaced three relic military culverts along the Ankau River road with local crews and contractor
- Rare species management for endemic *Botrychium* fern spp. Private Lands Stewardship program with USFS funded log placement along main ATV corridors to restrict traffic from damaging tern nesting habitat and f rare fern areas.

Research Projects

- Tawah Creek Coded Wire Tagging – Assisted ADF&G salmon management goals by performing two years CWT with USFWS and USFS
- Salmon genetic sampling for various projects
- Rainbow and longfin smelt monitoring under NPS contract for Wrangell St. Elias National Park
- Passive acoustic logging of beluga whales and photo ID
- Anadromous Waters Cataloging – minnow trapping, electroshocking, seining

In-House Capabilities

- Road Decommissioning
- Culvert Replacement
- Log Bridge construction
- Wetland delineation and restoration
- Riparian Planting
- Trail Construction
- Monitoring

Contractors Utilized:

- Pate Construction Inc., Yakutat - culvert replacement, road decommissioning, bridge construction, channel excavation
 - Yak-Tat Kwaan Native Corporation – Tree thinning, road decommissioning
 - US Forest Service– Soil mapping
 - KipCo, Yakutat– Road decommissioning
 - S&S Contractors – gravel production
-

Sitka Conservation Society

Contacts: Andrew Thoms, Scott Harris

The Sitka Conservation Society has been involved in watershed restoration activities since 2007 and has been active in the conservation of wildlife and fish habitat in Southeast Alaska for over 40 years. All our restoration activities include a significant level of collaboration with the responsible land management agency, the community of Sitka, and other relevant stakeholders.

Watershed Restoration Projects:

- Developed the **Sitkoh River Restoration Partnership**, which combined USFS appropriate funds, match dollars from private foundations, and public grants (Alaska Sustainable Salmon Fund). This project restored 1800 feet of salmonid spawning and rearing habitat in Summer 2012 – including construction of in-stream habitat and bank-stabilization structures, floodplain roughness structures, and channel reconstruction. SCS coordinated work between the USFS and other partners, developed the grant, conducted implementation and effectiveness monitoring, outreach, and public engagement. USFS designed the project, administered the construction contract, and conducts monitoring.
- Conducted **community-based restoration prioritization**, including a survey of public attitudes and priorities for restoration locations, and integration of community priorities with ecological prioritization studies.
- Developed the **Starrigavan Watershed Project**, which completed the restoration of 5 acres of upland forest habitat in 2011. SCS coordinated work with the USFS and Alaska DNR, administered the contract (including RFP, selecting contractor, and in-field oversight) and conducted implementation and effectiveness monitoring.

Monitoring and Research

- Developed the **Southeast Alaska Long-term Monitoring Network (SALMoN)**, which conducts ecological monitoring of multiple restoration projects, with a special emphasis of involving community volunteers and students in monitoring activities. Includes monitoring of both upland forest and aquatic habitat restoration projects.

Other

- Participates in SEAKFHP, SAWC, and other regional restoration networks

Juneau Watershed Partnership 2013

Contact: Nina Horne, Executive Director

The Juneau Watershed Partnership is a 501(c)(3) non-profit organization established in 1998. **Our Mission** is to promote watershed integrity in the City and Borough of Juneau through education, research and communication while encouraging sustainable use and development.

Originally, the Mendenhall Watershed Partnership (MWP) was founded in 1998 by locals with concern for the environmental and economic health of the Mendenhall Watershed area. In 2006, MWP became the Juneau Watershed Partnership (JWP), expanding our geographic scope to include all watersheds located within the City and Borough of Juneau.

We work together with our community to identify opportunities for maintaining or improving watershed and habitat health and develop projects aimed at focusing community interest, understanding, and energy to benefit our watersheds. These projects include stream cleanup events, community field trips, and local environmental education activities. We collaborate with other organizations and agencies to monitor water quality and general stream health, to prevent the decline of healthy streams and to restore the health of impaired waterbodies. We also bring local agencies and stakeholders together to build understanding and make informed decisions to maintain habitat integrity and water quality in Juneau's watersheds.

Projects that the Juneau Watershed Partnership has been involved in since 1998 include:

Watershed Restoration and Research Projects:

- **Restoration and Mitigation Opportunities for Juneau Watersheds (2012-present)** - The JWP is compiling a series of watershed restoration and mitigation opportunities for the enhancement of fish habitat and water quality in Juneau's watersheds. Part of this project is the development of a GIS database of potential restoration and mitigation opportunities, a priority list for projects and preliminary conceptual designs for chosen high priority projects. Funding provided by the Federal Coastal Impact Assistance Program.
- **Pederson Hill Water Quality Monitoring (2012-present)** - Pederson Hill Creek is on the state's 303(d) list of impaired waterbodies. The final report of this project will help to evaluate the current hydrologic, selected chemical and biological conditions of the creek. Funding provided by DEC (ACWA program).
- **Juneau Beach Monitoring Program (2012-present)** - The JWP conducts water quality monitoring on recreational beaches to provide the community with data on bacteria levels. As part of this project, the JWP is increasing public awareness of health risks and potential sources. Funding provided by DEC (ACWA program).
- **Auke Lake Water Quality Monitoring (2012-present)**- The JWP is collecting water samples to monitor the seasonal concentrations of total aromatic hydrocarbons in Auke Lake. This data is relevant to determine the effect of motorized watercraft on water quality. In conjunction with that

work, the JWP partners with the CBJ to create a recreational user survey. Funding provided by DEC (ACWA program) and CBJ.

- **West Glacier and Moose Lake - Re-Vegetation after Culvert Replacements (2012-present)** - The JWP is partnering with SAGA and the USFWS to re-vegetate two areas where new culverts were installed. Funding provided by USFS.
- **Montana Creek Watershed Stewardship Plan (2012-present)** - As part of this project a “Montana Creek Task Force” is convened. The JWP is facilitating meetings with the task force and stakeholders, is conducting research and is documenting and assessing the current threats to the watersheds health. The task force will review the developed stewardship plan and will help to prioritize a list of actions. A final report will be published by the JWP. As part of Funding provided by USFS.
- **Restoration, Enhancement, and Mitigation Priorities for Juneau Watersheds (2012-present)** - The JWP is bringing together local biologists and natural resource agency staff to analyze and catalog potential restoration and mitigation opportunities. The compiled information will be used to provide a reference and watershed planning tool to support and guide watershed-based compensatory mitigation activities, local wetlands permitting and on-the-ground restoration projects in Juneau. Funding provided by NFF.
- **Lower Jordan Creek Watershed Stormwater Assessment (2011-2012)** - Mapping stormwater treatment and conveyance in the urban corridor of lower Jordan Creek Watershed to benefit future stormwater treatment BMP location, design, and implementation for targeted stormwater quality improvement in an impaired anadromous stream.
- **Auke Lake Watershed Assessment and Action Plan (2008-2009)**. The Auke Lake Watershed Assessment, completed by the Juneau Watershed Partnership (JWP) in 2009, provides background information and an inventory of Auke Lake Watershed land use, community development, hydrology, and habitat characteristics to the community at large. The Auke Lake Action Plan is a companion volume identifying and prioritizing the implementation of management guidelines to guide sustainable use and support of natural resources and values in Auke Lake watershed. Funding provided by the USFWS, Coastal Conservation Program.
- **Review of Restoration, Enhancement, and Mitigation Projects in Juneau, Alaska (2009-2011)**. In 1994, the Alaska Department of Fish and Game (ADFG) published the “Restoration and Enhancement of Aquatic Habitats in Alaska” report (Parry and Seaman, 1994). With this report as a guide, JWP is conducting a more specific inventory and assessment of habitat restoration, enhancement, and mitigation projects implemented in Juneau watersheds to improve future habitat rehabilitation and enhancement efforts. This project is a partnership with the U.S. Fish and Wildlife Service in Juneau. Results of this work will be published in December 2010.
- **Auke Lake Watershed Assessment (2007-2008)** - The JWP conducted a watershed assessment of Auke Lake in 2007 and 2008. We provided the CBJ with an overview of the health and current

conditions of Auke Lake, and offered conservation and restoration recommendations to help ensure the sustainability of the fisheries habitat, recreational opportunities and aesthetic values of this beautiful little lake. Funding provided by the USFWS Coastal Conservation Program.

Outreach and Educational Projects:

- **"Salmon-Friendly" Snow Management (2007-2008)** - In order to reduce pollution in our local salmon streams due to snow storage, the JWP advocates 'salmon-friendly' snow management practices. We talked to local property owners, businesses, the CBJ and the Alaska Department of Transportation to ask them to use best management practices (BMP's) for plowing and snow storage. Funding provided by DEC (ACWA program).
- **Stormwater Management (2007-2008)** - The JWP partnered with the CBJ to help advocate for best management practices (BMP's) for local stormwater conveyances. We held trainings, created user-friendly outreach materials about 'salmon-friendly' stormwater conveyances and started a mapping project of Juneau's stormwater system. Funding provided by DEC (ACWA program).
- **Weeds in the Watershed (2009-present)** - The JWP worked with the Juneau Cooperative Weed Management Area (JNU-CWMA) to support the development and implementation of an integrated invasive weed management plan for Juneau.
- **Get to Know Your Watershed: Vanderbilt Creek (2007-2008)** - The JWP hosted an informal "Get to know Vanderbilt Creek" meeting to share habitat functions, values, and degradation within the Vanderbilt Creek watershed with local community residents and business owners. Funding provided by DEC (ACWA program).
- **Promoting Citizen-Based Salmon Habitat Protection (2009-present)** - In order to achieve our goal of advocating for responsible and adaptive watershed management, JWP works with riparian landowners and the CBJ to promote salmon habitat and riparian buffer protection.

Communication and Social Media:

- **Electronic Watershed Resource Library** - The JWP created an electronic library to provide information on Juneau watersheds. We are gathering reference and research documents relating to local watersheds and local watershed management in Juneau. Funding provided by the USFWS Coastal Conservation Program.
- **Stream Scene** - This quarterly newsletter shares with our members and our community what we are working on, watershed related topics, news within the organization, upcoming events, etc. The newsletter is available on our website and sent to members.
- **Water Ways** - Our annual report shares with our members and our community what we have been doing during the past year and what we are looking forward to in the coming year. The report is available on our website and sent to members.

- **Website** - www.juneauwatersheds.org

In-House Capabilities

- Pre-project coordination and planning
- Facilitation of stakeholder meetings
- Contract development
- Project coordination and supervision
- Information and outreach services
- Funding acquisition and grant writing

Trout Unlimited Alaska Program

Contact: Mark Kaelke

Trout Unlimited, Inc. (501c3) is the nation's largest and oldest cold-water fish conservation organization with roughly 150,000 members nation-wide and 1,000 members in Alaska. The current Trout Unlimited Alaska Program started in 2005. Since then we have partnered with federal and state agencies, municipalities and other non-governmental organizations to complete a variety of watershed restoration work in southeast Alaska.

Our primary contributions to these projects have been in the areas of grant acquisition, project coordination and management and the development of project media. We have two full-time staff members dedicated to restoration and media communications.

Projects that the Trout Unlimited Alaska Program (TUAK) has been involved with include:

Watershed Restoration Projects:

- **Sal Creek In-stream Restoration-** TUAK partnered with the United States Forest Service to conduct large wood placement, culvert replacement and riparian thinning in this watershed on east Prince of Wales Island.
- **Starrigavan Creek In-stream and Riparian Restoration-** TUAK partnered with the USFS, State of Alaska, Sitka Conservation Society and City of Sitka to install large wood, thin some 80 acres of riparian forest and replace three large culverts. TUAK obtained a significant amount of funding for this work and developed the RFP and awarded the thinning contract.
- **Montana Creek Habitat Remediation-** TUAK contributed significant funds towards the purchase of private lands and a structure, which straddled this creek. The structure was demolished, removed and the adjacent banks were remediated. The work was completed in partnership with the US Fish and Wildlife Service and the City and Borough of Juneau,
- **Sitkoh River Bank and Stream Restoration-** In partnership with the Sitka Conservation Society, TUAK submitted and was awarded funding from the Alaska Sustainable Salmon Fund to rebuild a section of stream bank and direct a river channel from an adjacent logging road back to the streambed. Large wood structures were placed in some 1800' feet of the river. This project was completed in partnership with the USFS and Alaska Department of Fish and Game.

Research Projects

- **Montana Creek Assessment-** In partnership with the USFWS, TUAK funded and completed a stream corridor assessment for a section of Montana Creek. The assessment formed the basis of a stream corridor conservation proposal that was integrated in the City and Borough of Juneau Comprehensive Plan.

In-House Capabilities

- Grant writing/funding acquisition
- Pre-project coordination and planning
- RFP/Contract development and awards
- Project media and communication services

Contractors Utilized:

- Southeast Road Builders- Haines, Alaska
- Triple T Contractors- Sitka, Alaska
- Aqua Terra Restoration, LLC- Driggs, Idaho

The Nature Conservancy, Alaska

Juneau Field Office

Contact: Norman Cohan

The Nature Conservancy is playing a major role in restoration activities in Southeast Alaska. We currently are partnering with the US Forest Service on several large stream restoration projects, primarily on Prince of Wales Island and now moving off the island to other priority watersheds within the Tongass National Forest. We also partner with the US Fish and Wildlife Service on restoration projects on state and private lands as well as with Alaska Native corporations on their land holdings.

The Conservancy has staff capacity in Southeast Alaska to complete stream assessments and to design silvicultural prescriptions for wildlife. In addition, we have legal and contracting capacity necessary to carry out large-scale projects.

Projects that The Nature Conservancy (TNC) has been involved during the past decade:

Aquatic Projects:

- Sal Creek – Prince of Wales Island (POW) – Funding partner
- Fubar Creek – POW – Funding partner
- Harris River – POW – Funding partner and construction contract administrator
- Harris River Tributaries – POW – Funding partner and design and construction contract administrator
- Klawock River – POW – Funding partner and construction contract administrator
- Twelvemile Creek – POW - Funding partner and construction contract administrator

- North Kuiu – Kuiu Island – Funding partner and future construction contract administrator
- Eagle-Luck – POW - Funding partner and future construction contract administrator
- Dog Salmon Creek – POW – Conducted pre-design habitat needs assessment, future funding partner

Terrestrial Projects:

- Sunnahae – POW – Wildlife prescriptions design consultant

Contractors Hired:

- B3 Contractors, culvert replacement – Klawock, Alaska
 - Columbia Helicopters, Portland, Oregon
 - Interfluve – design and engineering – Hood River, Oregon
 - Ketchikan Redi-Mix – culvert replacement – Ketchikan, Alaska
 - S&S Contractors – instream construction – POW and Sitka, Alaska
 - Southeast Road Builders – log collection and instream construction – POW and Sitka, Alaska
-

Tongass National Forest

Fisheries, Water, and Soils Staff

Contact: Sheila Jacobsen

The Tongass National Forest has a robust watershed restoration program with a large portfolio of accomplishments from small hand-tool projects to large, complex projects using heavy equipment and helicopter support. Our forest-wide staff includes three full time professional fisheries biologists, three soil scientists, and two hydrologists. Additional full time professional fisheries biologists and hydrologists are located at ranger districts throughout the forest. Individual qualifications are available on request.

We work closely with Tongass National Forest engineers, wildlife biologists, silviculturists, foresters, ecologists, botanists and other resource specialists to plan and accomplish interdisciplinary restoration projects. We participate in the recently formed Southeast Alaska Fish Habitat Partnership. We have active partnerships and cordial working relationships with a wide range of entities including the National Fish and Wildlife Foundation, The Nature Conservancy, the State of Alaska, Trout Unlimited, University of Alaska Southeast, tribal organizations, and communities throughout Southeast Alaska.

We have capacity to plan, design, and complete field projects in-house, with partners, or with contracts as needed throughout the Tongass National Forest. Inventories, assessments, and monitoring follow standard published procedures, available on request. We have developed local guidelines and procedures for stream channel classification, wood collection for in-stream restoration, culvert fish passage assessment, fish habitat assessment, riparian second-growth treatments, erosion control, and other restoration related activities. Projects are usually focused on restoring watersheds impacted by historical timber harvest and roads. Protection measures are now in place to prevent these impacts.

A Small Sample of Recent and Ongoing Projects in the Tongass National Forest:

- Kadake Creek Tributary (Kuiu Island): reconnected streamflow and anadromous fish access to habitat through road relocation and stream channel restoration
- Harris River and Gandlaay Haanaa (Prince of Wales Island): restored streams, reconnected floodplains, stabilized roads, restored fish access, thinned second-growth riparian forest
- Sitkoh River (Chichagof Island): reconnected streamflow and restored anadromous fish habitat through log structure installation and road stabilization; thinned second-growth riparian forest
- Twelvemile Watershed (Prince of Wales Island): restore mainstem fish habitat through placement of log structures; thin riparian and upland second-growth forest; decommission 6.5 miles of old logging road, including removal of fish stream structures
- Ten-mile Bog (Yakutat): worked with Yakutat partners to rehabilitate ATV trail and re-establish functioning wetland using coir logs, jute matting and wetland plug planting
- Stikine-LeConte Wilderness: eradicated invasive weeds along Stikine River using hand treatments
- Wrangell Island shot rock road obliteration: removed rock for use on other road, restored wetland function and vegetation
- Staney Watershed (Prince of Wales Island): decommissioned un-needed roads using heavy equipment to restore natural drainage patterns and fish passage
- Couverden Peninsula: removed culverts from a closed logging road using explosives

In-House Capabilities – Inventories, Assessments and Project Design Expertise

- Watershed condition assessments and watershed restoration planning (over 20 watershed restoration plans have been written for 6th code (12 digit) watersheds)
- Watershed restoration prioritization (by watershed and individual projects within watersheds)
- Stream surveys to assess habitat and channel condition
- Stream surveys to verify fish presence using habitat- and species-appropriate tools (minnow trapping, electroshocking, etc.)
- Stream, floodplain, soils, and wetland mapping
- Slope and soil stability assessment
- Geographical Information System data stewardship and analysis
- Culvert fish passage and hydraulic assessments and remediation
- Road and trail condition surveys to address erosion and drainage needs
- Botanical surveys (rare plants, invasive plants)

In-House Capabilities – Project Implementation Expertise (including Contract Oversight)

- In-stream fish habitat and floodplain restoration using natural materials, including large wood procurement and placement, using either heavy equipment or helicopters
- Contracting, grants, agreements, partnerships
- Riparian and upland silvicultural treatments for watershed and wildlife objectives
- Erosion control
- Use of explosives for removing stream crossing structures for watershed and fisheries objectives
- Road re-location, decommissioning, storage
- Foot trail and ATV trail construction
- Culvert and bridge design, installation, replacement, removal

In-House Capabilities - Restoration Monitoring Expertise

- Routine monitoring of in-stream restoration: channel metrics and photo points
- Watershed Restoration Effectiveness Monitoring: collaboration with Forest Service research to test innovative metrics in addition to routine physical habitat and biological metrics
- Aquatic species monitoring: snorkel surveys, minnow trapping, mark and recapture, weirs, and smolt traps
- Best Management Practices Evaluation: ensure water quality protection measures during ground disturbing projects (including restoration) are implemented and effective
- Vegetation response monitoring: standard vegetation plots, photo points and increment cores.
- Collection and analysis of low altitude digital still photography for monitoring stream restoration and vegetation changes

Juneau Fish and Wildlife Field Office

Habitat Restoration Program

Contacts: Neil Stichert and John Hudson

The Juneau Fish and Wildlife Field Office (JFO) Habitat Restoration Program delivers a variety of habitat protection, assessment, restoration, and enhancement projects and services through its core restoration and conservation programs: Partners for Fish and Wildlife, Coastal Conservation, and Fish Passage. These programs support collaborative efforts with our partners to restore and enhance fish and wildlife habitat, conserve coastal ecosystems, and remove barriers to fish passage throughout Southeast Alaska, largely on non-federal lands. The program is staffed by two full time fisheries biologists with expertise in habitat assessment, partnership development, engineering design review, permitting, construction oversight, and monitoring. In addition to these activities, program staff provides organizational development support watershed councils, land trusts, and the Southeast Alaska Fish Habitat Partnership. This Partnership supports cooperative fish habitat conservation, restoration, and management in Southeast Alaska.

Recent Projects

- Fish Passage Improvement:
 - Harris River tributaries, Hollis (two locations, one pending)
 - Pullen Creek, Skagway (3 locations)
 - Good River and Rink Creek Watersheds, Gustavus
 - Cannery Creek, Haines (design complete, 2 locations)
 - Klawock causeway, Klawock
- An Inventory and Assessment of Habitat Improvement Projects in the City and Borough of Juneau
- Haines Area Fish Passage Inventory, Assessment, and Prioritization
- Hill 560 Watershed Assessment, Juneau
- Lower Jordan Creek Stormwater Hydrography Mapping, Juneau
- Pullen Creek StreamWalk planning and design coordination
- Juneau Area Invasive Plant Management
- Riparian Enhancement, Skagway and Juneau (7 sites)

- Anadromous Waters Cataloging, Juneau and Yakutat

Outreach and Technical Assistance

- Expert review - ADFG Streambank Stabilization and Protection Guide revision
- Fish Passage and Riparian Restoration workshop instruction
- Fish Passage design review
- Section 404 permit review
- Restoration/mitigation site identification and characterization

Selected Partners

- City of Yakutat
- City of Gustavus
- City and Borough of Juneau
- Municipality of Skagway
- Alaska Association of Conservation Districts
- Southeast Alaska Watershed Coalition
- SAGA, Juneau
- Takshanuk Watershed Council, Haines
- Juneau Watershed Partnership, Juneau
- University of Alaska Southeast
- Alaska Department of Fish and Game
- Alaska Department of Transportation

Ecological Land Services, Inc.

Wetlands, Habitat and Natural Resource Planning Firm

Contact: Francis Naglich (francis@eco-land.com)

Ecological Land Services Inc. (ELS) is currently developing a wetland mitigation plan for a mining project in the Juneau area. The project will impact wetlands principally through mine tailings placement. ELS worked over the past year to investigate and prioritize potential off-site mitigation opportunities. Over 10 sites in the greater Juneau area have been analyzed by ELS for potential mitigation. Sites were rated for various parameters including:

- Potential for wetland creation, re-establishment, rehabilitation, enhancement, and preservation.
- Site size and access, construction constraints, and cost.
- Opportunities for combining or consolidating impacts from other projects.
- Functional “lift” potential for habitat, water quality, and hydrologic function.
- Availability, encumbrances, long-term ownership, maintenance and monitoring requirements.
- Opportunities for other non-wetland improvements such as for stream or upland habitat.
- High quality habitat at risk of development.

From this pool of sites, we narrowed the selection to two sites that potentially had the best available mitigation potential. Further review and analysis was performed and the best site was determined. We

prepared a conceptual wetland mitigation plan and have undergone an initial round of agency review and comments. We are currently addressing those comments in order to prepare a final proposed wetland mitigation plan.

Our work thus far at the preferred mitigation site has included wetland reconnaissance and mapping, wetland determination, mitigation scoping, functional analysis using the WESPAK-SE, mitigation planning, and site remediation involving historic land uses and impacts on the site. Our partnering firm includes Waterman Mitigation Partners, responsible for mitigation site negotiation and acquisition.

Potential Wetland Mitigation Sites Currently Under Review:

Due to the proprietary nature of several potential sites or projects, at this time we can only provide general locations of the SE Alaska sites we are currently analyzing for mitigation. Once permit applications have been filed and become a part of the public record, ELS can provide updates and case histories of specific projects or sites we have worked on. Current or recent sites include:

- Juneau area, seven sites
- Douglas Island, three sites
- Prince of Wales Island, one site
- Petersburg, one site

In-House Capabilities

- Wetland determination and delineation
 - Functional assessment utilizing WESPAK-SE
 - Wetland mitigation planning and permitting
 - Mitigation banking, consolidated mitigation, advanced mitigation
 - Wetland creation re-establishment, enhancement and preservation
 - Land and easement acquisition and negotiation
 - Mitigation implementation, maintenance and monitoring
-

Waterman Mitigation Partners

Contact: Steve Sego, Managing Partner

Qualifications: For more than ten years we have identified, permitted, constructed and managed mitigation projects, including Mitigation Banks, Consolidated Mitigation Projects and Permittee Responsible Mitigation. Our expertise includes site selection, acquisitions/negotiations, capital and management services, permit support (NW27, 404), agency/IRT coordination, design coordination, construction/site management, conservation easement/instrument creation, monitoring, maintenance, in-perpetuity coordination and all aspects of wetland and habitat mitigation required to accommodate 404 permit approval. In essence, Waterman Mitigation Partners (WMP) is a full service wetland mitigation company capable of providing every aspect of wetland mitigation necessary for public and private users.

Experience: We have developed and permitted mitigation projects in Washington, and are currently in the final permitting phase of a 500 acre mitigation (restoration and preservation) project in SE Alaska in support of a 404 permit for a mining company applying to expand their current operations. More details

will be available in May 2013 upon the issuance of the project EIS and Record of Decision to support the proposed unavoidable impacts for the project. The draft mitigation plan is in the final phase of review and approval by Federal and State permitting agencies, including USACE, USFWS, USFS, EPA and ADFG. We were tasked with identifying restoration sites for the project, and identified multiple options before agreeing, with agency involvement, that the current site would provide the ecological lift and mitigation quantity necessary to support the project impacts, if the final permit was approved.

Partnerships/Support: Waterman Mitigation Partners has worked extensively with Ecological Land Services (ELS), Longview, Washington, in a multitude of aspects supporting mitigation design, permitting and construction, including constructed Mitigation Banks and Consolidated Mitigation Projects. ELS is currently a project partner on the SE Alaska Mitigation Project referenced above. In addition, WMP has developed a staff and team capable of providing necessary support services, including site assessment/acquisition, project logistics, administration, construction and legal/instrument development. Our land use and mitigation specialists are capable of supporting and drafting all documents and instruments required by federal and state agencies in support of In-Lieu Fee, Mitigation Banking, and Consolidated Mitigation Projects.

DOWL HKM

Contact: Brad Melocik, P.E., P.H.

DOWL HKM is dedicated to maintaining high standards of quality for our work, seeking innovative solutions for unique design challenges, and working collaboratively with clients to make sure of the best possible approach for meeting schedule, budget, and community needs. DOWL HKM has assembled a team of engineers and hydrologists with a solid reputation for developing plans, hydrologic and hydraulic (H&H) analyses, and recommendations for water resource projects throughout Alaska. Our staff is a talented, energetic group that will bring a hard-working attitude and an open-minded approach to Southeast Alaska Watershed Coalition projects. Our team members have substantial experience with highway and bridge projects, fish passage projects, geomorphic analyses, culvert replacement projects, stormwater management, flood mapping, sedimentation studies, drainage studies and review, stormwater pollution prevention plans (SWPPPs), and erosion and sediment control (ESC). In addition, our team is familiar with design requirements specific to tidal areas, low impact development (LID), oil-grit separator (OGS) and outfall design, storm drainage relocation, snow disposal, and construction phase services. Our qualifications have been gained through working on a variety of successful projects and applying our energies to make them excel. The key staff of the DOWL HKM Team is summarized below.

Key Staff

Bradley M. Melocik, P.E., P.H. (CE-11098-AK)

Brad will serve as Project Manager. He will be the primary point-of-contact and will be responsible for development of the work plan and overall document control, as well as leading the water quality and hydraulic modeling tasks. Brad holds a B.S. in Environmental Engineering from the University of Florida and has 13 years of expertise primarily focused in hydrology, hydraulics, drainage studies, fluvial geomorphology and stormwater design. Brad brings to the team in-depth knowledge of fish passage design, and H&H analyses, including drainage analyses, HEC-RAS modeling, scour analyses, and fluvial geomorphology; experience working with the public; and an understanding of the area conditions in and around Alaska. He is familiar with the processes and procedures throughout Alaska and he is experienced working and coordinating project information with various resource agencies.

Richard D. Pribyl, P.E., AVS, CISEC (CE-13149-AK)

Rich will lead drainage studies, storm drain design, water quality treatment, fish passage, geomorphology, ESC/SWPPP support, and construction support. With a strong background in hydrology, H&H analyses, roadway drainage, geomorphology, sediment transport, fish passage culvert design, and SWPPP/construction inspection, Rich is well suited for this position. Rich holds a B.S. in Civil Engineering from the University of Wyoming with an emphasis on water resources. He is very familiar with fish passage criteria and associated environmental permitting, having worked on the design of 47 fish passage culverts across Alaska. Rich believes in taking a “hands on” approach to projects, and enjoys all phases of projects from preliminary studies and surveys through construction. Rich understands the challenges associated with remote locations and believes in working with clients to utilize locally available materials and equipment to reduce construction costs while still resulting in successful projects. He was the lead engineer for fish passage projects in Gustavus, Haines, and Cordova. Rich has worked on several other H&H projects in Ketchikan, Juneau, and on Prince of Wales Island.

Kirsten R. Valentine, E.I.

Kirsten Valentine (“Valentine”) earned her B.S. in Civil Engineering, Bio Resources Option from Montana State University in 2009. After graduation, Valentine worked for the USGS Water Resources Division, identifying scour susceptible bridges for DOT&PF. She surveyed streambeds and floodplains with varied equipment, from rod and auto level to boat mounted Acoustic Doppler Current Profiler with differential GPS. She performed discharge and sediment transport measurements, and processed data using HEC-RAS, ArcGIS, and MS Excel. She assisted in the installation and maintenance of acoustic stage sensors, sonar transducers, and supporting electronics. After the term expired, Valentine worked doing environmental remediation, designing and executing soil and groundwater sampling plans. Her detailed focus, problem solving skills, and methodical approach has earned her a reputation for high quality work. Both positions involved extensive fieldwork around heavy equipment and boats, necessitating a deep appreciation for workplace safety.

Recent projects that demonstrate our H&H capabilities:

- Sunrise Road Fish Passage Restoration, Wasilla
- Hatcher Pass Recreational Area Access, Trails and Transit Facilities, Matanuska-Susitna Borough (MSB)
- Fish Passage Restoration at Eccles Creek, Cordova
- Nirvana Park Oil-Grit Separator Feasibility Study, Cordova
- Gustavus Fish Passage Improvements, Gustavus
- Forest Highway 43 Road Improvements, Milepost 68.8 to 81.0, Prince of Wales Island
- Sandy Beach Road and Multipurpose Trail, Thorne Bay to Sandy Beach Day Use Area, Prince of Wales Island
- Hoadley Creek Hydraulic Analysis, Ketchikan
- Municipality of Anchorage Stormwater Criteria Manual Update, Anchorage
- Snow Storage Site Planning, Permitting Assistance and Design, Juneau
- Carlanna Project Area Drainage Design, Ketchikan
- Duck Creek Relocation, Juneau

- Alyeska Master Drainage Plan, Girdwood
- Gustavus Fish Passage Improvements, Gustavus
- Buddy Creek, Cottonwood Creek and Goose Creek Fish Passage Improvements, MSB
- Cannery Creek Fish Passage, Haines
- Haines Highway MP 3.5 to 25.3 (H&H and Fish Passage), Haines

In-House Capabilities

- Hydrologic analyses to determine peak design flows that are subsequently used in hydraulic models to evaluate existing storm drain systems, size drainage structures, and develop drainage plans for clients.
- Fish passage designs utilizing stream simulation/embedded culvert principles to improve fish access to upstream habitat while increasing flood conveyance.
- Flood hazard analysis and mitigation efforts, including research of Federal Emergency Management Agency floodplains and evaluating potential impacts resulting from proposed development.
- Improving water quality through installation of oil-grit separators, bioswales, infiltration ponds, LID design, and other treatment measures.
- Stream diversion and relocations in support of mining operations, transportation projects, culvert replacements, and site development.

All support services including Survey, Geotechnical, and Environmental (Wetlands/Permitting).

Inter-Fluve, Inc.

Contact: Jonathan Graca (marketing)/Dan Miller (Hydraulic Engineer)
(541) 386-9003

Background

Since 1983, we have been pioneering fisheries and river restoration design and engineering. As national leaders in aquatic and riparian resource analysis and restoration, our multidisciplinary team integrates biology, hydrology, and engineering to design environmentally sound solutions for systems ranging from alpine to coastal, rural to urban. With 29 years of experience building our designs, we have an unparalleled ability to portray complex and innovative solutions into plans and specifications, and to provide efficient construction services.

Our project portfolio includes over 1,500 successful projects worldwide. Each projects draws upon our expertise in hydrology, geomorphology, hydraulic engineering, fisheries biology, and related fields to provide planning, design, permitting, and construction services to clients in the private and public sectors.

On each project, we maintain a focus on integrating science and engineering for complex water resources and aquatic habitat problems. Our engineers understand the complexities of working within dynamic natural environments, and our scientists understand the importance of sound engineering design to ensure safety and longevity in implemented projects.

Inter-Fluve is an SBA-certified Small Business with offices in Hood River, OR; Bozeman, MT; Madison, WI, and Cambridge, MA.

SERVICE AREAS**Design**

River & Stream Channels
Wetlands, Lakes & Ponds
Estuaries
Dam Removal
Urban Waterfront
Sustainable Developments
Bank Stabilization & Bioengineering
Aquatic & Riparian Habitat Improvements
Fish Passage & Hydraulic Structures

Construction, Permitting, & Monitoring

Design-Build
Construction Oversight
Permitting
Monitoring Plans

Technical & Advisory Services

Emergency Response
First Nations Collaborative Stewardship
Mitigation Planning
Watershed Planning
Feasibility Studies & Alternatives Development
Design Guidelines
Expert Testimony

Investigations

Fluvial Geomorphology
Hydrologic & Hydraulic Analyses
Sediment Transport Analyses
Fisheries & Aquatic Resources

PROJECTS

Inter-Fluve has been performing fish and habitat restoration in Alaska since 2000. Below are brief sketches of projects we've completed across the state.

Chester Creek Fish Passage & Design

Anchorage, AK

- | | | | | |
|---|---|---|--|---|
| • | 9 | • | field investigation and topographic survey | F |
| • | | • | hydrology | H |
| • | F | • | hydraulics | H |
| • | F | • | stream relocation and fish habitat design | S |
| • | H | • | vegetation | V |
| • | S | | | |
| • | C | | | |

Cooper Creek Sediment & Geomorphology Investigation

Kenai Peninsula, AK

- | | |
|---|---|
| • | G |
| • | C |
| • | H |
| • | R |
| • | H |
| • | R |

Gustavus Stream Relocation at Gustavus

Airport

Juneau, Alaska

Gustavus Stream Culvert Design & Replacement

Juneau, Alaska

- | | | | | | |
|---|--|---|---|------------------------|---|
| • | Field Investigation and Topographic Survey | F | • | Sediment analysis | S |
| • | Hydrology | H | • | Construction oversight | C |
| • | Hydraulics | H | • | Monitoring Plan | M |
| • | Culvert Fish Passage Analysis and Design | C | | | |

Haines Highway Fish Passage Evaluation

Haines, AK

- | | | |
|---|---|---|
| • | Geomorphic, fish passage and fish habitat assessment of project reach (MP 3.5 – 25, including 106 culverts) | G |
| • | Channel stability assessment | C |
| • | Hydraulic/sediment mobility analysis and modeling | H |
| • | Recommendations for best management practices | R |
| • | Channel restoration recommendations | C |
| • | Hydrologic and hydraulic analyses | H |
| • | Riparian and in-stream habitat assessment | R |

Salmonid Habitat Mitigation & Monitoring Plan

Klehini River, AK

- | | | |
|---|--|---|
| • | Wetland mitigation design for salmonids | W |
| • | New channel design for spawning & rearing (7,000 feet) | N |
| • | Fish habitat assessment | F |
| • | Hydraulic and geomorphic analysis | H |

		Mendenhall River, Alaska	
Lemon Creek Watershed Assessment and Sediment Transport Analysis Phases I & II <i>Juneau, Alaska</i>		• developed bioengineering design guidelines	D
		• hydraulic and geomorphologic analysis	H
		• native plant revegetation	N
		• public information workshops	P
• geomorphic assessment of project reach	G		
• channel stability assessment	C		
• hydraulic/sediment mobility analysis and modeling	H		
• recommendations for best management practices	R	Fish Passage & Dam Removal Feasibility Analysis	
		Ship Creek, Anchorage, AK	
• channel restoration recommendations	C	• fish passage conceptual design (12-foot Elmendorf dam & 5-ft Fort Richardson dam)	F
• hydrologic and hydraulic analyses	H	• fish habitat assessment	F
• riparian and in-stream habitat assessment	R	• hydraulic and geomorphic analysis	H
		• sediment transport analysis	S
		• cost estimate	C
Fluvial Geomorphic Assessment & Preliminary Flood Mitigation Plan <i>McCarthy, AK</i>			
• geomorphic assessment of project reach	G	Fish Passage Alternatives Analysis	
• channel stability assessment	C	Ship Creek, Anchorage, AK	
• hydraulic/sediment mobility analysis and modeling	H	• design alternatives for fish passage around dam	D
• recommendations for best management practices	R	• channel stability assessment	C
• hydrologic and hydraulic analyses	H	• hydraulic/sediment mobility analysis	H
		• recommendations for best management practices	R
		• channel restoration recommendations	C
		• hydrologic and hydraulic analyses	H
Bioengineered Bank Stabilization Alternatives Development PERSONNEL			

Our staff maintains a depth of expertise and experience that remains unchallenged nationally and internationally. We maintain a focus on integrating science and engineering for complex water resources and aquatic habitat problems. Our engineers understand the complexities of working within dynamic natural environments, and our scientists understand the importance of sound engineering design to ensure safety and longevity in implemented projects. All the members of our team have a working understanding of, and enthusiasm for, natural rivers and water resource management.

Our Staff includes licensed engineers and professional scientist specializing in the following disciplines:

•	Water Resource Engineering	W	•	ADD & Graphics	C
•	Fish Biology	F	•	Hydraulic Engineering	H
•	Water Resources Recreation	W	•	Hydrology	H
•	Civil Engineering	C	•	Plant Ecology	P
•	Sediment Transport	S	•	Construction Management	C
•	Aquatic Ecology	A	•	Geotechnical Investigation	G
•	Fluvial Geomorphology	F			

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

**FROM: TIMOTHY D. ROONEY
BOROUGH MANAGER**

RE: BOROUGH MANAGER'S REPORT

DATE: May 24, 2013

DID YOU KNOW...

On Memorial Day the flag of the United States is to be raised briskly to the top of the staff and then solemnly lowered to the half-staff position, where it remains only until noon. It is then raised to full-staff for the remainder of the day.

The half-staff position remembers the more than one million men and women who gave their lives in service of their country. At noon their memory is raised by the living who resolves not to let their sacrifice be in vain, but to rise up in their stead and continue the fight for liberty and justice for all.

MANAGERIAL:

FY 2013-14 BUDGET – A work session regarding the FY 2013-14 Budget was conducted on Tuesday evening, May 7, 2013 at 6:00 PM. Following the work session, a public hearing regarding the FY 2013-14 Budget was conducted on Tuesday evening, May 14, 2013 at 6:00 PM. At the public hearing, two citizens attended and provided comments regarding the proposed budget to the Borough Assembly. The comments were as follows:

- Ms. Cynthia Waddington spoke on behalf of the Wrangell Chamber of Commerce. She stated that the amount that was provided to the Chamber from the City (\$25,000) was absolutely needed; the funding was a necessity for the Chamber.
- Ms. Julie Decker stated that the concerns she had were that the City looked like it was in a good position with the reserve funds, however that was at a first glance look; thinks that was where the initiative was coming from; community was just now starting to grow; can be seen by the raise in population in Wrangell; can be seen in the projects around town.

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Ms. Decker said that she felt like the cuts in the operating costs, as stated on page 44a of the draft budget, would be a result of the vote of the people. She said that this was not a good thing; on the other hand, she didn't believe that using the reserve funds was a good thing to supplement those proposed cuts.

Ms. Decker stated that the thing that concerned her most was that the short term projection for the next five years on both the State and the Federal level was reduced budgets. She further stated that she had been in Juneau four times during the last session; reduced budgets were a consistent message from everyone; the message was to also to be prepared, because this was not a one-time thing, reduction in budgets would continue to happen. She said that when looking at two of our three sources of the City's funding being reduced and the potential for the initiative in the fall, the picture for our continued growth didn't look good.

Ms. Decker said that a lot of people have put a lot of effort into getting our community to where it was today. She said that the reserves or pockets of money that could be used for Economic Development projects were important to have available. She said that the City should not tap into those reserves when there was shortage in the operating expenses.

Ms. Decker stated that another concern in the proposed budget cuts were the cuts to the school; the school was one of the areas that helped to bring new people to our community; young families that have small children look to see if the community has good schools and a safe community for their children before making a move to a new area. She said that our school system was an area that the community could promote; could help bring people to our community; in the last two years, Wrangell had tested 2nd school in the State. She stated that was because we support our schools in the community and through funding.

Copies of the proposed budget have been available on the City and Borough of Wrangell website (www.wrangell.com), at the Irene Ingle Public Library, and at City Hall. The budget has been placed on the May 28, 2013 Borough Assembly agenda for approval and will include any last minute corrections as a result of any changes from property tax appeals, health insurance, and federal funding (Secure Rural Schools, PILT, etc.). All changes have been outlined by Mr. Jabusch in the memorandum within your packet.

WMC REPLACEMENT PROJECT – As was presented verbally during my Borough Manager's Report at the May 14, 2013 Borough Assembly meeting, Wrangell Medical Center Interim Ms. Marla Sanger and I recently visited with Mr. Keith Perkins of USDA. One of the items Mr. Perkins alerted staff about was an upcoming visit to Wrangell by Ms. Tammye Trevino, Administrator for Housing and Community Facilities Programs.

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Ms. Trevino will be visiting Wrangell on June 10, 2013 and will be touring the Irene Ingle Public Library, Nolan Center, Wrangell Community Garden, Senior Housing, and the Wrangell Medical Center. All of these facilities were either partially funded by the USDA or received funding from the USDA for programs or equipment. Additionally, Ms. Trevino will also be visiting the AICS clinic and the proposed site for the WMC Replacement Facility.

Staff is still fine tuning the schedule of events for the day and when finalized, will forward them on to the Borough Assembly. An information sheet regarding Ms. Trevino is attached.

CITY AND BOROUGH OF WRANGELL V. SELLE-REA, ROBINSON, BJORGE, MCGEE, NELSON, ETTTEFAUGH, RHINEHART – As reported in February, the settlement conference regarding the above referenced legal action was concluded on February 19, 2013. On April 29, 2013, Superior Court Judge William B. Carey signed the Order for Dismissal based on the terms of the settlement.

The Order for Dismissal, as well as the referenced settlement documents, are attached for your information and review. The City and Borough of Wrangell has received the \$250,000 payment referenced in the documents and the next step in this process is the implementation of the protocol regarding the return of the information on the laptop and iPad.

TECHNOLOGY COMMITTEE – The Technology Committee conducted a meeting on Wednesday, May 15, 2013 at 4:00 PM at City Hall. Work continues on a policy document that will be put forward to the Borough Assembly regarding the use of technology by the Borough Assembly and potentially other elected/appointed Boards and Commissions of the City and Borough of Wrangell. The next meeting of the Technology Committee will be conducted on Wednesday, June 5, 2013 at 4:00 PM at City Hall.

HOLIDAY CLOSURES – All City and Borough of Wrangell offices will be closed on Monday, May 27, 2013 in observance of Memorial Day. Customers that would normally receive refuse service on Monday are asked to place their receptacles out before 8 AM on Tuesday, May 28, 2013.

UPCOMING TRAVEL – I will be out of town beginning late Wednesday afternoon, May 29, 2013 through Monday morning, June 3, 2013 on vacation. Mr. Jabusch will be Acting Borough Manager in my absence.

CAPITAL PROJECTS:

MARINE SERVICE CENTER CONCRETE PAVING, PHASE II - This contract was awarded by the Borough Assembly to Southeast Roadbuilders on March 12, 2013 as a base bid, as well as Alternate A. As the contract is currently awarded, all base bid work is to be completed this season with the contractor returning next season to complete Alternate A.

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Southeast Roadbuilders approached staff last week regarding the above project. As a result of the current pace of the project, they believe they can complete all work this year if the sequence of work was rearranged somewhat. The advantages to Southeast Roadbuilders if this were to occur would be that they would receive full payment this year, would be able to close out their bonding a year earlier, and it would eliminate any potential conflicts with work they may want to bid on next year.

The advantages to the City and Borough of Wrangell would be that we would not have a contractor interfering with operations at the Marine Service Center next year, there would be significant savings in inspection costs by shortening the project, and through the rearrangement of the sequencing of the work, there is some good rock that will be excavated from Alternate A that can be used for fill in other areas of this project and save the City and Borough of Wrangell money on fill that would have had to be produced by the contractor and trucked in.

Changing the sequence will cause some minor difficulties in the yard that will require relocating some stored boats at a time when yard space is very limited. It will also require that the North entrance to the yard be blocked at a time when several fishing boats will arrive by barge and need to be trailered to the yard to be launched by the Travel Lift. The only path into the Marine Service Center without encountering overhead power lines is currently through the North entrance.

To resolve these problems, staff has proposed removing a portion of the fence between the Nolan Center parking lot and the Marine Service Center yard, installing a temporary driveway through this opening which would allow the boats shipped by barge to gain access to the Marine Service Center yard, and to temporarily store up to four boats in the Nolan Center parking lot along the South side of the lot. This will leave half of the parking lot for Nolan Center Use and everything will be returned to its original condition **before the end of June.** If you have any questions regarding this project, please contact Mr. Johnson or Mr. Meissner.

ECONOMIC DEVELOPMENT:

BRASS TAX BUSINESS BASICS - The library will be offering a videoconference about the process of starting a small business. The *Brass Tacks Business Basics* will introduce participants to the fundamentals of entrepreneurship, business planning, and managing a business. This videoconference is scheduled for Thursday, June 27, 2013 at 5:00 PM. Registration is required as materials need to be printed for all attendees and they can register by calling the library.

ELECTRIC:

TREE CLEARING - This week staff was prepared for clearing the danger of trees along the Pat's Creek Bridge corridor. The timber cutter started on the south side of the bridge and was making great headway when an eagles nest was spotted in the crown of a very large spruce at the edge of the cut line north of the bridge. It is believed that the nest may be occupied.

Under the Protected Species Act, any activity in close proximity to an active nest is severely limited. While a permit could be applied for to remove the nest, the tree itself is regarded as a low risk hazard and will most likely be left to stand. The presence of actual nesting activity does however limit how much work can be done in the vicinity. At this point, all tree trimming has been halted on the north side of the bridge and will not resume until it can be verified that the nest is clear. If there are young eagles in the nest, that could be sometime in late August.

TYEE MAINTENANCE OUTAGE – Staff has received the schedule and switching orders for the Tyee Maintenance. It remains scheduled to run from Tuesday, May 28, 2013 through Thursday, June 6, 2013. The fuel company has been notified so that adequate fuel reserves will be on hand and all municipal buildings with the ability to heat with oil have been shifted back to oil for the duration of the run. The Electric Department encourages all residents to do their best to conserve electricity during the window of diesel operation.

TYEE TRANSMISSION LINE POLE REPLACEMENT - One of the maintenance projects hoped to be addressed after this year's outage was relocation of the wooden Tyee Transmission Line poles adjacent to the Heritage Harbor parking lot. The plan is to replace one pole that is showing signs of deterioration as well as return the other poles to alignment and out of the sidewalk. SEAPA had hoped to take this on in late-June following the scheduled outage.

Conflicts with harbor activity and fish processing have resulted in delaying the project until next May when heat loads and commercial activities are at their minimum. As Wrangell operations will need to go on diesel power for a good portion of the project and the job itself falls outside of the scope of SEAPA annual maintenance, staff has requested reimbursement for any fuel used as a result of the work.

METEOROLOGICAL TOWER PLACEMENT – Work continues with the meteorological tower placement on the island for purposes of collecting wind data for potential power generation. Currently the top of the clear-cut across from the golf course has been accepted by AEA (Alaska Energy Authority) as a test site and will proceed as soon as all the necessary permits are in place. As SEAPA has also been approached to participate in this study, it was suggested by the local Forest Service staff that any sites on Federal lands all be covered by one permit rather than many individual permits. SEAPA staff is looking into the possibility of addressing that through the Ketchikan Forest Service district as most of the remaining meteorological tower sites are located within that jurisdiction. The current plan would be for SEAPA to take care of the Forest Service

permitting issues and City and Borough of Wrangell staff would work with the AEA to cover local data collection for the two Wrangell Island sites.

LIBRARY:

SUMMER READING PROGRAM – The Summer Reading Program begins June 1, 2013 and will continue through July 31, 2013. This program is open to students going into kindergarten through 9th grade. Students that participate take computerized reading tests and earn chances to win more than 125 different prizes. There is also a pool and pizza party for all participants who accumulate at least 10 points. Donations of prizes are greatly appreciated.

According to the *School Library Journal*, students who take part in their local library's summer reading program significantly improve their reading skills for life.

MUSEUM:

EXHIBIT - The museum is currently featuring an exhibit on the archaeological items found during the soil removal associated with the Downtown Revitalization Project. This exhibit is located in the Nolan Center Lobby.

COLLECTIONS STORAGE AREA – There are two items to report regarding the Collections Storage Area:

- Work is being performed in order to repair some minor water damage to the floor in the collections storage room. This repair work should be completed soon.
- The inventory of the Collections Storage Room is complete, and items to be considered for deaccession have been identified. The next room to be tackled will be the archives storage room. Upon completion, staff will begin the process of data basing the collection into the PastPerfect software.

GIFT SHOP - Tourist season is kicking into gear here at the museum and the gift shop has been stocked with old favorites and new items for the community and its visitors. One of the favorite new items is SLUGS, which are fleece boot liners that are made in Thorn Bay.

PARKS AND RECREATIONS:

SAFETY GRANT - In an effort to promote awareness of the importance of safety and its value to employees, the Alaska Public Entity Insurance company has provided the Wrangell Parks and Recreation Department with a \$950 grant for the procurement of a fully submersible rescue training mannequin. Submerged humans are at risk when playing the role of victims during lifeguard training, and it is particularly difficult for a human to remain on the bottom of the pool long enough for a novice rescuer to perform a correct rescue. It is during these practice sessions that using a fully submersible manikin will ensure safe training practices.

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COMMUNITY CENTER - Following completion of closeout of the roof replacement project, staff plans to prepare a solicitation for removal of the heating system's pipe and insulation. This work will require shut down of portions of the building while construction is on-going. Staff is hopeful to begin this project during the summer, or as soon the roofing project is closed-out, and then complete the solicitation process for this next phase of construction.

SUMMER RECREATION PROGRAM - The Summer Recreation program for Ages 6 through 11 is scheduled to begin on Monday, June 3, 2013 and continue through Friday, August 9, 2013.

ADULT RECREATION PROGRAM - Several people have come forward and offered to work with the Parks and Recreation Department staff to make sure a Coed Softball program happens in Wrangell in 2013. Staff will be soliciting volunteers to help organize and sponsor teams.

PUBLIC WORKS:

HOUSEHOLD HAZARDOUS WASTE – The dates of the Household Hazardous Waste collection at the Transfer Station is Saturday and Sunday, June 8-9, 2013.

ATTACHMENTS:

1. Information regarding Ms. Tammye Trevino
2. Order for Dismissal signed by Superior Court Judge William B. Carey
3. Settlement Documents

Tammye Treviño

Administrator for Housing and Community Facilities Programs

On June 9, 2009, Agriculture Secretary Tom Vilsack appointed Tammye H. Treviño as Administrator for Housing and Community Facilities Programs in USDA's Rural Development Agency.

Since 1999, Treviño served as CEO for FUTURO, an Uvalde, Texas, non-profit organization that was created to implement a 10-year strategic plan for community and economic development. Before that, she was the Economic Development Director for LaSalle County, Texas, where her accomplishments included the conversion of a 47-county, South Texas think tank into a non-profit organization to work on regional economic development. Ms. Treviño held several positions with the Middle Rio Grande Council of Governments, including Research Assistant to the Deputy Director. She also was the Director of the 9-county region's Area Agency on Aging. Prior to her work in community development, Treviño spent more than 10 years in the health field managing a rural health clinic.

Treviño currently serves on the President's Task Force on the Status of Puerto Rico and is Secretary Vilsack's representative on the United States Interagency Council on Homelessness. She serves on several Federal working groups, including one on rental policy and another on Single Family Housing. The groups study issues such as rehabilitating Rural Development's aging Multi-Family Housing portfolio and the effects of housing foreclosures on the mortgage industry. Treviño works closely with groups that address narrowbanding issues in rural America, health information technology requirements, and ways to improve the accessibility and quality of medical services in rural America.

As Administrator of Housing and Community Facilities, Treviño is leading a Cultural Transformation Initiative within the Agency. She is implementing a plan that includes hiring reform, leadership and employee development, work-life balance, talent management and diversity training and awareness. The initiative has already significantly improved employee satisfaction, employee diversity and labor relations within Rural Housing and Community Facilities.

Treviño is certified as an Economic Development Finance Professional and a Housing Development Finance Professional. She received her Master of Business Administration from Sul Ross State University, Rio Grande College in Uvalde, Texas, and her Bachelor of Arts degree in communications from the University of Texas at San Antonio. Treviño is a native of Pearsall, Texas.



IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FIRST JUDICIAL DISTRICT AT WRANGELL

CITY AND BOROUGH OF WRANGELL,

Plaintiff,

v.

NOEL D. SELLE-REA, MARK ROBINSON,
LINDA BJORGE, LURINE MCGEE, JIM
NELSON, SYLVIA ETTEFAGH, and LEANN
RINEHART, individually and as co-conspirators

Defendants.

FILED in the Trial Courts
State of Alaska First District
at Wrangell

APR 29 2013

Clerk of the Trial Courts

By _____ Deputy

CASE NO.: 1WR-12- 55 CI

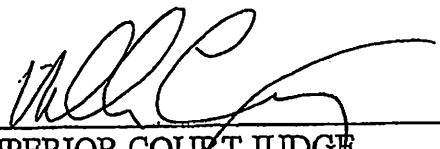
ORDER FOR DISMISSAL WITH PREJUDICE

The parties having stipulated and agreed that all claims, counterclaims and cross-claims asserted in this action or that could have been asserted in this action be dismissed with prejudice, IT IS ORDERED that:

1. The Complaint and Counterclaim are dismissed with prejudice.
2. All claims asserted by any party in this action and all counterclaims asserted by any party in this action are dismissed with prejudice.
3. All claims, counterclaims and cross-claims that could have been asserted by any party against any party are dismissed with prejudice.
4. All parties shall bear their own costs and attorneys fees.
5. The parties shall report the required information pursuant to A.S. 09.68.130 within thirty days of this order.

DATED: 4/29/13

I certify that on the 30 day
of April 2013 a true
and correct copy of this document
was scanned / faxed / mailed to: Blasco,
Dawson, Shoup & Co


SUPERIOR COURT JUDGE.
William B. Carey

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into by and between the City and Borough of Wrangell, Noel D. Selle-Rea ("Noel Rea"), Mark Robinson, Linda Bjorge, Lurine McGee, Jim Nelson, Sylvia Ettefagh and LeAnn Rinehart. This Agreement is dated February 19, 2013 for reference purposes only.

WHEREAS, the City and Borough of Wrangell (the "Borough") is the plaintiff in an action against Noel Rea, Mark Robinson, Linda Bjorge, Lurine McGee, Jim Nelson, Sylvia Ettefagh and LeAnn Rinehart (collectively, "Defendants") entitled City and Borough of Wrangell v. Noel D. Selle-Rea, Mark Robinson, Linda Bjorge, Lurine McGee, Jim Nelson, Sylvia Ettefagh and LeAnn Rinehart, Case No. 1 WR-12-00055 CI, pending before the Superior Court for the State of Alaska, First Judicial District at Wrangell ("the Action"); and

WHEREAS, Noel Rea has filed counterclaims against the City and Borough of Wrangell in the Action; and

WHEREAS, the Borough and Defendants desire to settle all claims and counterclaims in the Action and all claims and counterclaims that could have been brought by the parties in this Action as set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. This Agreement is effective when the last of the parties to this Agreement has executed it and each party's counsel has received a signed copy from counsel for each of the other parties.
2. The Borough and Rea have agreed upon a Protocol governing the return of a laptop computer now held by Digital Securus and an iPad in Noel Rea's possession. The Protocol includes a provision for a final and binding decision with respect to any matters covered by the Protocol by a neutral third party. The Protocol is attached as Exhibit B to this Settlement Agreement and, as to the Borough and Rea only, is incorporated into the Settlement Agreement. The parties agree that the Closing shall occur as described in Paragraph 3 below and the Stipulation for Dismissal with Prejudice shall be filed with the Court pursuant to Paragraph 3 below even if the process of the Protocol has not been fully completed within the time specified for Closing.
3. Closing under this Agreement shall occur at a mutually agreeable time and place within fourteen (14) days after the Effective Date of this Agreement. At Closing:
 - (a) Defendants shall deliver payment to the Borough in the amount of Two-hundred and fifty-thousand dollars and no cents (\$250,000). The check shall be made out to the City and Borough of Wrangell, and the Borough shall provide Defendants with the necessary EIN at least ten (10) days prior to Closing;

(b) Plaintiff shall deliver to counsel for Defendants a release in the form of the Release attached hereto as Exhibit A, executed by Plaintiff, the terms of which Release are hereby incorporated in this Agreement;

(c) Defendants shall deliver to counsel for Plaintiff a release in the form of the Release attached hereto as Exhibit A, executed by Defendants, the terms of which Release are hereby incorporated in this Agreement; and

(d) The parties shall cause their respective counsel to execute a stipulation dismissing the Action, including all claims and counterclaims brought or which could have been brought, with prejudice in its entirety, each party is to bear its own attorneys fees and costs. The fully-executed stipulation shall be delivered to counsel for Noel Rae, who shall promptly file the same in the Action.

4. Each party agrees that it shall not make any disparaging statements, whether oral or written to any persons of or about any other party, relating to any events that were at issue in the Action ("Disparaging Statements"). For purposes of this Agreement, Disparaging Statements means oral or written communications that lower a party in rank or reputation, speak slightly about a party, denigrate, degrade, discredit or bad-mouth a party, with respect to any events that were at issue in the Action. This includes any events discussed in the pleadings or other filings by any party in the Action. For purposes of this paragraph 4, "Borough Entities" shall mean the Mayor, Assembly members, borough manager, and borough officers as defined by the Wrangell Municipal Code, holding office at any time during the period of June 19, 2012 until five years from the effective date of this Agreement, and the Wrangell Medical Center and Long Term Care Facility (the "Medical Center") and its officers, as defined by its By-Laws, and the Medical Center board members holding office at any time during the period of June 26, 2012 until five years from the effective date of this agreement. Only statements by "Borough Entities" shall be considered statements by the Borough. The Borough will provide a copy of this Agreement to all such Borough Entities for whom the Borough has current contact information and will make a reasonable effort to advise those persons that they are to abide by the non-disparagement terms of this Agreement. By signing this Settlement Agreement and Release, each of the Defendants acknowledges and agrees that he or she has been advised that they are to abide by the non-disparagement terms of this Agreement. Disparaging Statements by any of the Defendants include Disparaging Statements against the Borough as an entity, or the Assembly as a body, regardless of whether any Borough assembly member or officer is individually named or identified. This non-disparagement provision shall continue in effect as to the Borough Entities and as to each of the Defendants until five years from the effective date of this Agreement. In addition to any remedies that would be available at law, any of the parties may enjoin any breach or threatened breach of this paragraph. The Defendants agree that any action brought by any defendant asserting a breach of this provision by Borough Entities shall be brought only against the City and Borough of Wrangell and/or against a Borough Entity in his or her official capacity.

Nothing in this paragraph shall prevent any party or the Borough Entities from making any truthful statement in connection with any judicial proceeding by any governmental authority

and/or any government proceeding in which the party or Borough Entity is compelled by subpoena to testify.

5. This Settlement Agreement and Release contains the entire understanding between the parties in connection with the subject matter hereof, and it supersedes and replaces any and all prior negotiations, agreements and representations, whether oral or written. This Agreement and its Exhibit may not be modified or amended in any respect unless in writing signed by all parties. This Agreement may be executed in counterparts, each of which will constitute an original, and all of which together shall be deemed a single document.

6. This Settlement Agreement and Release is designed strictly for the purpose of compromising disputed claims and avoiding the continuing expenses and risks of litigation. It is not, nor shall it be construed or characterized as, an admission by any party or third party beneficiary of liability or wrongdoing.

7. The Borough is entering into this Settlement Agreement on behalf and for the benefit of the Borough and the Medical Center. The Borough warrants that it has the authority to sign this Settlement Agreement on behalf of, and thereby to bind, the Medical Center. The Borough further represents that the Borough Assembly has authorized and approved the Borough's execution of this Agreement.

8. The interpretation and enforcement of this Settlement Agreement and Release shall be governed by the laws of the State of Alaska. It shall be construed according to the fair intent of the language as a whole, and not for or against any of the parties. If any term, covenant, condition or provision of this Settlement Agreement and Release, or the application thereof to any person or circumstance, shall at any time or to any extent be determined to be invalid or unenforceable, the remaining terms, covenants, conditions and provisions of this Settlement Agreement and Release shall not be affected thereby and shall be deemed valid and fully enforceable to the fullest extent permitted by applicable law.

City and Borough of Wrangell, for itself and on behalf of the Wrangell Medical Center and Long Term Care Facility.

By: _____ Date _____

Its: _____



Noel Rea

Date 3/27/13

Mark Robinson

Date _____

Jim Nelson

Date _____

Sylvia Ettenfagh

Date _____

Linda Bjorge

Date _____

Lurine McGee

Date _____

LeAnn Rinehart

Date _____

Exhibit A

RELEASE

This Release is given this 19th day of February, 2013, by the City and Borough of Wrangell (the "Borough"), Noel D. Selle-Rea ("Noel Rea"), Mark Robinson, Linda Bjorge, Lurine McGee, Jim Nelson, Sylvia Ettefagh and LeAnn Rinehart, in consideration of, and as a condition to, that certain Settlement Agreement dated February 19, 2013, between the Borough, Noel Rea, Mark Robinson, Linda Bjorge, Lurine McGee, Jim Nelson, Sylvia Ettefagh and LeAnn Rinehart (the "Parties"). For purposes of this Release, the Borough includes the Wrangell Medical Center and Long Term Care Facility (the "Medical Center").

Each Party to this agreement, on behalf of itself and its respective employees, officers, agents, divisions, partners, representatives, attorneys, sureties and insurers, trustees, administrators and receivers, successors and predecessors in interest, and assigns, and each of them, past, present and future (collectively and severally, "Releasors"), hereby releases and fully discharges each of the other Parties and each of the other Parties' respective employees, officers, agents, divisions, partners, representatives, attorneys, sureties and insurers, trustees, administrators and receivers, successors and predecessors in interest, heirs, and assigns, and each of them, past, present and future (collectively and severally, "Releasees"), from every claim, demand, liability, action and cause of action whatsoever, of every kind and nature, whether arising out of contract, tort, statute or otherwise, in law or in equity, including all claims for compensatory, special, liquidated and punitive damages, penalties, costs, expenses and attorneys' fees, and other types of loss or losses, whether presently known or unknown, fixed or contingent, matured or unmatured, suspected or unsuspected, arising or alleged to have arisen out of, or relating to, any of the facts which are the subject of the lawsuit entitled City and Borough of Wrangell v. Noel D. Selle-Rea, Mark Robinson, Linda Bjorge, Lurine McGee, Jim Nelson, Sylvia Ettefagh and LeAnn Rinehart, Case No. 1 WR-12-00055 CI, pending before the Superior Court for the State of Alaska, First Judicial District at Wrangell ("the Action"), including without limitation any claims which were or could have been brought by any of the Parties against any of the other Parties in the Action. Without limiting the foregoing, the foregoing release of claims by the Borough is also made by the Borough on behalf of the past, present and future mayor and assembly members of the Borough, and the Medical Center, and the current and future board members of the Medical Center; and the entities released by the foregoing release by the other Parties shall include the past, present and future mayor and assembly members of the Borough, and the Medical Center, and the current and future board members of the Medical Center.

Each Party warrants that it has not assigned or transferred any claim or part or portion of any claim released herein. Each Party further warrants that if such assignment or transfer has occurred, it will defend, indemnify and hold all Releasees harmless from and against any claims based on or arising out of any such assignment or transfer purported or claimed. The Borough further agrees that it will defend, indemnify and hold the other Parties harmless from and against any and all demands, actions, lawsuits, arbitrations, or any other proceedings by the Medical Center as a result of or pertaining to any of the claims released and discharged herein.

The intention of the Parties being to fully, completely and forever settle, compromise, release and discharge all claims released herein, each Party warrants that it will not by itself or in concert with others, maintain or cause to be maintained any demands, actions, lawsuits, arbitrations, or any other proceedings against any other Party in any capacity whatsoever as a result of or pertaining to the claims released and discharged herein.

Each Party acknowledges that none of the Releasees nor any agent or attorney of any Releasee has made any promises, representations or warranties whatsoever, express or implied, not contained herein, concerning the subject matter hereto, to induce him, her or it to execute this Release, and each Party acknowledges that it has not executed this Release in reliance upon any promises, representations, or warranties not contained herein. Each Party further acknowledges that it has had a full and complete opportunity to independently investigate all facts material hereto, and has done so.

It is understood that the nature and extent of any potential damages and injuries which may have been sustained by any Party may substantially change or worsen and that new damages may be discovered in the future. It is nevertheless each Parties' intent to unequivocally release and forever discharge the Releasees from any and all claims accrued, accruing, or which may accrue in the future as a result of, in connection with, or related to any changes in the nature and extent of said damages or injuries or as a result of the discovery of new damages or injuries. With respect to the foregoing, each Party acknowledges its familiarity with the decision in the case of Witt v. Watkins, 579 P.2d 1065 (Alaska 1978), and it is still each Parties' intent to release the Releasees from any and all claims accrued, accruing, or which may accrue in the future.

Each Party acknowledges its familiarity with the decisions in the cases of Young v. State, 455 P.2d 889 (Alaska 1969) and Totem Marine T. & B. v. Alyeska Pipeline, 584 P.2d 15 (Alaska 1978), and any protections of the holdings therein relevant to the present case are hereby waived. Each Party states that it is such Party's true intent and desire to fully release all the individuals, firms or corporations who may in any way have been connected with any claims released herein as fully as though they were specifically listed and named herein. Each Party specifically represents that it understands that it is not required or compelled to agree to the terms of this Release, and acknowledges the availability of other reasonable alternatives and adequate remedies, including continued litigation, but has nonetheless freely, voluntarily and intelligently chosen not to pursue the same for the purposes of making a full, final and complete compromise of the claims released herein.

This Release is designed strictly for the purpose of compromising a disputed claim and avoiding the expenses and risks of litigation. It is not, nor shall it be construed or characterized as, an admission by any party of liability or wrongdoing.

Each of the individuals signing this Release on behalf of a Party hereto warrants that he or she has the authority to sign the Release and thereby to bind the Party on whose behalf he or she signs. The Borough further represents that the Borough Assembly has authorized and approved the Borough's execution of this Release. This Release shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties. Without limiting the foregoing, the


Borough warrants that it has the authority to sign this Release on behalf of, and thereby to bind, the Medical Center.

The interpretation and enforcement of this Release shall be governed by the laws of the State of Alaska. Each Party acknowledges that it has had ample opportunity to consult with its attorneys concerning this Release, and agrees that this Release shall be construed according to the fair intent of the language as a whole, and not for or against any of the parties.

This Release is not a release of any obligations under the Settlement Agreement.

City and Borough of Wrangell, for itself and of behalf of the Wrangell Medical Center and Long Term Care Facility.

By: _____ Date _____
Its: _____



Noel D. Selle-Rea Date 3/27/13

Mark Robinson Date _____

Jim Nelson Date _____

Sylvia Ettenfagh Date _____

Linda Bjorge Date _____

Lurine McGee

Date _____

LeAnn Rinehart

Date _____

PROTOCOL

This Protocol memorializes terms agreed to by the City and Borough of Wrangell (the "Borough") and Noel D. Rea ("Rea") at the conclusion of the settlement conference conducted on February 19, 2013 (the "Effective Date") in City and Borough of Wrangell v. Noel D. Selle-Rea, Mark Robinson, Linda Bjorge, Lurine McGee, Jim Nelson, Sylvia Ettefagh and LeAnn Rinehart, Case No. 1WR-12-00055 CI, pending before the Superior Court for the State of Alaska, First Judicial District at Wrangell (the "Action").

1. Laptop and iPad. As used herein, "Laptop" refers to the laptop computer, and "iPad" refers to the iPad, at issue in the Borough's Motion for Order for Return of Laptop Computer and iPad to Borough to Allow Forensic Examination filed in the Action on September 17, 2012.

2. Former Judge. Within 30 days from the Effective Date, the parties shall jointly retain and instruct a former Alaska superior court judge ("Judge") to perform those functions that under this Protocol are required to be performed by the Judge. The cost of the Judge shall be borne equally by the parties.

3. IT Consultant. The parties shall jointly retain and instruct an experienced IT person or firm ("IT Consultant") to perform those functions that under this Protocol are required to be performed by the IT Consultant. If within 30 days from the Effective Date the parties cannot agree on such IT Consultant, the Judge shall select one. However, the Judge shall not select an IT Consultant who has been retained or paid in the past by any party to this Protocol or by their counsel or law firm(s). The cost of the IT Consultant shall be borne equally by the parties.

4. Holding Agent. The parties shall jointly retain and instruct an escrow company, bank, or other independent third party (the "Holding Agent") to perform those functions that under this Protocol are required to be performed by the Holding Agent. If within 30 days from the Effective Date the parties cannot agree on such Holding Agent, the Judge shall select one. However, the Judge shall not select a Holding Agent who has been retained or paid in the past by any party to this Protocol or by their counsel or law firm(s). The cost of the Holding Agent shall be borne equally by the parties.

5. Delivery of Devices. The iPad and Laptop shall remain where they are until delivery to the IT Consultant. There shall be no additions to either item and there shall be no deletions from either item during this time. Immediately following selection of the IT Consultant, Rea shall deliver the iPad to the IT Consultant, and the parties shall jointly instruct Digital Securus to deliver the Laptop to the IT Consultant. If Digital Securus refuses to deliver the Laptop to the IT Consultant or refuse to allow the IT Consultant to pick up the Laptop, the Borough and Rea agree to immediately make application to the Court to obtain an order requiring Digital Securus to release the Laptop to the IT Consultant. Chain-of-custody documentation will be maintained throughout the exchange and handling of each device.

6. Digital Images. The IT Consultant shall make digital images of the Laptop hard drive and iPad storage (collectively, the "Images") in such a manner that everything on both devices shall be copied and saved and shall deliver the Images to the Holding Agent. The Holding Agent shall hold and preserve the Images, and except as expressly permitted under this section, the

Holding Agent shall not release, provide copies of, make available, or otherwise disclose the Images or any data contained therein to any entity without the written consent of both parties. In the event the Holding Agent is served with a motion, subpoena, court order, or other legal process seeking disclosure of the Images or any data contained therein, the Holding Agent shall promptly give written notice of the same to both parties so as to allow either party to oppose such disclosure or seek an appropriate protective order or other limitation on such disclosure.

7. Personal Information. As used herein, "Personal Information" means all information personal to Rea, including all personal emails, attorney-client privileged communications to or from David Shoup, Richard Maki, Bankston Gronning O'Hara, or Tindall Bennett & Shoup, all personal Internet searches and history, personal letters, divorce papers, personal financial information, personal medical information, and personal legal information.

8. Non-Email Data.

(a) Rea shall make and provide to the Borough a list of all applications, directories, or other locations on the Laptop or the iPad that contain exclusively Personal Information, excluding email applications or directories containing emails.

(b) If the Borough objects to particular information included in the list, the Borough shall provide such objection to the Judge, who shall review the information and promptly make a determination as to whether the information is Personal Information. In making such determination, the Judge may at the Judge's discretion seek additional information from either party.

(c) At such time as any objections by the Borough have been resolved by the Judge, and after making an electronic copy for Rea of any Personal Information requested by Rea, the IT Consultant shall delete all documents, application data, directories, or other locations on the Laptop or the iPad that are identified as containing exclusively Personal Information. The IT Consultant shall provide the Borough with an electronic copy of all other data on the Laptop and iPad, other than email applications data and directories containing emails.

d) Either party may have a consultant present during any of this process, but no consultant may see any information from either device.

9. Email Data.

(a) The IT Consultant shall provide Rae with an electronic copy of all emails in a format that allows Rae to electronically mark, tag, or otherwise identify ("tag") all emails constituting Personal Information. Rae shall review such copy, shall tag all emails constituting Personal Information, and shall provide the Judge with such copy with the tagged emails. If an email contains both Personal Information and information related to the business of the Wrangell Medical Center, Rae shall indicate to the Judge the Personal Information that should be redacted from the email. The Judge shall review the tagged emails, and shall for each tagged email promptly make a determination as to whether the email, or information for which redaction is

requested, is Personal Information. In making such determination, the Judge may at the Judge's discretion seek additional information from either party.

(b) Following the Judge's review, the IT Consultant shall delete all emails tagged by Rae as constituting Personal Information, and shall redact those emails where Rae has requested such redaction, except where the Judge has determined that the email or the information for which redaction was requested does not constitute Personal Information. An electronic copy of all remaining emails, after all required deletions and redactions, shall be provided by the IT Consultant to the Borough.

c) Either party may have a consultant present during any of this process, but no consultant may see any information from either device.

10. Destruction of Devices. After the IT Consultant has completed the steps required of the IT Consultant in Sections 6, 8, and 9, the IT Consultant shall destroy the Laptop and the iPad in such a way that data cannot be retrieved from either device, and shall confirm in writing to the parties that the same has been done.

11. Compensation for Devices. Within ten days after the IT Consultant's confirmation that the Laptop and iPad have been destroyed, Rea shall pay the Borough the sum of \$2,500 as compensation for the devices.

12. Judge as Arbitrator. The Judge's decisions under this Protocol, including any disputes arising under this Protocol are final and there is no appeal.

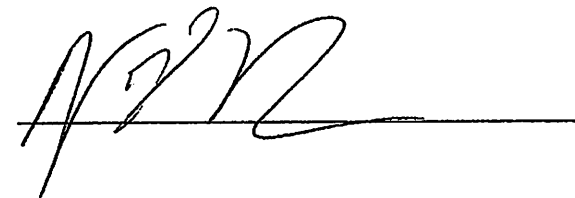
City and Borough of Wrangell

By _____

Dated _____

Its _____

Noel Rea



Dated 3/21/13

Agenda Item 9

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

BOROUGH CLERK'S FILE:

Mark Your Calendar:

- 6/6 Port Commission Mtg. @ 7 pm in the Assembly Chambers
- 6/8-9 Spring Clean-up ~ Household Hazardous Waste at the Transfer Station (Landfill)
- 6/11 Regular Borough Assembly Mtg. @ 7 pm in the Assembly Chambers
- 6/13 Planning & Zoning Commission Mtg. @ 7 pm in the Assembly Chambers
- 6/19 Wrangell Medical Center Board Mtg. @ 5:30 pm in the Nolan Center Classroom
- 6/20 Wrangell Convention & Visitors Bureau Mtg. @ 6:30 pm in the Assembly Chambers

Borough Clerk Traveling

I will be traveling to Tacoma from June 8th to June 22nd to attend the Municipal Clerks Professional Development Institute in Tacoma, Washington.

Deputy Clerk Bean will hold down the fort while I am away.

Alaska Municipal League Summer Legislative Meeting

This year's AML Summer Meeting will be held in Valdez, AK at the Convention & Civic Center ~ August 20 – 22, 2013.

I have made reservations for Mayor Jack and Assembly Member Christian. Are there any others who are interested in attending?

Thank you,
Kim Flores

Agenda Items 10 a, b & c

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS:

INFORMATION: This agenda item is reserved for the Mayor and Assembly Member's special reports. Such information items as municipal league activities, reports from committees on which members sit, conference attendance, etc., are examples of items included here.

Item 10a Reports by Assembly Members

Item 10b Appointment to fill the vacancies on the Planning & Zoning Commission

*There were **no** letters of interest received for either vacancy*

Borough Clerk will continue to advertise for *letters of interest* to fill the vacancies.

Item 10c Appointment to fill the vacancy on the Economic Development Committee

*There was **one** letter of interest received for the unexpired term until October 2015 from:*

- *Cyni Waddington*

RECOMMENDED ACTION

Appointment to be filled by appointment by the Mayor and confirmation by the assembly for the unexpired **term ending October 2015**

Recommended Action if not approved with the consent of the Assembly:

Motion: Move to appoint _____ to fill the vacancy on the Economic Development Committee for the unexpired term up until **October 2015**.

Agenda Item 13a

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

INFORMATION:

PROPOSED RESOLUTION No. 05-13-1275: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, LEVYING A GENERAL TAX FOR SCHOOL AND MUNICIPAL PURPOSES UPON ALL TAXABLE PROPERTY WITHIN THE BOROUGH FOR THE TAX YEAR 2013 PURSUANT TO WRANGELL MUNICIPAL CODE SECTION 5.04.010; PROVIDING FOR THE COLLECTION OF TAXES DUE IN 2013 AND PRESCRIBING PENALTIES AND INTEREST FOR DELINQUENT TAXES

Attachments

1. Memorandum from Finance Director Jeff Jabusch, dated May 21, 2013
2. Proposed Resolution No. 05-13-1275

RECOMMENDED ACTION:

Move to adopt resolution.

Sheet intentionally blank

MEMORANDUM

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

**FROM: JEFF JABUSCH
FINANCE DIRECTOR**

**TIMOTHY ROONEY
BOROUGH MANAGER**

SUBJECT: FY 2013-14 BUDGET

DATE: May 21, 2013

BACKGROUND:

The FY 2013-14 draft budget was provided to the Borough Assembly April 29, 2013. Since that time, there are only three changes identified as being required to be made to the draft budget. Those changes are as follows:

- After the Board of Equalization, the amount of property tax revenue will increase by \$6,960. This is currently listed in the draft on page 11, item 4005. The new value is \$1,586,960.
- The cemetery line item 7110 should be changed from \$10,000 to \$11,000 as there was a typographical error in the original draft.
- Page 67 was not included in the draft budget. This is the budget for the Transient Tax or Bed Tax Fund. A copy of that budget is attached.

UNKNOWNNS:

There are several unknowns we may not know for some time. All of these can be dealt with at a later time should they result in a significant impact on the budget. The major items are as follows:

- Health Insurance – Currently the budgeted increase is 37%. The City and Borough of Wrangell's insurance specialist is looking at all options available to us. The outcome cannot get worse, only better or the same. We hope to have more information back in the next couple of weeks.
- Secure Schools – Although we are pretty sure Secure Schools will be renewed, we have only budgeted receiving 75% of the 2013 level. If it is less than that or not at all, there is a reserve built up for the school which will provide four or five years to readjust.
- Federal Payment in Lieu of Taxes (PILT) – PILT was reduced by 5% for the payment we will receive in June 2013. What is not known is if the program will be reduced more than that come June of 2014. Staff has estimated a reduction of 25% for FY 2013-2014. If it is significantly more than the 25%, we can see the impact and adjust the budget in mid year if necessary.
- Sales Tax Proposition – The Sales Tax Proposition to be placed on the October 1, 2013 ballot will be decided by the voters. The contingency plan is in place on page 44A and would be part of the approved budget. In the event the proposition passes, all of the items that can go into effect immediately will and those that cannot (such as the increase to property taxes) would go into effect at the next available opportunity.

Once the budget is approved, Mr. Jabusch will incorporate all of the outlined changes above and add graphs and other informative information.

RESOLUTION NO. 05-13-1275:

The mill rate is proposed to remain at the current 12.75 in the service area (land on Wrangell Island on the road system) and 4.00 mills for all other parcels within the borough. This represents the third year in a row that the mill rate has been proposed by staff to remain at existing levels despite voter approval to raise it to 13.

RESOLUTION NO. 05-13-1276:

This resolution would approve the budget and includes the draft budget presented with the three changes listed above. The resolution lists each fund within the budget and the amount of revenues, expenditures and reserves for each of these.

RECOMMENDATION:

1. Staff recommends the Borough Assembly approve Resolution No. 05-13-1275.
2. Staff recommends the Borough Assembly approve Resolution No. 05-13-1276.

ATTACHMENTS:

1. Transient Tax Fund Information – Page 67

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 05-13-1275

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, LEVYING A GENERAL TAX FOR SCHOOL AND MUNICIPAL PURPOSES UPON ALL TAXABLE PROPERTY WITHIN THE BOROUGH FOR THE TAX YEAR 2013 PURSUANT TO WRANGELL MUNICIPAL CODE SECTION 5.04.010; PROVIDING FOR THE COLLECTION OF TAXES DUE IN 2013 AND PRESCRIBING PENALTIES AND INTEREST FOR DELINQUENT TAXES

WHEREAS, the Borough Assembly sitting as the Board of Equalization has regularly assessed and equalized all real property within the City and Borough of Wrangell and has fixed a time at which the taxes levied shall be paid, and has fixed the date of delinquency, and has established that taxes remaining unpaid after the delinquent date shall be collected and have penalties and interest added thereto in accordance with law. The Borough Assembly has provided herein for payment and the date of delinquency of all taxes levied on the property assessed on the tax rolls.

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

Sec. 1. There is hereby levied upon all taxable real property in the City and Borough of Wrangell, Alaska, as previously taxed by the City of Wrangell, except such property as is exempt by law from taxation, a mill rate of 12.75 mills for the tax year 2013, for the Wrangell Service Area, 4.0 mills for property outside the Service Area, and 4.0 mills for the tax differential zone as described in 5.04.310 (a).

Sec. 2. Taxes levied pursuant to this resolution shall be due and payable on or before August 15, 2013; however, the taxpayer may pay such taxes in two (2) installments pursuant to Wrangell Municipal Code Section 5.04.350. Penalty and interest shall accrue on an unpaid installment from 5:00 p.m. on the date the installment becomes due.

Sec. 3. Taxes remaining unpaid after the delinquent date shall be collected and have penalties and interest added thereto in accordance with law.

Sec. 4. This resolution shall become effective upon its passage and adoption.

ADOPTED: _____, 2013

David L. Jack, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

Agenda Item 13b

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

INFORMATION:

PROPOSED RESOLUTION No. 05-13-1276: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADOPTING THE BUDGET FOR ALL FUNDS OF THE CITY OF WRANGELL, ALASKA, FOR THE FISCAL YEAR 2013-2014

Attachments

1. Memorandum from Finance Director Jeff Jabusch, dated May 21, 2013
2. Transient Tax Fund Information – Page 67
3. Proposed Resolution No. 05-13-1276

RECOMMENDED ACTION:

Move to adopt resolution.

MEMORANDUM

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

**FROM: JEFF JABUSCH
FINANCE DIRECTOR**

**TIMOTHY ROONEY
BOROUGH MANAGER**

SUBJECT: FY 2013-14 BUDGET

DATE: May 21, 2013

BACKGROUND:

The FY 2013-14 draft budget was provided to the Borough Assembly April 29, 2013. Since that time, there are only three changes identified as being required to be made to the draft budget. Those changes are as follows:

- After the Board of Equalization, the amount of property tax revenue will increase by \$6,960. This is currently listed in the draft on page 11, item 4005. The new value is \$1,586,960.
- The cemetery line item 7110 should be changed from \$10,000 to \$11,000 as there was a typographical error in the original draft.
- Page 67 was not included in the draft budget. This is the budget for the Transient Tax or Bed Tax Fund. A copy of that budget is attached.

UNKNOWNNS:

There are several unknowns we may not know for some time. All of these can be dealt with at a later time should they result in a significant impact on the budget. The major items are as follows:

- Health Insurance – Currently the budgeted increase is 37%. The City and Borough of Wrangell's insurance specialist is looking at all options available to us. The outcome cannot get worse, only better or the same. We hope to have more information back in the next couple of weeks.
- Secure Schools – Although we are pretty sure Secure Schools will be renewed, we have only budgeted receiving 75% of the 2013 level. If it is less than that or not at all, there is a reserve built up for the school which will provide four or five years to readjust.
- Federal Payment in Lieu of Taxes (PILT) – PILT was reduced by 5% for the payment we will receive in June 2013. What is not known is if the program will be reduced more than that come June of 2014. Staff has estimated a reduction of 25% for FY 2013-2014. If it is significantly more than the 25%, we can see the impact and adjust the budget in mid year if necessary.
- Sales Tax Proposition – The Sales Tax Proposition to be placed on the October 1, 2013 ballot will be decided by the voters. The contingency plan is in place on page 44A and would be part of the approved budget. In the event the proposition passes, all of the items that can go into effect immediately will and those that cannot (such as the increase to property taxes) would go into effect at the next available opportunity.

Once the budget is approved, Mr. Jabusch will incorporate all of the outlined changes above and add graphs and other informative information.

RESOLUTION NO. 05-13-1275:

The mill rate is proposed to remain at the current 12.75 in the service area (land on Wrangell Island on the road system) and 4.00 mills for all other parcels within the borough. This represents the third year in a row that the mill rate has been proposed by staff to remain at existing levels despite voter approval to raise it to 13.

RESOLUTION NO. 05-13-1276:

This resolution would approve the budget and includes the draft budget presented with the three changes listed above. The resolution lists each fund within the budget and the amount of revenues, expenditures and reserves for each of these.

RECOMMENDATION:

1. Staff recommends the Borough Assembly approve Resolution No. 05-13-1275.
2. Staff recommends the Borough Assembly approve Resolution No. 05-13-1276.

ATTACHMENTS:

1. Transient Tax Fund Information – Page 67

CITY AND BOROUGH OF WRANGELL
TRANSIENT TAX FUND (CVB)
FISCAL YEAR 2013-2014

PAGE 67

CLASSIFICATION	2011-2012 ACTUAL	2012-2013 APPROVED BUDGET	2012-2013 REVISED ESTIMATE	2013-2014 APPROVED BUDGET
<u>REVENUES</u>				
CVB JULY 1 FUNDS AVAILABLE	42,932	67,436	67,436	51,541
CPV JULY 1 FUNDS AVAILABLE	38,665	58,015	58,015	59,745
28.00.00				
4025 PENALTY AND INTEREST	2,042	-	400	200
4030 TRANSIENT TAX REVENUE	40,850	35,000	43,000	38,000
4500 CENTENNIAL MINT COIN SALES	18	-	25	25
4550 CPV TAX FROM STATE	19,350	2,500	1,730	2,000
4590 CRUISESHIP MARKETING	-	-	-	-
4805 INTEREST INCOME	707	-	-	-
4835 ADVERTISING (NET OF COSTS)	23,225	5,000	10,000	5,000
TOTAL REVENUES & RESERVES	167,788	167,951	180,606	156,511
<u>APPROPRIATIONS</u>				
28.01.00				
5301 TRAVEL	6,429	6,500	8,000	8,000
5590 CRUISESHIP MARKETING	250	-	11,250	-
5601 TELEPHONE EXPENSE	-	350	350	350
5801 POSTAGE EXPENSE	964	1,200	1,200	1,200
5805 PROMOTIONAL	8,793	25,000	18,000	20,000
5810 WEB HOSTING	1,032	1,000	1,000	1,100
5840 DUES	375	4,000	4,000	4,000
6005 ADVERTISING EXPENSE	16,494	16,500	17,520	18,000
6550 CPV EXPENDITURES	-	60,515	-	-
6630 CONTRIBUTION TO NOLAN CTR	8,000	8,000	8,000	8,000
TOTAL TRANSIENT TAX EXP	42,337	123,065	69,320	60,650
CVB JUNE 30 RESERVE	67,436	44,886	51,541	33,891
CPV JUNE 30 RESERVE	58,015	-	59,745	61,745
TOTAL EXPENDITURES & RESERVE	167,788	167,951	180,606	156,286

NOTES:

ACCOUNT 4590 - CONTRIBUTIONS BY MERCHANTS AND OPERATORS FOR
CRUISESHIP MARKETING.

ACCOUNT 5590 - REFUNDING MONEY MERCHANTS GROUP HAD DEPOSITED

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 05-13-1276

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADOPTING THE BUDGET FOR ALL FUNDS OF THE CITY OF WRANGELL, ALASKA, FOR THE FISCAL YEAR 2013-2014

WHEREAS, the Borough Assembly sitting as the Board of Equalization on May 13, 2013, assessed and equalized all real property within the City and Borough of Wrangell; and

WHEREAS, taxes levied upon boats; taxes on taxable property; delinquent date for payment of taxes and penalty and interest for late payment of taxes are provided in Wrangell Municipal Code, Chapter 5; and

WHEREAS, the Assembly at their regular meeting held May 28, 2013, approved a mill rate of 12.75 mills for the Wrangell Service Area, 4.0 mills for property outside the Service Area, and 4.0 mills for the tax differential zone as described in 5.04.310 (a); and

WHEREAS, the Assembly of the City and Borough of Wrangell, Alaska has been presented with the proposed budget for the fiscal year 2013-2014 in accordance with the Wrangell City Charter Section 5-2; and

WHEREAS, the Assembly held a public hearing on May 14, 2013, on the proposed budget in accordance with Wrangell City Charter Section 5-3; and

WHEREAS, the Assembly has approved the proposed budget as presented and/or amended.

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

- Sec. 1. That the General Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$10,812,233 is hereby adopted.
- Sec. 2. That the Capital Project Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$146,150 is hereby adopted.
- Sec. 3. That the Miscellaneous Grants Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$39,998 is hereby adopted.

- Sec. 4. That the Nolan Center Operating Fund, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$464,628 is hereby adopted.
- Sec. 5. That the Sales Tax Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$3,317,987 is hereby adopted.
- Sec. 6. That the Theater Fund, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$134,485 is hereby adopted.
- Sec. 7. That the Pool/Recreation Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$1,503,479 is hereby adopted.
- Sec. 8. That the Borough Organizational Fund, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$314,536 is hereby adopted.
- Sec. 9. That the Transient Tax Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$156,511 is hereby adopted.
- Sec. 10. That the Secure Schools Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$4,737,253 is hereby adopted.
- Sec. 11. That the Economic Recovery Fund, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$503,890 is hereby adopted.
- Sec. 12. That the Permanent Fund, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$6,596,358 is hereby adopted.
- Sec. 13. That the Debt Service Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$376,376 is hereby adopted.
- Sec. 14. That the Residential Construction Fund, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$60,000 is hereby adopted.
- Sec. 15. That the Industrial Construction Fund, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$243,638 is hereby adopted.
- Sec. 16. That the Sewer Utility Revenue Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$724,159 is hereby adopted.
- Sec. 17. That the Sanitation Fund, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$541,860 is hereby adopted.
- Sec. 18. That the Electric Utility Enterprise Fund budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$5,057,581 is hereby adopted.

Sec. 19. That the Water Utility Enterprise Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$930,879 is hereby adopted.

Sec. 20. That the Port Utility Enterprise Fund Budget, reserves and transfers, for the fiscal year 2013-2014, in the amount of \$4,848,710 is hereby adopted.

Sec. 21. That a copy of the final budget, as approved, be attached hereto and adopted by reference.

ADOPTED: May 28, 2013

David L. Jack, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

Agenda Item 13c

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

INFORMATION:

PROPOSED RESOLUTION No. 05-13-1277: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADOPTING THE UPDATED BOROUGH RECORDS RETENTION SCHEDULE; REPEALING RESOLUTION 01-01-843 AND THE 1992 GENERAL RECORDS RETENTION SCHEDULE; AND PROVIDING FOR AN EFFECTIVE DATE

Attachments

1. Memorandum from Borough Clerk Flores, dated May 21, 2013.
2. Proposed Resolution No. 05-13-1277.
3. Exhibit A - Proposed Retention Schedule.

RECOMMENDED ACTION:

Move to adopt resolution.

MEMORANDUM

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

**FROM: KIM FLORES
BOROUGH CLERK**

SUBJECT: PROPOSED RESOLUTION/RETENTION SCHEDULE

DATE: May 21, 2013

BACKGROUND

The current Wrangell Retention Schedule was adopted in 1992. There was an update to the Retention Schedule to add the Museum Department through Resolution No. 01-01-843 in 2001.

The Proposed Resolution and Records Retention Schedule before you are to bring the Borough's Records Retention Schedule current with the State's Records Retention Program.

The current Borough Records Retention Schedule has been completely revamped Following the State of Alaska's Local Government Model Records Retention Schedule #300.1.

Back in October, 2013 I started the process of going through each department's retention schedule and making the necessary changes. After that was done, I emailed each of the department directors who whose departments would be affected by the updated retention schedule. I did receive valuable input from most of the departments and those suggestions were implemented. The Proposed Resolution and updated Retention Schedule has been a slow, but necessary process.

RECOMMENDATION

Move to adopt the proposed resolution.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. _____

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADOPTING THE UPDATED BOROUGH RECORDS RETENTION SCHEDULE; REPEALING RESOLUTION 01-01-843 AND THE 1992 GENERAL RECORDS RETENTION SCHEDULE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the orderly administration of public records is essential to the efficiency and accountability of government; and

WHEREAS, the State of Alaska requires, pursuant to AS 40.21.070, that the City and Borough promote the principles of efficient records management for its records kept in accordance with state law, and follow, as far as practical, the program established for the management of state and local records; and

WHEREAS, Resolution No. 01-01-843, adopted on January 23, 2001, amended the Borough's current General Records Retention Schedule, originally adopted in 1992, to include the Museum Department; and

WHEREAS, the records retention schedules for all City and Borough departments in the 1992 General Records Retention Schedule have been reviewed and updated to meet the State of Alaska's Local Government Model General Administrative Records Retention Schedule #300.1; and

WHEREAS, the Borough's General Records Retention Schedule has been in place since 1992, and the adoption of the updated retention schedule will promote the principles of efficient records management and bring the Borough's records retention schedule current with the State's records retention program.

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

Section 1. The Assembly adopts the updated Borough Records Retention Schedule attached hereto as Exhibit A.

Section 2. The 1992 Edition of the General Records Retention Schedule is hereby repealed in its entirety.

Section 3. Resolution 01-01-843 is hereby repealed in its entirety.

Section 4. This resolution shall become effective immediately upon adoption.

ADOPTED: _____

ATTEST: _____
Kim Flores, Borough Clerk

David L. Jack, Mayor



The City and Borough of Wrangell

Records Retention Schedule

Resolution No. _____ Exhibit A Adopted _____

The purpose of the Borough Records Retention Schedule is to provide a timeframe for retention of Borough records; to assign responsibility and ownership of records; and to provide absolute guidance in the long term maintenance and safekeeping of important Borough records. Research has been completed for each record series and the pertinent regulation or industry standard has been applied to establish retention.

Unless otherwise noted, all records in this schedule apply to all media types.

Definitions:	C	Current Year	Current calendar year (for retention purposes fiscal year records are held through the end of that calendar year)
	Act	Active	open, current or operational; under contract; term of office
	P	Permanent	retain forever
	Ind	Indefinite	retention cannot be determined in advance; to be reviewed at a later time
	L	Life	life of equipment
	E	Electronic Retention	
	T	Termination	until termination of employee or volunteer; no longer active
	D	Death	
	CFY	Current Fiscal Year	
	na	not applicable	

Administrative need Department Head may determine when the record has met its usefulness; minimum of 30 days

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City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
A-1	Accounting - Permanent Records	Final approved budget, Annual financial reports, Audit reports, General ledger/journal, Payroll policies & procedures, Tax assessment rolls.	Finance	P	P	P	GA 1.4.1 FA 3.3.2 FA 3.5.1 ARS A 15.1 AS 29-45-160	
A-2	Accounting - Budget Work papers	Includes drafts, instructions, worksheet, preliminary budgets, and agency requests	Finance	2	1	3	FA 3.3.1	
A-3	Accounting - Financial & Accounting Reports	Includes annual report prepared by CFO.	Finance	CFY + 3	3	4	FA 3.4.2	CFY = current fiscal year
A-4	Accounting - Accounts Receivable/Payable	Purchase orders, invoices, check copies, deposit slips, wire transfers, transmittal of receipts, debt service payments, cancelled checks, check registers, accounts receivable, daily cash receipts, paid bills and invoices, meter receipts	Finance	CFY + 3	3	4	FA 3.6 FA 3.7.1 FA 3.8 FA 3.9	
A-5	Accounting - Banking Records	Original Bank Statements	Finance	CFY + 7	6	8	FA 3.7.2	
A-6	Accounting - Travel	Travel advances, per diem, transportation fees for employees on official department business	Finance	1	2	3	FA 3.2	
A-7	Accounting - Bonds	Fidelity & Surety Bonds	Finance	C+6		C+6	ARS GA 1.18	C=Expiration of bond provided an audit has been conducted
A-7a	Accounting - Bonds	Cancelled/Redeemed bonds/coupons documenting proof of issuance and payments to individual bondholders	Finance	3		3	FA 3.11	
A-8	Accounting - Bills of Sales	Official documentation of sales transactions between government agency and buyer	Finance	C+1	4	6	FA 3.13	
A-9	Accounting - Foreclosure Files	Property tax foreclosures	Finance	P		P	FA 3.14 ARS LA 16.4	
A-10	Accounting - Fixed Assets	Records related to Fixed Asset inventory, Vehicle titles and registrations	Finance	L+1		L+1	GO 2.13.1	L= life of asset, or until State authorizes disposal of grant funded assets.
A-11	Accounting - Payroll	Lists check number, employee name, net amount and financial coding, documents employee salary including: payroll action forms (PAF), PERS enrollment/change forms and IRS dates	Finance	T+10		T+10	ARS P 4.1 ARS P 4.3	

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
A-12	Accounting - Payroll	Payroll Journal, Payroll Deduction Authorizations (reports and lists), Employer W-2 Copy (Federal withholding tax statement), Employee withholding exemptions (W-4), Payroll Reports (FICA, Unemployment insurance, summary/detailed queries, stopped/reissued warrants, overtime and retirement reports, Electronic Federal Tax Payment Documentation, Internal Revenue Service Reports (1099R, 945)	Finance	C+1	3	4	ARS P 4.2 ARS P 4.4 ARS P 4.6 ARS P 4.8 ARS P 4.11 ARS P 4.12 ARS P 4.13 26 CFR 31.6001-1	
A-13	Accounting - Payroll	Timesheets; Official Employment History (applications; resume; personnel actions regarding hire; termination and promotion; performance appraisals; employee testing; training certificates; driving history). Employee gross earning; deductions and net pay; Garnish & Payroll deduction court orders; Notification of pay step increases; Savings Bond & 401k Accounting Records	Finance	50		50	ARS P 4.5 ARS P 4.7 ARS P 4.9 ARS P 4.10 ARS P 4.14 ARS HR 6.1 ARS HR 6.2 ARS HR 6.3	Timesheets may be destroyed after 3 years if associated data is recorded elsewhere
A-14	Accounting - Payroll	Applications for Employment (not hired)	Finance	1		1	ARS HR 6.4	
A-15	Accounting - Sales Tax	Registrations & reports	Finance	3		3	ARS L 14.4	
A-16	Accounting - Assessments	Real and personal property assessment notices, assessment roll certifications of lease property & senior citizens, Tax appeal files, Personal property files (certifications, declaration forms), Reports of collection	Finance	6		6	ARS A 15.2 ARS A 15.3 ARS A 15.4 ARS A 15.7 ARS A 15.8	
A-17	Accounting - Grants	Grant administration files - State Grant administration files - Federal (applications, copy of notification of grant award, agreement, special conditions, fiscal reports, closeout documents, audit reports and correspondence) Capital Improvement Projects	Finance	C+1	19	20	AS 09.10.053 ARS PCG 5.3.1 ARS PCG 5.3.2	Due to various grant requirements, we will keep the CIP files for 20 years after the project closes.
A-19	Accounting - Grants	Grant Applications (not awarded)	Finance	1		1	ARS PCG 5.4	
A-20	Deeds to Municipal Real Property	Deeds to municipal real property, Deeds, Patents, Easements, Right-of-Way	Finance	P		P	ARS LM 16.1 ARS LEG 10.6 ARS EBP 13.7	
A-21	Surplus Property	Documents disposal of property declared to be excess or surplus	Finance	C+3		C+3		C=Current

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
A-22	Insurance Policies & Endorsements	Insurance proposals, policies and endorsements, bonds, riders, correspondence, financial coding and billing information	Finance	C+1	48	C+50	ARS RM 7.1	C=Until policy expires
A-23	Accounting - Medical	Worker's Compensation, On-the-job injury, lost time	Finance	C+1	38	C+40	ARS RM 7.3	C=Until case is inactive
A-24	Accounting - Accident Reports (personal)	Incident/accident reports, medical evaluations, public safety officer reports, time loss documentation	Finance	C+1	5	7	ARS GA 1.10	
A-25	Accounting - Accident Reports (vehicle)	Vehicle accident reports, certification of insurance, inspection reports, maintenance reports, liability accident notices	Finance	L+3	3	L+3	ARS GA 1.9.2	
A-26	Accounting-General	Accounting records not previously covered	Finance	3	3	6		

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
AD-1	General Administration	Includes general correspondence, reading files, reports, studies, plans and copies of documents used for administrative purposes	Department Heads	Until Administrative Need Met	n/a	Until Administrative Need Met		
AD-2	Non Record	Items that do not reflect the position or business of the City & Borough of Wrangell; may include unsolicited received messages (spam), periodicals, superseded templates, duplicates of records retained elsewhere	Department Heads	none	none	none	AS 40.21.150 (6)	May destroy immediately
AD-3	Transitory Information	Non-administrative records of temporary usefulness which are not covered by any other record series; may include routine communications, preliminary drafts, outgoing messages, routing slips	Department Heads	30 days	n/a	30 days	AS 40.21.150 (6) ARS 1.11	Email transitory records will be presumed destroyed 30 days after creation of receipt
AD-4	Policies & Procedures	Borough and Departmental Routine policies and procedures	Borough Manager	C+3	C+3	C+3	ARS GA 1.3.2	C=Until Superseded
AD-5	Asset Management	Maintenance records, manuals, warranties	Department Heads	Life of Equipment	n/a	Life of Equipment	ARS GA 7	
AD-6	Administrative IT	Records relating to computer system, including: program/system documentation, wiring, software licenses, disaster recovery, inventory, web page data	Finance Director	Until Administrative Need Met	n/a	Until Administrative Need Met	ARS IT.1	
AD-7	Reference	Reference materials used for administrative purposes	Department Heads	Until Superseded	n/a	Until Superseded		
AD-8	Historical Files	Departmental written histories, newspaper articles, photographs, speeches, maps	Department Heads	C+1	P	P	ARS GA 6	
AD-9	Museum-General	Museum records not previously covered						

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
C-1	Annexation Records	Annexation Files	Borough Clerk	Current	4	5		Retain Permanently, if not recorded in Minutes
C-2	Incorporation Records	Incorporation records, Borough Formation records	Borough Clerk	P	P	P	AS 29.05	
C-3	Assembly Non-Permanent Records	General correspondence regarding Mayor and Assembly business and dealings with public and legislative bodies; Meeting packet items, ABC Board Files (ABC Applications, Applications for game of skill and chance, Clerk read files. General Correspondence Files. Original incoming and outgoing letters and memoranda related to the general admin and operation of the agency. Consists of departmental, legislative, professional association, and public.	Borough Clerk	C + 1	1	3	ARS 2.1.2 ARS 1.1 ARS 1.2	
C-4	Assembly Permanent Records	Minutes of Assembly; Assembly Committee Minutes; Adopted Resolutions; Charter and Amendments, Adopted Ordinances, including original paper code book and Affidavits of Publication of Ordinances; Oaths of Office for all Borough elected and appointed officials; Borough Formation Records; Official Municipal Seal	Borough Clerk	P		P	ARS 2.1.1 ARS 2.5 (AS 29.20.380) ARS 2.5.1,2 ARS 2.6 (AS 29.20.600) ARS 2.8 (AS 29.05)	Scan
C-5	Election - Permanent	Certification Election Results & Canvass Board Returns (retained in the Official Minutes Book), DOJ Preclearance records, Voting district descriptions, maps & street books	Borough Clerk	5	P	P	ARS 8.3 ARS 8.6 ARS 8.14	

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
C-6	Elections - General	Initiative, Referendum, and Recall files, Declarations of Candidacy, Alaska Public Official Commission Financial Disclosure Statements. Election registers & tally books, Recount of petitions, Declaration for Candidacy, Candidate withdrawals, Election officials' records.	Borough Clerk	Act	6	6	ARS 2.3 ARS 8.2 ARS 8.4 ARS 8.7 ARS 8.8 ARS 8.10 ARS 8.11 ARS 8.12 ARS 8.13 AS 29.26	
C-7	Elections - Ballots	Voted Ballots (Completed, Challenged, Rejected, Absentee, Faxed & Special Needs). Ballot stubs, absentee and question envelopes, precinct registers, absentee official records. Election contest/runoff information	Borough Clerk	1 month	1	1	ARS 8.1 ARS 8.5	
C-8	Board of Ethics	May include: complaints, decisions, correspondence of Board of Ethics	Borough Clerk	Act	3	Act+3		
C-9	Resolution/Ordinance Backup	All Back-up leading to the adoption of Ordinances and/or Resolutions	Borough Clerk	C+1	Ind	Ind		
C-10	Cemetery Records	Current Map indices of burial plots, record of lot sales, minutes of Cemetery Board	Borough Clerk	P		P	ARS 2.12	
C-11	Assembly Meeting Documentation	Agendas, Action Agendas, Audio and video recordings of meetings	Borough Clerk	C + 1	8	10	ARS 2.1.25 ARS 2.2	
C-12	Conflict of Interest	Conflict of interest statements	Borough Clerk	C + 1	4	6	ARS 2.7	
C-13	Proclamations	Mayor Proclamations	Borough Clerk	Act	P	P	ARS 2.4	
C-14	Required Public Notices	Assembly Meeting Notices; Affidavits of Publication for Assembly meetings, elected and appointed official vacancies, regular and special elections	Borough Clerk	C + 1	8	10	ARS 2.2	
C-15	Census Records	Series of documents population estimates including resident data	Borough Clerk	C + 1	8	10	ARS 2.11 (AS 29.60)	Current until superseded
C-16	Public Records Request	Includes written request for public records, log includes date of request, name of requester and other related information	Borough Clerk	1 year	1	1	ARS GO 1.14	

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
C-17	Contract Administration, Contracts, Construction Project Files	Notification of award, original contract, and amendments or renewals, special conditions, fiscal reports, payment logs, progress reports and correspondence. Contracts for leased space. Records related to obligations under contracts, leases and other agreements between the Borough and outside parties. Specifications, contracts, plans, bids, evaluations, performance bonds and correspondence documentation. Records related to obligations under contracts, leases and other agreements between the Borough and outside parties.	Borough Clerk	L	6	L+6	ARS PCG 5.2 ARS PCG 5.1 ARS ENG 13.2 ARS GO-8 ARS PCG-1 ARS PCG-2 AS 09.10.053	L=Life of Contract
C-18	Records Management Files	Records Retention Schedules, Transfer Lists, List of Records Destruction	Borough Clerk	P		P	ARS 1.16 ARS 1.16.1 ARS 1.16.2 ARS 1.16.3	
C-19	Clerk-General	Clerk records not previously covered	Borough Clerk	3	3	6		

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
CO-1	Arrest Records	Cumulative information for each adult arrested including booking documentation (name, arrest booking/AST number, address, date of birth, sex, occupation, physical description, offense, complaint report and disposition of case), finger print cards, photographs (mug shots) processing reports, copies from Police Report files, investigation reports, witness statements, signed Miranda rights, evidence examination requests, property record, rap sheets, court, process and disposition documents.	Law Enforcement	D or 10		D or 10*	ARS PS 11.5	D = Death * = Retain records for the longer period
CO-2	Outstanding Warrants	Lists of outstanding arrest warrants.	Law Enforcement	C		C	ARS PS 11.6	superseded/obsolete or administrative need is met
CO-3	Animal Control Files	May consist of: licenses, animal complaint notifications/citations, description of animal, notification to owner, certification of ownership, owner claims, release of animal data, dog bite reports and statistical reports.	Law Enforcement	3		3	ARS PS 11.24	
CO-4	Use of Force Investigations Internal Affairs Investigations	Investigation files related to reports of physical or deadly force. Investigation of complaints of alleged officer misconduct.	Law Enforcement	7		7	ARS PS 11.7 ARS PS 11.8 AS 09.10.070	
CO-5	Confidential Informant Files	Informant related files.	Law Enforcement	C+7		C+7	ARS PS 11.9	C = Until informant is no longer active
CO-6	Logs/Indices	Dispatch Audio Tapes.	Law Enforcement	30 days		30 days *	ARS PS 11.10.2	* = Reuse after retention period
CO-7	Property Records	Individual record of property/evidence taken into custody.	Law Enforcement	C+3		C+3	ARS PS 11.11	C = Until property disposed of
CO-8	Stolen Property Lists	Received and internally produced lists and printouts of lost, stolen, found, pledged or pawned property	Law Enforcement	C		C	ARS PS 11.12	C = Until superseded/obsolete or admin need is met
CO-9	Criminal Background Checks	Criminal background checks done as a consequence of requests from employers or local government requirements.	Law Enforcement	1		1	ARS PS 11-13	

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
CO-10	Sex Offenders Information	Data relative to sex offenders.	Law Enforcement	C		C	ARS PS 11.14	C = Until superseded/obsolete or admin need is met
CO-11	Juvenile Arrest Files Juvenile Prosecution Case Files	Cumulative information file on each juvenile arrested. Case files prepared for purposes of prosecution.	Law Enforcement	C+6		C+6	ARS PS 11.15	C = Until child reaches age of maturity Records must be kept separately from adult arrest records
CO-12	Abused/Neglected Child Notification	Reports from the DFYS or the ACS of suspected cases of child abuse, endangerment or neglect.	Law Enforcement	3		3	ARS PS 11.17	DFYS = Division of Family & Youth Services. ACS = Alaska Court System
CO-13	Holding Facility Records	Prisoner's Personal Property & Inspection Records.	Law Enforcement	3		3	ARS PS 11.18.1	
CO-14	Traffic Records	Includes summons books, citations and tickets, and notices for court appearances.	Law Enforcement	1		1	ARS PS 11.19	
CO-15	Radar Reports	May include certification calibration, routine radar check reports, and certification of accuracy for turning forks.	Law Enforcement	C+2		C+2	ARS PS 11.20	C = Until equipment is disposed
CO-16	Uniform Crime Report (UCR)	Monthly account of offenses and stolen/recovery property values sent to the Alaska State Troopers.	Law Enforcement	5		5	ARS PS 11.21	
CO-17	Crime Statistics	Statistical compilations of crimes committed within the local jurisdiction.	Law Enforcement	P		P	ARS PS 11.22	
CO-18	Accreditation Files	Standards, goals and objectives, status and progress reports, and other documentation relating to accreditation and review for maintaining accreditation.	Law Enforcement	C		C	ARS PS 11.23	C = Until superseded/obsolete or administrative need is met
CO-19	Corrections - General	Corrections records not previously covered	Law Enforcement	3	3	6		

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
E-1	Daily Production Logs	Daily Production Logs (Generation)	Electrical Superintendent	10	-	10		10 years for admin use
E-2	PCB Transformers Log	PCB Transformers Logs and Backup	Electrical Superintendent	P	-	P		P= Permanent
E-3	Electrical Inspection Sheets	Inspection of Electrical Sheets	Electrical Superintendent	6	-	6	ARS 13.5	
E-4	Monthly Fuel Consumption	Reports of monthly fuel consumption	Electrical Superintendent	5 (E)	-	5 (E)	ARS 13.14	E= Electronic Retention
E-5	Work Orders/Service Requests	Extension, upgrade or repair of utility service. Requests for connection or disconnection of utility service.	Electrical Superintendent	3	-	3	ARS 13.12	
E-6	Equipment Maintenance Records	Maintenance records on all equipment.	Electrical Superintendent	L	-	L	ARS 13.13	L=Life of the equipment
E-7	Electrical Permits	Customer Electrical Permits	Electrical Superintendent	C+6	-	C+6	ARS 13.4	C=1 Year
E-8	Permit Reports	Permit Reports for DEC	Electrical Superintendent	I (E)	-	I (E)		I=Indefinite E= Electronic Retention
E-9	MSDS Sheets	Hazardous Materials/Hazardous Substances Right to Know Files (MSDS)	Electrical Superintendent	C+7	-	C+7	ARS 11.42.2	C=1 Year
E-10	Utility Right of Way Permits	Utility Right of Way Permits	Electrical Superintendent	P	-	p	ARS 13.7	P= Permanent
E-11	Utility Applications (Contracts)	Utility Applications signed by the responsible party	Electrical Superintendent	I (E)	-	I (E)		I=Indefinite E= Electronic Retention
E-12	Light Department - General	Corrections records not previously covered	Electrical Superintendent	6	-	6	ARS 1.1	

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
F-1	Fire Investigation Files	Record of fire department investigations of suspicious or incendiary fires. Includes: reports, video evidence, memoranda, diagrams, or other documentation.	Fire Chief	C+30		C+30	ARS PS 11.25	C = Until investigation is closed
F-2	EMS Incident Reports	Reports of any incident that involved Emergency Medical Services.	Fire Chief	10		10	ARS PS 11.26	
F-3	Fire Inspection/Compliance Files	Series that documents fire safety inspection before and after building construction is completed.	Fire Chief	C		C	ARS PS 11.27	C = Until building is no longer in use
F-4	Permits/Licenses Issued	Applications and permits issued by local fire authority including: open burn permits, permits relating to fireworks, storage/handling of flammable liquids or hazardous substances, or the selling of fire detection equipment	Fire Chief	C+3		C+3	ARS PS 11.28	C = Until permit expires
F-5	Violation/Complaint Files	Record of violations and complaints relating to the Fire Safety Code.	Fire Chief	C+3		C+3	ARS PS 11.30	C = Until resolution of complaint
F-6	Fire & Rescue Response Dispatch Tapes	Audio tapes of incoming calls and outgoing dispatch instructions.	Law Enforcement	30 days		30 days	ARS PS 11.31	
F-7	Fire & Rescue Response Dispatch Cards & Logs/ Alarm Response Tapes	Record of incoming calls received by the Department. Machine tape recording of alarms.	Fire Chief	3		3	ARS PS 11.32 ARS PS 11.33	
F-8	Fire & Rescue Response Alarm Response Cards	Record detailing location and appropriate response for alarms from individual boxes.	Fire Chief	C		C	ARS PS 11.34	C = Until superseded/obsolete or administrative need is met
F-9	Fire & EMS Training Files	Consists of correspondence, course descriptions, training dates and exam results.	Fire Chief	T+6		T+6	ARS PS 11.35	T = Until termination of employee or volunteer no longer active
F-10	Fire Prevention Education Programs	Multimedia materials used in fire prevention education.	Fire Chief	C		C	ARS PS 11.36	C = Until superseded/obsolete or administrative need is met
F-11	Fires & Rescue Response Circuit/Radio Box Records	Test Logs	Fire Chief	1		1	ARS PS 11.37.1	
F-12	Alarms Records	Alarms Records: Record of alarm response tests conducted on all circuit, radio and location alarm boxes.	Fire Chief	L		L	ARS PS 11.37.2	L = Life of system

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
F-13	Equipment Inspection Records	Records of inspections for vehicles, mechanical systems, hoses, hydrants, ladders (ground and aerial), mask service information (model, serial number, purchase date, type, cubic feet of tank and service record).	Fire Chief	3		3	ARS 11.38	
F-14	Equipment Inspection	Mask service and ladder information	Fire Chief	C		C	ARS PS 11-38-1	longer in service
F-15	Apparatus Accident Files	Department record of accidents involving municipal fire/rescue vehicles. May include police reports.	Fire Chief	3		3*	ARS PS 11.39	* = Retain longer if involved in litigation.
F-16	Fire Hydrant Identification Files	Record of individual fire hydrants in service	Fire Chief	C		C	ARS PS 11.40	C = Until hydrant is no longer in service
F-17	Fire & EMS - General	Fire & EMS records not previously covered	Fire Chief	3	3	6		

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
HR-1	Human Resources - Organization Charts/Salary Schedule	Organization Charts, Salary Schedules	Finance	C		C	ARS HR 6.6 ARS HR 6.7	C=Until superseded/obsolete or administrative need is met.
HR-2	Human Resources - Job Descriptions / Class Specifications	Description of specific duties for each position, Job qualifications & skills.	Finance	C		C	ARS HR 6.8 ARS HR 6.9	C=Until superseded/obsolete or administrative need is met.
HR-3	Human Resources - Grievance Case Files	Grievances filed by employees against departments, grievance forms, investigative notes, reports, correspondence and related backup	Finance	C+5		C+5	ARS HR 6.11	
HR-4	Human Resources - Collective Bargaining Negotiation Files	Letters of understanding, tentatively approved articles, proposals and counter proposals.	Borough Manager	C+1	8	C+10	ARS HR 6.12	
HR-5	Human Resources - General	Human Resources records not previously covered	Finance	3	3	6		

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
L-1	Circulation Records	Items borrowed	Librarian	P	✓	P	3	
L-2	Circulation Statistical Reports	Statistics of circulation	Librarian	P	✓	P	3	
L-3	Accession Records	Items added to the collection	Librarian	P		P	P	until obsolete
L-4	Discard Statistics	Items withdrawn from the collection	Librarian	1	✓	1	P	until obsolete
L-5	Policies and procedures	Implemented general policies	Librarian	P		P	P	updated periodically
L-6	Grant Files	Proposals and reports	Librarian	P	✓	P	P/10 yrs.	
L-7	Vertical Files	Reference files on local history	Librarian	I		I	Retain Indefinitely	Local AK History
L-8	Automated System	Backup on local system	Librarian	P	✓	P	P	
L-9	Patron Registration Records	Application for borrowing privileges	Librarian	P		P	3	until obsolete
L-10	Interlibrary Loan Records	Requests for items from other libraries	Librarian	1		1	C	
L-11	Overdue notices/Fines	Notice to patrons concerning overdues	Librarian	C		C	C	until obsolete
L-12	Incident Reports	Incidents/Accidents reported to staff	Librarian	5		5	3	unless litigation
L-13	Endowment Records	Donation/contribution bequests	Librarian	P		P	P	

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
LAW-1	Municipal Attorney Opinions	Legal opinions of the Borough Attorney	Borough Clerk	P		P	ARS LEG 10.1	
LAW-2	Litigation	Records related to action in civil and criminal cases and investigations, including: briefs, pleadings, evidence, reports, court proceedings, correspondence. Final Claims or Litigation Documents.	Borough Clerk	Act		Ind.	ARS L 10-3 ARS LEG 10-4	C=Until case is closed
LAW-3	Law-General	Law records not previously covered	Borough Clerk	3	3	6		

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
M-1	Accession Records	Documenting museum accessions and may include date purchased/amount, publisher, classification code, detailed descriptions, artifact care data, etc.	Museum Director/Curator	P	na	P	ARS 18.1	P=Permanent
M-2	De-Accession Records	Items transferred, returned to donor, or disposed of.	Museum Director/Curator	P	na	P	ARS 18.2	P=Permanent
M-3	Shelf Lists, Inventories & Information Systems	Documenting repository materials.	Museum Director/Curator	C	na	C	ARS 18.4	C=Superseded/obsolete or administrative need is met.
M-4	Accreditation Files	Documenting museum accreditation	Museum Director/Curator	P	na	P	ARS 18.5	P=Permanent
M-5	Conservation Reports	Series consists of artifact conservation records. Includes survey reports, treatment reports, treatment request reports, photos, slides and negatives.	Museum Director/Curator	P	na	P	ARS 18.7	P=Permanent

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
PR-1	Recreation Program Records	Recreation program histories and photographs, including player rosters, sponsorship forms, practice schedules, tournament seedings, permission slips, brochures, and correspondence.	Parks & Rec Director	2	3	5	ARS 17.1	
PR-2	Coach / Instructor Records	Records related to coach/instructor training and certification. Records may include instructor application, background checks, reference and training material, newsletters, and flyers.	Parks & Rec Director	2	3	5	ARS 17.2	
PR-3	Lifeguard Records	Records related to lifeguard training and certification, background checks, reference and training material.	Parks & Rec Director	2	5	7	ARS 17.2	
PR-4	Recreation Facility Records	Maintenance, compliance and monitoring of municipal facilities including community recreation buildings, pools, arenas and athletic fields. Including inspection certificates, use permits, facility applications and licenses.	Parks & Rec Director	P		P	ARS 17.3	
PR-5	Maps, Plans and Drawings	Topographic features, drainage, structures, and proposed enhancement documents for Parks. Includes utility maps, easements, as built drawings.	Parks & Rec Director	P		P	ARS 17.4	
PR-6	Horticulture Project Files	Records related to landscaping, trees and flowers, including RFQ, design plans, and work orders	Parks & Rec Director	2	3	5	ARS 17.5	
PR-7	Cultural Resources Records	Activities of Cultural Resource officers/consultants: case files, reports, drawings, photographs, videos, plans, maps	Parks & Rec Director	P		P	ARS 17.7	
PR-8	Injury and Accident Reports	Injury and accident reports	Parks & Rec Director	1	6	7		
PR-9	Accounting Records	Receipts, User fee schedules	Parks & Rec Director	1	6	7		

City Borough of Wrangell
Records Retention Schedule

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
PL-1	Land Management - Permanent	Land Records including: Approved & Waivered Proposals; Site Selection Files (documents site selection for proposed facilities including fire service, libraries, parks, police, schools, utilities, water & sewer); Geographic Names Files (applications and backup date relating to renaming of mountains, lakes, streams and other geographic features), Road Name Changes (back up and affidavits of publication)	Borough Clerk	Act+1	P	P	ARS PZ 12.1 ARS PZ 12.6 ARS PZ 12.10 ARS PZ 12.11	
PL-2	Land Management - General	Land Classification Case/Management (classification of lands within the jurisdiction of the local government; files relating to acquisitions, sales, leases, management agreements, letters of entry, timber sales, resource sales.	Borough Clerk	Act+10		10	ARS PZ 12.3 ARS PZ 12.4	
PL-3	Conditional, Variance, Temporary Use Permits, ROW vacations, or other activities requiring public hearing	Land Use Permits that require a hearing and approval by the Commission	Zoning Administrator	3	P	P		
PL-4	Planning & Zoning - General	Planning & Zoning records not previously covered	Zoning Administrator	3	3	6		

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
PW-1	Procurement Records	Purchase of goods and services which may include: bid specifications, requests for proposal, price quotations, bid abstracts, purchase orders/requisitions, contracts/leases, correspondence	Projects Manager	C	3	C+3	ARS PCG 5.1	C=Current Fiscal Year
PW-4	Engineer's Drawings	Maps, plats, block and street maps	PW Director	P		P		
PW-5	Projects - General	Project files not previously covered	PW Director	3	3	6		

Record Series	Subjects	Description	Data Owner	Retention			Industry Standards	Comments/Notes
				Office	Storage	Total		
WW-1	Hazardous Materials/Hazardous Substances Right to Know Files	Annual Updates	PW Director	3		3	ARS PS 11.42.1	
WW-2	Waste Water - Forms	All other records consisting of detailed product/chemical identification listings supplied annually by individual employers that hold, use, or sell products considered hazardous by the USDOL, DOSH. May include material safety data sheets, emergency and hazardous chemical inventory forms, company emergency plans, inspection reports, or other mandated documentation relating to hazardous substances.	PW Director	C+7		C+7	ARS PS 11.42.2	C = As long as the employer does business in the municipality. USDOL = United States Department of Labor.
WW-3	Hazardous Materials Incident Files	Records of hazardous material incidents. May include hazardous incident reports, copies of fire/rescue reports, narratives, and memoranda.	PW Director	P		P	ARS PS 11.43	
WW-4	Contingency & Emergency Services Plans	Contingency & Emergency Services Plans	PW Director	P		P	ARS PS 11.44	
WW-5	Waste Water - General	Waste Water records not previously covered	PW Director	3	3	6		

Agenda Item 13d

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

INFORMATION:

PROPOSED RESOLUTION No. 05-13-1278: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, FORMALLY ACCEPTING GRANT NO. MG91721 FROM THE STATE OF ALASKA, DEPARTMENT OF ENVIRONMENTAL CONSERVATION (ADEC) IN THE AMOUNT OF \$565,485 FOR THE PROJECT ENTITLED CASSIAR STREET WATER AND SEWER REHABILITATION.

Attachments

1. Memorandum from Carol Rushmore, dated May 22, 2013.
2. Proposed Resolution No. 05-13-1278.

RECOMMENDED ACTION:

Move to adopt resolution.

MEMORANDUM

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

**FROM: MS. CAROL RUSHMORE
ECONOMIC DEVELOPMENT DIRECTOR**

SUBJECT: RESOLUTION TO AK DEC FOR 30% MATCH

DATE: May 22, 2013

BACKGROUND:

The Borough applied for and received a Municipal Matching Grant in the amount of \$565,485 for sewer and water installation on Cassiar Street. The State Department of Environmental Conservation requires a resolution from the Borough committing the required 30% matching funds. Matching funds of \$242,351 will come from either a State Grant from DCCED or from both the Sewer fund and the Water fund depending on final project costs.

RECOMMENDATION:

Staff recommends approving the Resolution

ATTACHMENTS:

1. Resolution

CITY AND BOUROUGH OF WRANGELL

RESOLUTION NO. 05-13-1278

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, FORMALLY ACCEPTING GRANT NO. MG91721 FROM THE STATE OF ALASKA, DEPARTMENT OF ENVIRONMENTAL CONSERVATION (ADEC) IN THE AMOUNT OF \$565,485 FOR THE PROJECT ENTITLED CASSIAR STREET WATER AND SEWER REHABILITATION.

WHEREAS, the State of Alaska, Department of Environmental Conservation has appropriated a Municipal Matching Grant in the amount of \$565,485 to the CITY AND BOROUGH OF WRANGELL to be applied towards the Cassiar Street Water and Sewer Rehabilitation; and

WHEREAS the CITY AND BOROUGH OF WRANGELL must formally apply for the grant and thereby agrees to the terms and conditions of the grant, and to adhere to any governing state regulations, including providing a 30% match to this project;

WHEREAS the CITY AND BOROUGH OF WRANGELL agrees to operate and maintain the completed project constructed with said grant;

NOW, THEREFORE, BE IT RESOLVED by the ASSEMBLY of the CITY AND BOROUGH OF WRANGELL that the grantee formally accepts the State of Alaska, Department of Environmental Conservation's Grant No. MG91721 in the amount of \$565,485 and agrees to provide a 30% match.

ADOPTED: MAY 28, 2013

David Jack, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

Agenda Item 13e

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

INFORMATION:

Approval of the Wrangell Public School Budget for the Fiscal Year 2014

Attachments:

1. Proposed Wrangell Public School FY 2014 Budget sheet.

RECOMMENDED ACTION:

Move to approve the Wrangell Public School Budget for the Fiscal Year 2014.

Sheet intentionally blank

Wrangell Public School
FY14 Budget
Student count 288/6

Attachment # 13e - 1

FY14
Approved
Budget

Revenues

City Contributions	\$667,799.00
City In-Kind Pool	29,000.00
Interest	300.00
Other Local Revenue	2,100.00
Student Activity Revenue	14,250.00
eRate	53,128.00
QSI Grants	11,792.00
Foundation Support/STATE	3,293,676.00
ISER -District Cost Factor	460,762.00
On Behalf of TRS	811,378.00
On Behalf of PERS	142,581.00
Impact Aid	1,100.00
Timber Receipts/Secure Rural S	848,488.00
Beginning Operating Capital/inv	584,763.00
Total Revenue	6,921,117.00

Total Expenditures

Superintendent Contract	60,500.00
Salaries - Principal	183,207.00
Director	6,000.00
Salaries - Teachers	1,664,069.00
Extra Duty Pay	22,584.00
Extra Duty Pay NC	55,915.00
Salaries - Aides	232,391.00
Support Staff	373,312.00
Custodian	227,537.00
Substitutes/Temporaries	103,200.00
Payroll Benefits	2,273,696.00
Transportation Allowance	5,000.00
Professional & Technical	615,808.00
Staff Development	5,000.00
Staff Travel	64,545.00
Student Travel	110,400.00
Student State Travel	15,000.00
Utility Services	21,100.00
Communications	116,739.00
Electricity	190,600.00
Heating Oil	90,000.00
Advertising or Other Purchased	4,300.00
Rentals	29,000.00
Equipment Repair & Maintenan	25,400.00
Insurance and Bond Premiums	70,560.00
Supplies	183,004.00
Testing Supplies	3,050.00
Textbooks	21,125.00
Library Books	5,600.00
Periodicals	1,200.00
Dues and Fees	54,540.00
Indirect Costs	(32,000.00)
Service Charge	520.00
Equipment	72,902.00
Transfer to other Funds (FS/BUS)	44,675.00
Total Expenditures	6,920,479.00

Brief Summary

Operating Capital	584,763.00
Total Revenues	6,336,354.00
Total Expenditures	6,920,479.00
Ending Operating Capital	638.00
% for Operating capital	0.01%
Special Revenue Grant Fund 503	\$401,084

Agenda Item 13f

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

INFORMATION:

Approval of a Contract between the City and Borough of Wrangell and the Regional Disposal Company for Solid Waste Disposal and Recycling

Attachments:

1. Memorandum from Borough Manager Timothy Rooney, dated May 21, 2013.
2. Municipal Solid Waste Transport and Disposal Agreement.

RECOMMENDED ACTION:

Move to authorize the Borough Manager to enter into a contract with the Regional Disposal Company for the Disposal of Solid Waste and Recycling.

MEMORANDUM

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

**FROM: CARL JOHNSON
DIRECTOR OF PUBLIC WORKS**

SUBJECT: REGIONAL DISPOSAL COMPANY WASTE DISPOSAL CONTRACT

DATE: May 21, 2013

BACKGROUND:

The Southeast Alaska Solid Waste Authority (SEASWA) has been working for some time now to tackle solid waste issues as a region with the ultimate intent to stabilize or reduce solid waste costs to the member communities. Through an extensive RFP process it was determined that currently the most cost effective option was to negotiate as a region with large regional disposal entities to ship and dispose of member communities' waste in the same fashion that Wrangell and Petersburg have been doing for many years but to negotiate the contracts as a group. Other options were submitted through the RFP process but were found during the review process to be less cost effective or unreliable. In the end, the lowest price was from the same entity that is already disposing Wrangell's solid waste. The new proposed contract price is significantly lower for Wrangell than what is currently being paid.

As solid waste collection and disposal will remain under the control of the member communities, the disposal contracts will also remain with the individual communities. The disposal cost is the same price per ton for each community but the shipping and fuel surcharge portions are different for each community. The attached "Municipal Solid Waste Transport and Disposal Agreement" is the proposed contract for Wrangell including costs for the shipping, transportation, fuel surcharge, and recycling components. The contract has a five year term with automatic five year extensions unless the City opts out at the end of each five years.

Including the fuel surcharge, the City will pay about \$110/ton. The City currently pays about \$135/ton and ships over 1500 ton per year. At the current tonnage, we should see a savings in the sanitation department of approximately \$35,000 per year. All of these numbers are approximate as the actual average cost per ton can be affected by occasional light loads not making the minimum container weights. The City pays for the minimum tonnage even if the container is light. The contract is adjusted annually per the published consumer price index(CPI) just as in the City's current disposal agreement.

Please note that the rates identified in the proposed contract were also included in the proposed FY 2013-14 budget.

RECOMMENDATION:

Staff recommends the Assembly authorize the Borough Manager to enter into contract with Regional Disposal Company for the disposal of solid waste and recycling.

ATTACHMENTS:

1. Municipal Solid Waste Transport and Disposal Agreement

MUNICIPAL SOLID WASTE TRANSPORT AND DISPOSAL AGREEMENT

THIS MUNICIPAL SOLID WASTE TRANSPORT AND DISPOSAL AGREEMENT (the "Agreement") is made as of the ___ day of _____, 20__ by and between the City and Borough of Wrangell, an Alaska borough (the "Borough") and Regional Disposal Company ("RDC"), a state of Washington general partnership.

1. Purpose. Borough and RDC enter into this Agreement to establish terms and conditions under which Borough engages RDC to transport and dispose of municipal solid waste generated and to recycle recyclable materials within the Borough or received at Borough solid waste handling facilities.

2. Borough's Obligations. The Borough's obligations under this Agreement include the following:

- a. The Borough shall pay service fees to RDC in accordance with Section 5 below, and shall exercise reasonable best efforts to ensure that all Acceptable Waste (as defined below) generated or disposed of within the Borough or received at any Borough solid waste handling facility (other than recyclable solid waste retained by the Borough for recycling purposes) is directed to RDC under this Agreement.
- b. The Borough shall load municipal solid waste into the containers provided by RDC for that purpose. The Borough shall care for the containers provided by RDC and be responsible for any damage that occurs to them during the Borough's use or possession of the containers, excluding damage normally resulting from ordinary use or damage caused by forces or actions outside of the control of the Borough.
- c. The Borough shall deliver to RDC loads containing in each instance only either (1) Acceptable Waste, or (2) Recyclable Materials. "Acceptable Waste" means municipal solid waste, including garbage, rubbish, refuse, paper and cardboard, plant and grass clippings, commercial, industrial, demolition and construction wastes, woodwastes, septage screenings, and discarded small household appliances (i.e., of a size capable of being lifted by a person of average strength). The term "Acceptable Waste", however, does not include "Excluded Waste", which for purposes of this Agreement means (1) any hazardous materials, wastes or substances; toxic substances, wastes or pollutants; contaminants; pollutants; infectious wastes; highly flammable substances; explosives; medical wastes; radioactive wastes; sewage sludge; liquid wastes; special wastes; and dangerous wastes, each as defined by applicable federal, state, or local laws or regulations or permit conditions, including but not limited to 40 C.F.R. Part 261 and Washington Administrative Code Ch. 173-303, and (2) any other waste that may not be disposed of at RDC's Roosevelt Regional Landfill under federal, state or local law, regulation, rule, code, permit or permit condition. "Recyclable Materials" means those solid wastes that are separated for and susceptible to recycling or reuse and for which there exists a market for such purposes (such as papers, metals and glass), and that are identified as recyclable material pursuant to a local comprehensive solid waste

management plan. The term includes materials that are included in the definition of recyclable materials set forth in RCW 70.95.030 or regulations promulgated thereunder, as such definition and regulations may be changed from time to time. The term “Recyclable Materials”, however, does not include Excluded Waste. Loads that are tendered as loads of Recyclable Materials, but that contain more than an insignificant amount of Acceptable Waste that does not qualify as Recyclable Materials, shall at RDC’s option be treated as loads of Acceptable Waste.

- d. The Borough shall minimize the possibility that Excluded Waste is loaded into containers of either Acceptable Waste or Recyclable Materials delivered to RDC, and shall encourage source separation of Recyclable Materials, by adherence to the provisions of its operating plan that are designed to achieve those purposes.

3. RDC's Obligations. RDC shall:

- a. make available at the Borough's designated loading site sufficient numbers of intermodal shipping containers for transport by RDC of loads of Acceptable Waste and loads of Recyclable Materials. pursuant to this Agreement;
- b. arrange for the transport of container loads of Acceptable Waste to its facility in Roosevelt, Washington, where it will dispose of such Acceptable Waste;
- c. arrange for the transport of container loads of Recyclable Material to one or more RDC facilities within the state of Washington, where RDC will process and sell the Recyclable Material.
- d. provide all of the facilities, equipment, and personnel necessary for such work, and perform the work in compliance with generally accepted industry practices and all applicable local, state, and federal regulations; and
- e. take possession and control of loads of Acceptable Waste delivered by the Borough to RDC or its subcontractor for transportation and disposal, and of loads of Recyclable Material delivered by the Borough to RDC or RDC’s subcontractor for transportation, processing and sale. Title to Acceptable Waste delivered to RDC shall become the property of RDC upon RDC's acceptance of tender of loaded containers for shipment at the Borough’s transfer facility or at such other location as the Borough reasonably may designate as the point of delivery. to and liability for any Excluded Waste (including but not limited to any household hazardous waste and small quantity generator hazardous waste that is included in containers delivered to RDC despite the Borough’s attempts to prevent its inclusion) shall not pass to RDC unless and until RDC has so commingled such Excluded Waste with other materials that the Borough no longer with reasonable certainty can be proven to be the source of such Excluded Waste; and if it is discovered in any instance that Excluded Waste has been delivered, RDC shall be free to dispose of such Excluded Waste in such lawful manner as RDC may elect at the expense of the Borough. This provision in no

manner relieves the Borough of its obligation to tender only loads of Acceptable Waste as specified in Section 2(c) of this Agreement.

4. RDC's Covenants and Warranties. RDC warrants and represents that it has the business, professional, and technical expertise to transport and dispose of the Borough's municipal solid waste and shall at all times do so in a prudent and workmanlike manner. Furthermore, RDC warrants and represents that it has all the governmental authorizations, licenses and permits necessary to perform this agreement and that it has the equipment, disposal facility and employee resources required to perform this Agreement, and such equipment and disposal facility shall, at all times relevant to the performance of services hereunder, be maintained in a good and safe condition and fit for use as required. RDC covenants and warrants that it has performed all the necessary partnership actions to approve, execute, and perform this contract as detailed herein.

5. Billing and Payment.

a. Billing. RDC shall provide to the Borough, by the fifteenth (15th) day of each month, a statement in a format that is mutually agreeable to RDC and Borough detailing the number of containers handled and the weight of each container of the Borough's waste accepted by RDC in the preceding month. The method of determining tonnage of Acceptable Material shipped shall be by certified scale at the Roosevelt Regional Landfill in Roosevelt, Washington. The method of determining tonnage of Recyclable Material shipped shall be by certified scale at the Rabanco Recycling Center in Seattle. Tonnage shall be determined to the nearest 1/100th ton.

b. Service Fee.

i. The service fees payable to RDC for its services pursuant to this Agreement initially shall be:

For loads of Acceptable Waste the service fee payable to RDC shall be:

- Transportation Component: \$43.45 per ton of Acceptable Waste delivered by the Borough to RDC, but not less than \$1,129.70 for each forty-foot container and not less than \$1,216.60 for each forty-eight foot container; *plus*
- Transportation Fuel Surcharge: A per-load fuel surcharge equal in amount to the per-load fuel surcharge payable by RDC to its transportation subcontractor; *plus*
- Disposal Component: \$57.50 per ton of Acceptable Waste delivered by the Borough to RDC, but not less than \$1,495.00 for each container.

For loads of Recyclable Materials the service fee payable to RDC shall be the total of the following two components:

- Transportation Component: \$43.45 per ton of Recyclable Materials delivered by the Borough to RDC, but not less than \$1,129.70 for each forty-foot container and not less than \$1,216.60 for each forty-eight foot container; *plus*
- Transportation Fuel Surcharge: A per-load fuel surcharge equal in amount to the per-load fuel surcharge payable by RDC to its transportation subcontractor; *plus*
- Recycling Component: \$51.50 per ton for all Recyclable Materials delivered by the Borough to RDC.
- Recycling Processing Component: \$30.00 per ton of Recyclable Materials delivered in the case of any Recyclable Material that is commingled and requires separation by RDC.

The amount payable as per-load Transportation Fuel Surcharges shall be subject to adjustment on a quarterly basis. Transportation Fuel Surcharges shall be based on the average daily price of fuel for the immediately preceding quarter, and the Transportation Fuel Surcharge (which is calculated as a percentage of the transportation fee payable by RDC to its transportation subcontractor for transport of loads of the Borough's Acceptable Waste or Recyclable Materials) will be determined by a fuel surcharge table that is made a part of RDC's subcontract with its transportation subcontractor. RDC shall make available to the Borough such documentation as the Borough reasonably may require for the purpose of verifying the Transportation Fuel Surcharges billed by RDC to the Borough for loads of Acceptable Waste and Recyclable Materials transported pursuant to this Agreement do not exceed sums payable by RDC as fuel surcharges to its transportation subcontractor.

- ii. RDC will accept loaded containers of Acceptable Waste or of Recyclable Materials having a net weight of up to thirty-three (33) tons. If the Borough tenders and RDC accepts loaded containers exceeding thirty-three (33) tons net weight, the service fee for the tonnage in a loaded container in excess of thirty-three (33) tons shall be one hundred twenty-five percent (125%) of the otherwise applicable service fee (exclusive of Transportation Fuel Surcharges). The increased fee for tonnage in a loaded container in excess of thirty-three (33) tons is to compensate RDC for the wear resulting from excess weight.
- iii. The Borough shall remit payment by the thirtieth (30th) day following the date of RDC's billing statement. RDC may charge and Borough shall pay a service charge of one and one-half percent per month or the maximum rate permitted by law, whichever is less, on any amounts paid after such thirty (30) day period, which amount will be prorated for any partial month in which payment remains overdue. Borough shall also pay all reasonable costs of collection, including attorney's fees, incurred by RDC in the collection of amounts owing but not paid by Borough within such thirty (30) day period. Except as otherwise specifically

stated herein, all prices and charges set forth herein are inclusive of all federal, state, and local taxes levied on the transportation and disposal of municipal solid waste.

- iv. RDC shall pay the Borough one hundred percent (100%) of sums collected by RDC from the sale of Recyclable Materials received by RDC from the Borough pursuant to this Agreement, net of any excise taxes (including but not limited to sales taxes, use taxes or business and occupation taxes) that RDC is required to pay or remit to any federal, state or local jurisdiction on account of its sale of such Recyclable Materials. Such payment will be based on RDC's actual prices for sales of Recyclable Materials and will be credited against RDC's fees for recycling services provided pursuant to this Agreement. RDC's actual price for sales of Recyclable Materials will be based on the average price for RDC's sale of all such Recyclable Material (by commodity category) during the month in which the Recyclable Material is received.
- c. Price Adjustment for Inflation. Each of the service fees specified in Section 5(b) above and components thereof (including the per-load minimums specified in Section 5(b), but not including Transportation Fuel Surcharges), shall be adjusted annually on July 1 of each year, commencing July 1, 2013, based on the percentage change in the Consumer Price Index for all urban consumers (CPI-U) for the Seattle-Tacoma-Bremerton area, all items (1982-84 = 100), in accordance with the following formula:

$$AA = BSF * (1 + [(CPI_y / CPI_o) - 1] * 0.95)$$

where:

AA = the adjusted amount of the applicable Disposal Component, Recycling Component, Recycling Processing Component, Transportation Component, or per-load minimum;

BSF = the applicable initial amount of such Disposal Component, Recycling Component, Recycling Processing Component, Transportation Component, or per-load minimum specified in Section 5(b)(i) above;

CPI_y = the CPI for the month of April most recently preceding the date on which the adjustment is to be effective (e.g., CPI_y would be the CPI for April 2013 in the case of the adjustment to take effect on July 1, 2013, and would be the CPI for April 2014 in the case of the adjustment to take effect on July 1, 2014); and

CPI_o = the CPI for April 2012 (which the parties acknowledge to be 237.931).

If the United States Department of Labor ceases to publish a CPI index for the Seattle-Tacoma-Bremerton area, then its most comparable index encompassing the Puget Sound Region or the State shall be used, and if such indices are unavailable, a similar index reasonably determined by both RDC and Borough shall be used.

Attached to this Agreement are illustrative examples of the way in which the formula expressed above is to be applied.

- d. Price Adjustment for Change in Law. RDC may, after obtaining Borough's approval, which approval may not be unreasonably withheld, increase a service fee by one hundred percent (100%) of RDC's reasonable actual increased costs of performing the services for which it charges the service fee due to a change in law. For purposes of this section, a "change in law" includes new laws, regulations, ordinances of general application and modifications of them; new decisions of tribunals, either judicial or administrative, and any modifications of them; or the imposition of any material conditions on the renewal of any permit, license or approval which makes the transportation, storage, land application or other management of municipal solid waste more burdensome financially than under the requirements in effect at the Effective Date (as defined below). Such increase in either or both of RDC's service fees may occur only for reasonable costs that are actually incurred, and shall not be allowed for any cost increases that are in any way attributable to activities outside of the ordinary performance of this Agreement by or within the control of RDC or its subcontractors, employees, or agents.

6. Term and Extension. The term of this Agreement shall be five (5) years, commencing on _____, 20__ (the "Effective Date"). Effective as of the day that follows any date on which this Agreement otherwise would expire, this Agreement automatically shall extend for a new five-year period under the same provisions and for the same service fees in accordance with Section 5 of this Agreement (as previously adjusted pursuant to Section 5(c) and/or Section 5(d)), unless either party provides written notice of its election to terminate this Agreement as of the end of the then-current period at least twelve (12) months prior to the end of such period. The immediately preceding sentence shall apply both in the case of the initially contemplated five-year term, and at the end of any one or more five-year extension terms.

7. Insurance. At all times during the term of this Agreement, RDC shall maintain an insurance policy, regardless of what insurance Borough may maintain; and, provide limits of liability of not less than \$2,000,000 combined single limit bodily injury and property damage; and, provide for not less than thirty (30) days advance written notice to Borough regarding any material changes to the policy. The Borough will be included as an additional insured on RDC's policy. It is further agreed that an ACORD form of Certificate of Insurance showing all of the required coverages and endorsements shall be provided to Borough, upon the Borough's written request.

8. Permits; Records. Each party shall maintain all necessary permits and approvals for its facilities and under this Agreement; all in accordance with law. These records shall be available for each parties' copying and review upon seven (7) days written notice.

9. Termination; Default.

- a. RDC may terminate this Agreement upon giving Borough written notice if:

- i. Borough fails to make any payment required hereunder within thirty (30) days after receiving notice of nonpayment from RDC, unless the Borough has a legitimate reason for the delay;
 - ii. Borough breaches any material representation or warranty set forth herein;
 - iii. Borough defaults in the performance of any other material obligation under this Agreement and fails to cure such default within thirty (30) days after receiving written notice thereof from RDC; or
 - iv. The Borough unreasonably withholds its consent to a fee adjustment request by RDC pursuant to Section 5(d) above (attributable to changes in law).
- b. The Borough may terminate this Agreement upon giving RDC written notice if:
 - i. RDC breaches any material representation or warranty set forth herein;
 - ii. RDC defaults in the performance of any other material obligation under this Agreement and fails to cure such default within thirty (30) days after receiving written notice thereof from Borough; or
 - iii. RDC fails to comply with any federal, state or local laws, rules, orders or ordinances, or regulations that pertain to the transportation or disposal of the municipal solid waste and fails to cure such non-compliance within thirty (30) days after receiving written notice from the appropriate agency or court; or
- c. The Borough may terminate this Agreement upon thirty (30) days written notice to the other if price adjustments pursuant to Section 5(d) above (attributable to changes in law) cause the aggregate service fees payable by the Borough to RDC under this Agreement to increase by more than ten percent (10%) in any one year, or by more than twenty-five percent (25%) over the life of this Agreement (when compared against the aggregate service fees that would be payable in the absence of any price adjustments pursuant to Section 5(d) above).
- d. The Borough may terminate this Agreement upon thirty (30) days written notice to RDC if the amount of all Transportation Surcharges reflected on any invoice by RDC to the Borough exceeds forty percent (40%) of the amount of all Transportation Components reflected on the same invoice, and if the Borough's 30-day notice of termination is given within ninety (90) days following the Borough's receipt of the invoice.
- e. Either party may terminate this Agreement as provided for by Section 15 (dealing with force majeure events).

A termination by either party of this Agreement shall not affect the parties' respective rights and obligations to each other with respect to Acceptable Waste and Recyclable Materials delivered to RDC prior to the effective date of termination.

10. Indemnification.

- a. RDC agrees to defend, indemnify and hold Borough harmless from and against any and all claims, demands, causes of action, damages, liabilities, losses, expenses, penalties and costs of defense relative thereto, including legal fees, ("Losses") caused by or resulting from either RDC's breach of this Agreement or by its negligence in performing it.
- b. Borough agrees to defend, indemnify and hold RDC harmless from and against any and all Losses caused by or resulting from either the Borough's breach of this Agreement or the Borough's negligence in performing it.

Notwithstanding any other provision herein, obligations created by this section shall survive the Agreement.

11. Compliance with Laws. Borough and RDC shall each fully comply with all applicable laws, ordinances, decisions, orders, rules or regulations of any government or governmental agency pertaining to its handling, transportation, or disposal of the Borough's waste.

12. Disputes; Governing Law; Venue.

- a. Disputes. In an attempt to resolve any outstanding dispute between the parties, representatives from RDC and the Borough shall meet and a good faith efforts attempt shall made to resolve the dispute.
- b. Jurisdiction; Venue. The parties agree that proper venue for any litigation arising out of or relating to this Agreement may be either the the Federal District Court for the Western District of Washington (or the King County Superior Court, if the matter is one as to which a federal court would not have subject matter jurisdiction), or the Federal District Court for the District of Alaska (or the _____, if the matter is one as to which a federal court would not have subject matter jurisdiction), and each of the parties submits to the jurisdiction of each of such courts in any such action.
- c. Governing Law. Regardless of venue, this Agreement shall be construed and interpreted in accordance with the internal laws of the State of Alaska.

13. Unenforceability. If any part of the Agreement is declared to be invalid or unenforceable, the rest of the Agreement shall remain binding.

14. Independent Contractor. Each party hereto is and shall perform this Agreement as an independent contractor, and as such, shall have and maintain complete control over all of its employees, agents, and operations. Neither party nor anyone employed by it shall be, represent, act, purport to act or be deemed to be the agent, representative, employee or servant of the other party.

15. Force Majeure. Should either party be prevented wholly, or in part, from performing its respective obligations under this Agreement by a cause reasonably outside of and beyond the control of the party affected thereby, including but not limited to war, government regulation, restriction or action, strike, lockout, accidents, storms, earthquake, fire, acts of god or public enemy or any similar cause beyond the control of the parties, then such party shall be excused hereunder during the time and to the extent that the performance of such obligation are so prevented, and such party shall have no liability whatsoever for any damages, consequential or otherwise, resulting therefrom. After either party's performance has been suspended for a period of at least three months due to a force majeure event, the other party may terminate the agreement at any time before performance resumes by providing written notice to the other party.

16. Non-Waiver. Either party's failure to enforce its rights under any provision of this Agreement shall not be construed to be a waiver of that provision. No waiver of any breach of this Agreement shall be held to be a waiver of any other breach.

17. Notices. All notices required under this Agreement shall be personally delivered or mailed by certified or registered mail, postage prepaid as follows:

If to Borough, addressed to:

If to RDC, addressed to:

Joe Casalini, Vice President
Regional Disposal Company
200 — 112th Avenue NE, Suite 300
Bellevue, WA 98004

with a copy to:

Contracts Compliance Officer
Regional Disposal Company
200 — 112th Avenue NE, Suite 300
Bellevue, WA 98004

or to such other address as any party shall specify by written notice so given. Notices shall be deemed to have been given and received as of the date so delivered or three (3) business days after being deposited in the U.S. mail.

18. Entire Agreement: Amendment. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any and all other communications, representations, proposals, understandings or agreements, either written or

oral, between the parties with respect to such subject matter. This Agreement may not be modified or amended, in whole or in part, except by a writing signed by both parties.

19. Counterparts. This Agreement may be executed in separate counterparts, each of which is part of a single contract. A party's transmission to the other by fax, email or other electronic means of the transmitting party's signature on this Agreement shall be effective as an acceptance of this Agreement by the transmitting party, with the same force and effect as the delivery of an executed original.

The Rest Of This Page Is Intentionally Left Blank – Signature Page Follows

WHEREFORE, the parties have executed this Agreement as of the date first written above.

REGIONAL DISPOSAL COMPANY
By WJR Environmental, Inc.,
Managing Partner

The City and Borough of Wrangell, ALASKA

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXAMPLES OF CPI CALCULATION
(For Illustrative Purposes Only, To Demonstrate The Application Of The Adjustment Formula –
Not Intended As An Assurance Or Prediction Of Future Changes In CPI)

If:

- (1) BSF (the initial dollar amount of a given component subject to adjustment) were to be \$100.00**
- (2) The CPI for the month of April 2013 were to be 243.641**

Then, applying the formula, which is:

$$AA = BSF * (1 + [({CPI_y / CPI_o} - 1) * 0.95])$$

where:

AA = the adjusted amount of the applicable Disposal Component, Recycling Component, Recycling Processing Component, Transportation Component, or per-load minimum;

BSF = the applicable initial amount of such Disposal Component, Recycling Component, Recycling Processing Component, Transportation Component, or per-load minimum specified in Section 5(b)(i) above;

CPI_y = the CPI for the month of April most recently preceding the date on which the adjustment is to be effective (e.g., CPI_y would be the CPI for April 2013 in the case of the adjustment to take effect on July 1, 2013); and

CPI_o = the CPI for April 2012 (which the parties acknowledge to be 237.931).

the adjusted amount of that particular component beginning July 1, 2013 would be:

$$\$100.00 * (1 + [({243.641 \div 237.931} - 1) * 0.95]) =$$

$$\$100.00 * (1 + [(1.023998554 - 1) * 0.95]) =$$

$$\$100.00 * (1 + [0.023998554 * 0.95]) =$$

$$\$100.00 * (1 + 0.022798626) =$$

$$\$100.00 * 1.022798626 =$$

$$\underline{\underline{\$102.2798626 \text{ (rounds to \$102.28)}}}$$

* * *

Now, suppose that the CPI for April 2014 were to be 250.501. In that case, the adjusted amount of that same component effective as of July 1, 2015 (the second annual CPI adjustment) would be:

$$\$100.00 * (1 + [({250.501/237.931} - 1) * 0.95]) =$$

$$\$100.00 * (1 + [(1.052830442 - 1) * 0.95]) =$$

$$\$100.00 * (1 + [0.052830442 * 0.95]) =$$

$$\$100.00 * (1 + 0.05018892) =$$

$$\$100.00 * 1.05018892 =$$

$$\underline{\underline{\$105.018892 \text{ (rounds to \$105.02)}}}$$

Agenda Item 13g

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

INFORMATION:

Approval to cancel the June 11, 2013 Borough Assembly Meeting

Attachments:
None.

RECOMMENDED ACTION:

Move to approve the cancellation of the June 11, 2013 Borough Assembly meeting, and conduct only one meeting on June 25, 2013.

Agenda Item 13h

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

INFORMATION:

Discussion regarding travel protocol

Attachments:

None.

RECOMMENDED ACTION:

Assembly Discussion.

Agenda Item 13i

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM May 28, 2013

INFORMATION:

Request from the Special Energy Committee for the approval of a letter to be forwarded to the Petersburg Borough Assembly and the City of Ketchikan Council

Attachments:

1. Proposed letter from the Special Energy Committee.

RECOMMENDED ACTION:

Move to approve, forwarding a letter of support of a probationary review of our SEAPA partnership, at the request of the Special Energy Committee, to the Petersburg Borough Assembly and the City of Ketchikan Council.



CITY AND BOROUGH OF WRANGELL
INCORPORATED MAY 30, 2008

P.O. Box 531 ph. 907-874-2381
Wrangell, AK 99929 fax 907-874-3952

May 29, 2013

City of Ketchikan
334 Front Street
Ketchikan, AK 99901
Attn: Honorable Mayor & Members of the City Council

Petersburg Borough
P.O. Box 329
Petersburg, AK 99833
Attn: Honorable Mayor & Members of the Assembly

The Wrangell Special Energy Committee has chosen to make the following recommended letter of invitation to our three partner communities in support of a probationary review of our SEAPA partnership.

Whereas the cities of Ketchikan, Petersburg, and Wrangell have agreed to create the Southeast Alaska Power Agency (SEAPA) with the stipulation of conducting a review no later than December 31, 2014, we feel there exists within the communities enough interest to commission a review of the SEAPA infrastructure and operations with the intent on identifying if there are any favorable changes/enhancements to this Joint Action Agency that could better serve our communities in the years to come.

This is not a request for a review to disband SEAPA, but rather an approach to the agreed upon review as a "probationary review".

We would like to invite the partner communities (Ketchikan and Petersburg) to consider jointly participating in conducting a probationary review of SEAPA with the following actions:

1. The communities request that SEAPA commission and pay for this independent review.
2. Each community solicit questions and comments from within their communities at-large to present to a mutually agreed upon qualified independent contractor (with both electrical and economic knowledge) that can answer the questions in regards to best practices and structure of (SEAPA).
3. SEAPA board or staff not involve itself in the creation of the independent report (SEAPA board and staff will, of course have access to the report at the time the communities are presented with the report).

4. The communities review the report and consider any recommendations, if any, that they feel appropriate to present to the SEAPA board for consideration.

Sincerely,

David L. Jack, Mayor
City & Borough of Wrangell

Agenda Item 14

CITY & BOROUGH OF WRANGELL

**BOROUGH ASSEMBLY
AGENDA ITEM
May 28, 2013**

ATTORNEY'S FILE:

Summary provided to the Borough Assembly

Agenda Item 15

CITY & BOROUGH OF WRANGELL

**BOROUGH ASSEMBLY
AGENDA ITEM
May 28, 2013**

EXECUTIVE SESSION:

None