



BLUE LAKE EXPANSION PROJECT

MONTHLY UPDATE FOR CITY ASSEMBLY

Report No. 12

Month ending November 30, 2013

SCOPE

- 83 ft. dam raise with modified tunnel system and new 15.9 MW powerhouse (\$89 million)
- Eight supply contracts for Owner-Furnished equipment and materials (\$16 million)

PROJECT HIGHLIGHTS DURING THIS MONTH

- November 1 – Barnard completed the removal of the timber crib wall.
- November 2 – Removal of the rock knob at the powerhouse access road is complete. We are determining the final volume removed by survey to establish the change order dollar amount.
- November 11 – ASRC McGraw placed 208 CY of concrete completing the access bay rat slab.
- November 12 – ASRC McGraw placed 99 CY of concrete completing the powerhouse mezzanine deck and columns.
- November 13 – A public project update meeting was held at Centennial Hall with low attendance.
- November 13 – Met with Barnard and NAES to discuss the preparation of commissioning plans. A list of required plans and the format has been determined.
- November 15 – ASRC McGraw placed 225 CY of concrete completing the el. 27 vehicle access deck. This placement substantially completes all primary concrete at the powerhouse site.
- November 21 – We experienced a flood that washed out access roads, plugged a major culvert and flooded out the powerhouse up to about el. 17. All access has now been restored and the powerhouse was pumped out after the flood subsided.
- November 25 – Began staging steel building materials at powerhouse.
- November 26 – Barnard began grouting the adit tunnel in preparation for placement of the tunnel plug.
- November 26 – Barnard completed the backfill around the powerhouse to expedite the powerhouse construction. This fill will have to be removed later, to install the penstock.
- November 29 – John Rennie reached substantial completion on the switchyard control building.
- November – SEEM continues excavation of the powerhouse access road.
- November – 9 days were lost at the dam site due to weather or winds shutting down the crane.
- November – Barnard made: 1 concrete placement at the thrust block, 1 placement at the cutoff wall, and 3 block placements in the main dam near the left abutment.
- November – Barnard made 2 placements at the gate shaft, 2 placements remain.
- TO DATE – 17 of 79 blocks of concrete have been placed at the dam, 1530 CY of 3350 CY have been placed at the powerhouse. Concrete tests have been better than required by the specification.

COST SUMMARY – updated 11/29/2013

Project Element	Current Contract Total or Projected Amount	Payments	
		Paid this Month	Paid to Date*
Supply Contracts			
Contract 1 - Turbine Generator Equipment	\$11,573,707	\$0	\$10,258,002
Contract 2 - Switchgear	\$647,672	\$0	\$226,499
Contract 2A - SS Switchgear	\$300,000	\$0	\$0
Contract 3 - Gates and Hoist	\$780,185	\$0	\$703,376
Contract 4 - Penstock	\$836,315	\$0	\$795,778
Contract 5 - 69 kV Transformers	\$601,184	\$0	\$543,130
Contract 6 - Bridge Crane Equipment	\$270,518	\$0	\$245,246
Contract 7 - Steel Building	\$1,139,321	\$23,171	\$1,001,669
Contract 8, Debris Management	\$1,530,000	\$0	\$0
Contract 9, General Construction	\$88,175,661	\$3,892,897	\$48,427,059
Diesel Fuel	\$1,260,000	\$0	\$0
Temporary Filtration**	\$3,000,000	\$63,835	\$63,835
Remaining Project Costs		\$0	\$0
License Amendment	\$1,400,000	\$1,153	\$1,197,963
Engineering	\$9,498,393	\$170,853	\$11,706,475
Construction Management	\$8,076,201	\$219,934	\$4,203,318
City Performed Work	\$1,495,000	\$26,147	\$1,585,950
Incentive Payment	\$1,600,000	\$0	\$0
Cost of Insurance/Reserve Account	\$3,500,000	\$0	\$0
TOTALS	\$135,684,156	\$4,397,989	\$80,958,300
ESTIMATED TOTAL PROJECT COST	\$141,517,667		

*Paid to Date includes unpaid retainage

**Temporary Filtration budget updated. Assembly approval will be requested at a later date for the overrun.

COST CHANGES THIS MONTH

- No other change orders were issued for the equipment and materials contracts that affect the cost of these goods.
- We continue to expect a series of change orders for the supply contracts for the purchase of additional spare parts (Contracts 1, 2, and 6) over the next months. These suppliers continue to be slow in getting us pricing and information for the spares.
- The City has agreed to a Value Engineering arrangement on the construction of the micropile scour wall in the plunge pool below the dam.
- Change Order No. 6 was negotiated and will be submitted for approval. This change order includes 10 change items. The major items are the removal of the rock knob at the powerhouse site and Stabilization of the reservoir access road.

- There are a series of change items still under negotiation as follows:
 - Modification of the dam site staging area (changes in material quantities spoiled in this area and prep work to allow USFS final grading and improvements in this area).
 - Changes to the powerhouse electrical conduit and cable requirements (a group of changes in conduit and the addition of a number of control cables).
 - Dredging in front of sluice gate valve and repair if necessary. This will be done next spring when the lake is drawn down.

We do not expect these change items to impact the project schedule.

CONSTRUCTION SCHEDULE MILESTONES: PLANNED/ACTUAL

Construction Start	11-20-2012 / 12-03-2012	Sub. Comp. BLU #5	10-24-2014/
Drainage Tunnel Comp.	07-01-2013 / 05-05-2013	Sub. Comp. FVU	11-12-2014/
Tunnel ex. complete	08-19-2013 / 07-24-2013	Sub. Comp. BLU#4	11-22-2014/
Ready for Gen. Outage	08-24-2014/	Substantial Completion	02-01-2015/

NOTES ON PROJECT SCHEDULE

- The most recent look-ahead schedule submitted by Barnard shows the following upcoming target dates:
 - a. Erect powerhouse steel and roof by the end of December.
 - b. Continued dam concrete work throughout December.
 - c. Continued placement of the concrete liner in the intake gate shaft.
 - d. Continued excavation of the powerhouse access road.
 - e. Begin stabilization of reservoir access road.
- Most of the Owner furnished materials and equipment are now on site. Only the switchgear and the inlet valve for the Fish Valve turbine remain to be delivered.
- The CM team and Electric Department continue working on the City-performed work tasks to ensure these activities are completed on time. Good progress continued in November. We are on-track with the City-performed work. The City has prepared a work plan that coordinates the City performed work with Barnard's Project Schedule.
- The City will be meeting with Gilkes (the turbine-generator supplier) on December 10 to discuss the final commercial matters on contract 1.
- Barnard and the CM team will be preparing commissioning plans in preparation for the generation outage.

OTHER ITEMS OF INTEREST

- An Executive Partnering Session will be conducted in Sitka December 6.
- We expect the Blue Lake reservoir will stop spilling early in December. The City is maximizing generation at Blue Lake to maximize the intake structure work window for Barnard. Throughout 2014, water will be conserved at Green Lake for use during the fall 2014 generation outage.

PROJECT RISK PROFILE

A discussion of the major risk areas follows below. As a general rule risks are measured as follows:

LOW: Probability of less than 10%, or mitigation cost less than \$1 million.

MODERATE: Probability of more than 30%, or mitigation cost up to \$5 million.

HIGH: Probability of more than 60%, or mitigation cost likely more than \$5 million.

The City's project team believes the following risk areas will dominate the potential for increases in overall Project cost. We also believe these areas pose the greatest risk for schedule delays.

Construction Schedule: In Barnard's most recent (November 2013) schedule, the critical start of the 2014 Generation Outage is shown starting on August 18, 2014, six days ahead of schedule. This is in spite of the lost days at the dam site due to weather and high winds.

CURRENT RISK: LOW

Weather and Lake Levels: Both Green Lake and Blue Lake are spilling. This situation sets us up very well for the next season. We experienced a significant flood on November 21. The timing of the flood was very lucky in that the damage and interruption of the work was minimal. The City will install joint restraints on the water transmission line and install an additional access road culvert to minimize risks during future floods.

CURRENT RISK: LOW (through 2013)

Rock Conditions: Contract 9 includes an allowance of \$2,702,000 for rock support in the Project tunnels, shafts and excavations. This rock support is a combination of rock bolts, shotcrete, and steel arch supports. Project-wide the total underground excavation work is now about 96% complete.

We have determined that there are several areas that need rock support or work beyond the original design. It is fortunate that these areas are generally not critical operating structures. The following areas require additional rock support or removal:

1. In the reservoir and intake area we are adding: above ground slope support along the access road; rock support in the intake area; a change item was issued for the lining of the gate shaft. A change item has been issued for reservoir access road stabilization.
2. In the powerhouse area, removal of a rock knob along the powerhouse access road was required, as described above. A change item has been issued for this work.

The total underground and dam foundation rock support on the Project is significantly less than budgeted. We have a large under-run on rock support quantities, which will result in cost savings to the City. These cost savings will most likely be used to pay for the added above ground rock support in the intake and powerhouse areas.

CURRENT RISK: LOW

City Performed Work, for Contract 9: The City has elected to self-perform some work associated with the Project's general construction. This work includes: procurement, installation and field wiring of a switchyard control building; installation and connection of fiber-optic cables from the powerhouse to the dam; control wiring of the Fish Valve Unit generator; and design and installation of the SCADA system. More than 40% of this work is now complete. We continue to make good progress in this work and we are on schedule.

CURRENT RISK: LOW. [See Appendix 1-Action Plan at the end of this monthly update, for the status of this self-performed work].

Temporary Water Filtration Plant: During the August through September 2014 outage of the Blue Lake tunnel, the City will get its drinking water from a temporary water supply. This temporary system remains to be leased and installed at Indian River; some final design is still required. This system must be in place and fully operational prior to the Generation Outage. Any delay in the filtration plant beyond August 23, 2014, will delay the hydro expansion Project. Barnard will be providing the filtration project as a change order to contract 9. The filtration project is being managed by McMillen LLC and CH2MHILL will perform the final design. The City Water Department will operate the plant with assistance from CH2MHILL and the supplier.

CURRENT RISK: MODERATE [The current status of the filtration system design and planned construction is described in Appendix 2. If the filtration system is constructed as planned, we will be on track for the Expansion Project.]

Other: This is a broad combination of bad things that might happen such as: earthquakes; construction site accidents; floods; extreme winter weather; fire; labor unrest; etc. We expect that many of these risks would be covered by insurance at least in part. We did have a flood event on November 21 that flooded the powerhouse construction site and damaged access roads around the Project. The Contractor has recovered from this high-flow event and repair of damages will not impact the project schedule..

CURRENT RISK: LOW

PROJECT PHOTO RECORD THIS MONTH

Photos are taken of each work area each month from a fixed location to document construction progress by work area. Relevant photos of the project for this month are provided on the following pages.



Figure 1. Dam and Left Abutment Area, Barnard made 1 concrete placement at the thrust block, 1 placement at the cutoff wall, and 3 block placements in the main dam near the left abutment.



Figure 2. Drainage Tunnel and Scour Wall, The dam continued spill on and off through November.



Figure 3. Intake Portal and Right Abutment, no change this month.



Figure 4. Gate House Location, Barnard made 2 placements at the gate shaft and 2 placements remain.



Figure 5. Dam Staging area, 9 days were lost at the dam site due to weather or winds shutting down the crane.



Figure 6. Lower Portal Area, Barnard completed replacing the timber crib wall at the lower portal with rock.



Figure 7. Powerhouse Site, ASRC McGraw Constructors (AMCL) placed 208 CY of concrete at the access bay rat slab, 99 CY at the mezzanine deck and 225 CY of concrete completing the el. 27 vehicle access deck. These placements substantially complete all primary concrete at the powerhouse site.



Figure 8. Lower Project Site, Removal of the rock knob at the powerhouse access road is complete.



Additional Figure 9. Switchyard Control Building, John Rennie reached substantial completion on the switchyard control building.

LAKE LEVEL WINDOW FORECAST
Blue Lake Expansion Project
Contract 9 – General Construction

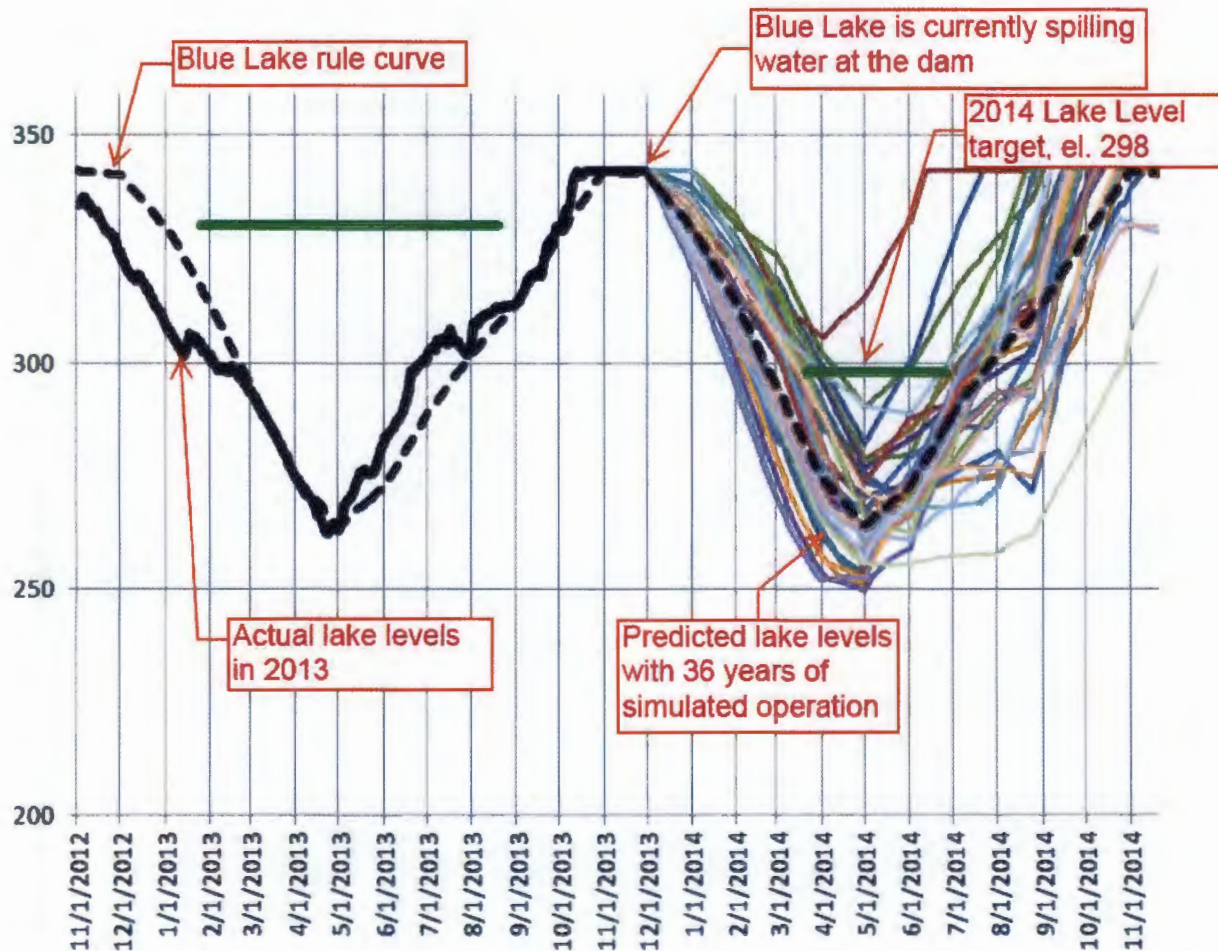
Forecast Date: November 29, 2013

Blue Lake WSEL: 342 (spilling) on November 28, 2013

2014 Lake Level Window: At or below WSEL 298 from March 22 to June 25, 2014

Highlights:

1. The focus of the current reservoir operation is to draw Blue Lake down to el. 298 before the start of the March 22, 2014 lake level window. Barnard needs the lake at this level to complete construction of the power tunnel's intake structure.
2. Steady rains and storms during November kept both Blue Lake and Green Lake dams spilling off and on during the month. Both lakes are full at the end of November.
3. The Electric Department is currently running the Blue Lake turbine-generators, Fish Valve unit; and Pulp Mill Feeder units at their maximum flow, to help draw the lake down.
4. The probability of the Blue Lake water level reaching el. 298 by March 22 is now 78% (28 of 36 years), as compared to 82% probable at the end of October, 2013.



Appendix 1 to Monthly Update for City Assembly

*November, 2013
ACTION PLAN
City Performed Work, for Contract 9*

The following table presents the Project Team's plan, staffing assignments and schedule to ensure that these owner-furnished design, fabrication and construction elements of the Expansion Project do not delay the construction contractor or result in additional costs.

Blue shaded boxes indicate completed work items.

Yellow shaded boxes indicate items of concern.

Project Element	Design Phase		Fabrication, Delivery and Construction		
	Lead	Date planned/ complete	Lead	Date Complete	Notes
PH Plant Function PLC panel, with BOM (north wall, near gridline 4, sits on floor)	S. Kim	4/30/2013/	B. Belley	July 2013	Panel to be "owner furnished" to Barnard. Conduit underneath panel will go through cutout.
Industrial water pump panel - control cabinet (outside the south wall of PH)	S. Kim	5/15/2013	B. Belley	June 2013	Panel to be "owner furnished" to Barnard. UPS will give 5-10 minutes of power in the event of an outage. (OK).
Industrial water pump panel VFD cabinet (inside the east wall of PH—southeast corner)	S. Kim	7/15/2013	B. Belley	August 2013	Included with industrial pump panel. See above
Fish Valve Unit as-builts (what they have now)	R. Dryden	4/18/2013/		Oct 2013	EES has finished the drafting and submitted drawings for City review.
Fish Valve Unit interconnection wiring diagrams to new Gilkes equipment.	R. Dryden	6/1/2013/	B. Belley	Oct 2014	Install wiring and start up FVU after Generation Outage. Mostly CAD work, to be done by EES.
Switchyard control panels – First Priority for Bob	R. Dryden	4/15/2013	B. Belley		Getting final drawings from Bob. CBS has 90% of material on site.
Switchyard control enclosure (a.k.a. Switchyard control building)	R. Dryden	4/20/2013/	Parkline		All material is on site
Switchyard control conduit	S. Kim	9/20/2013	B. Belley	Oct 2013	Embedded Conduits are ready for extension
Configure Blue Lake Control Room	Tal Frank Dean		Tal	Nov 2013	The control station is onsite and will be installed when the control room is complete.
Transfer Green Lake SCADA system	Tal			9/1/2013	Green Lake SCADA system will be located in the SCADA closet, not the Plant function cabinet.

November 30, 2013

Summary of Temporary Filtration Project Status

Alternative Water Source Investigation Filtration (Blue Lake Project):

Barnard will be providing the Temporary Water Filtration Plant at Indian River as a Change Order and Barnard has agreed to the Change.

- In November, Barnard issued NTP to Pall on the lease of the filter units.
- Pall and Barnard are working out the final terms of the agreement.
- CH2MHill is proceeding with the final design of the site equipment needed for the filtration units. A 50% engineering submittal was issued.
- McMillen will perform the construction management.
- The City will provide plant operation with possible assistance from the supplier. The operation of the plant is not included in Barnard's scope of work.

The completion of this work is now in the critical path.

The proposed schedule has the design completed in November 2013, ADEC permitting completed in March 2014, construction of the piping and pumping completed in April 2014 and final installation of the filter units in June 2014 for operation in July 2014. The preliminary design cost estimate has a projected design and construction cost of \$3,000,000. Barnard will provide final pricing on the Change Order when the final design is provided to them.

Summary of Titan 130 Diesel Turbine Project Status

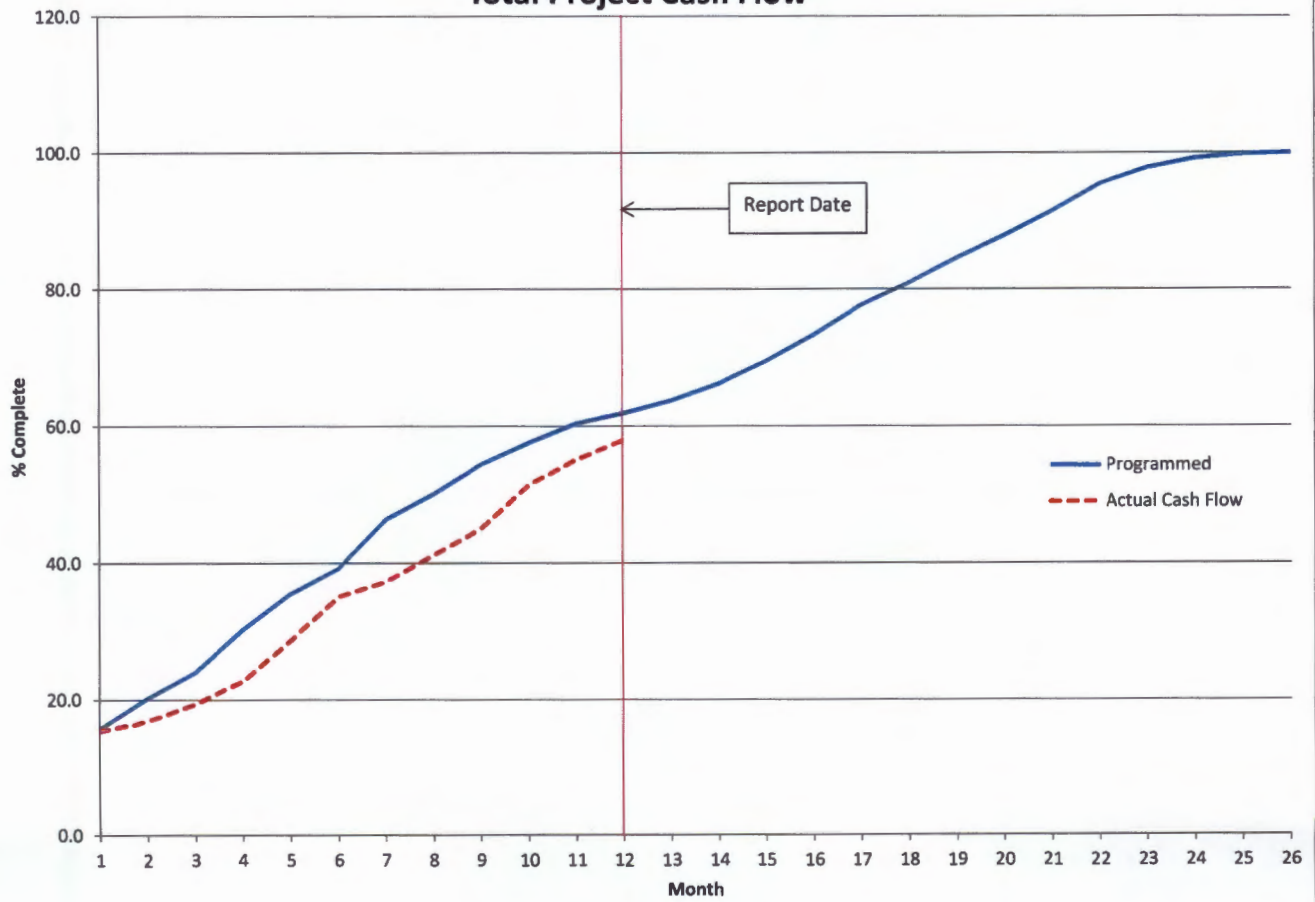
1. Titan heavy concrete foundations are complete. These were the major pours.
2. Underground main power and control conduit circuits are complete from the Titan complex to the substation vaults. These were the major circuits. First class expedited work, hard work, by the Sitka Electric Line Crew is commended.
3. Excavation for Titan 20MVA-GSU Transformer pad and containment dike was completed November 22 followed by substation structures concrete foundations. The plan is to keep rolling, as long as weather permits, until all site work is completed well before Titan scheduled delivery in March, 2014.
4. The Titan turbine unit test is complete and Titan Package test was completed and witnessed by Jack West on November 26, 2013 at the San Diego Solar plant.
5. The main transformer was tested and accepted on November 5, 2013.
6. Logistics planning with Solar is in progress for delivery of the 250 tons of the Titan complex to Sitka. Solar delivery at Port of Sitka or at the Jarvis Site is being reviewed for best cost option to CBS. On site heavy crane lifts will be CBS responsibility, which is as originally planned and budgeted.
7. Substation structural steel acquisitions are in progress. These are the last major materials items remaining with a lead time of about two months.

8. Substation grounding is 90% complete November 26, 2013.
9. All major engineering work is complete except installation details of the two 40,000 gallon, double-wall, Titan dedicated fuel tanks. Design work remaining includes foundations, pads, piping, spill containment diversion and a thorough fire prevention, containment and suppression review by multiple entities. The tanks, ancillary equipment and installation work are purchased. The fuel tanks are an end of project installation item.
10. Title V Operations Permit is out for public comment. The 45-day comment period closes November 15. The final ADEC operating permit will be received in December 2013.
11. The pole mounted switching materials to tie-in to the 69kV transmission line were received on site November 26.
12. The engineering design of the 69kV breaker control and protective relays is scheduled for 90% completion in December. The order is scheduled for placement January 10.



Titan Turbine

Total Project Cash Flow



BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

1. Progress of work

Environmental Protection

Barnard continues to install erosion and sediment control measures as required at the dam site, storage yard at Sawmill Cove Industrial Park and powerhouse area as ground disturbing activities continue. BMP maintenance and repair is ongoing as needed throughout the project site.

Gate Shaft Concrete

Barnard has completed work on the gate shaft concrete liner, with 52 vertical feet of shaft lined to date.

Dam Raise

Barnard crews continued placing concrete on the dam and left abutment thrust block and cutoff wall. We have completed 17 monoliths blocks total on the dam and have made 5 placements on the thrust block and cutoff wall.

Powerhouse

ASRC McGraw has completed the majority of the powerhouse concrete work with the mezzanine deck, access bay slab, and walls now placed. There is a small amount of concrete left to place in the turbine pits. ASRC is beginning preparatory work for the installation of the powerhouse steel building.

Southeast Earthmovers continues rock excavation for the new powerhouse access road and has completed temporary backfill against the powerhouse to allow for crane access. Barnard completed the rock knob excavation above the new powerhouse access road.

Barnard completed backfill on the Timber Crib Wall in November. Barnard crews have also remobilized into the adit tunnel to complete the concrete plug.

2. Status of Construction

Status of Ongoing Major Construction Activities

- Powerhouse Excavation – 90% complete
- Dam Raise – 1530 CY placed to date.
- Left Abutment Thrust Block and Cutoff Wall – 375 CY.
- Powerhouse Concrete – 3200 CY placed to date.
- Gate Chamber Concrete – 150 CY placed to date.
- Gate Shaft Lining – 52 VF completed. – 57% complete.

See Section 1 above for construction work completed in November 2013.

3. Construction Issues

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

The project was hit with a snow storm followed by a heavy rain event on November 19-21. This caused some damage to project access roads and the rising level in Sawmill Creek overtopped the cofferdam at the powerhouse. The high water mark was 16.48'.

4. Contract Status

Barnard's key subcontractors for the Blue Lake Project are as follows:

Name	Scope
ASRC McGraw Constructors, LLC	Powerhouse Construction
Southeast Earthmovers, Inc.	Excavation
Blue Lake Tunnelers	Underground Construction
Crux Subsurface	Foundation Grouting, Micropiles, PRW's
O'Neill Surveying and Engineering	Land Survey
Baranof Materials Test Lab	Quality Control
NAES Power Contractors	Turbine-Generator Installation/Electrical

Barnard's key material suppliers for the Blue Lake Project are as follows:

Name	Scope
ASRC McGraw Constructors, LLC	Concrete Supply
Gerdau Reinforcing Steel	Concrete Reinforcing Steel
Haskell Corporation	Misc. Metal Fabrication

5. Critical Events and Dates

Please see attached summary progress schedule updated November 30, 2013.

Critical Dates for the Blue Lake Project are as follows:

Milestone	Date	Required Status of Construction
1	07/01/2013	Drainage Tunnel Complete – Completed May 6, 2013
2	08/19/2013	Initial Intake Excavation Complete – Completed July 21, 2013
3	06/04/2014	Intake Structure Complete
4	08/24/2014	Ready for Generation Outage
5	61 days after start of Generation Outage	Substantial Completion of 1 st Blue Lake Turbine Generator
6	91 days after start of Generation Outage	Substantial Completion of 2 nd Blue Lake Turbine Generator
7	80 days after start of Generation Outage	Substantial Completion of Fish Valve Unit

6. Reservoir Filling

Blue Lake Reservoir continued to spill for the majority of November.

7. Foundations

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

Not applicable for this report.

8. Sources of Major Construction Material

The City and Borough of Sitka will be providing most of the major construction materials for this project. Please see list below.

Contract No.	Vendor	Scope of Supply
1	Gilbert Gilkes and Gordon, Ltd.	Turbines and Generators
2	Myers	12.47 kV Switchgear
3	Linita Design and Manufacturing	Bulkhead Gate, Fixed Wheel Gate and Hoist
4	T Bailey, Inc.	Penstock and Manifold
5	WEG Electric	69kV Transformers
6	Benchmark Industrial Services	Powerhouse Bridge Crane
7	CHG Building Systems	Powerhouse Building

Materials Received this Period:

Rebar – Barnard has been receiving reinforcing steel for the powerhouse and dam throughout the month of November.

Misc. Metals - Barnard has been receiving misc. metals for various project features throughout the month of November.

Fixed Cone Valve – 24" Diameter Fixed Cone Valve for the Energy Dissipation Chamber was received in November.

9. Material Testing and Results

Concrete testing is ongoing for the dam raise: gate chamber and powerhouse concrete. No issues have been encountered to date.

10. Instrumentation

Not applicable for this report.

11. Photographs

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



Figure 1: Cutoff Wall Concrete Placement



Figure 2: Dam Raise and Left Abutment

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



Figure 3: Gate Shaft Liner Formwork



Figure 4: PH Mezzanine Deck and Access Bay

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

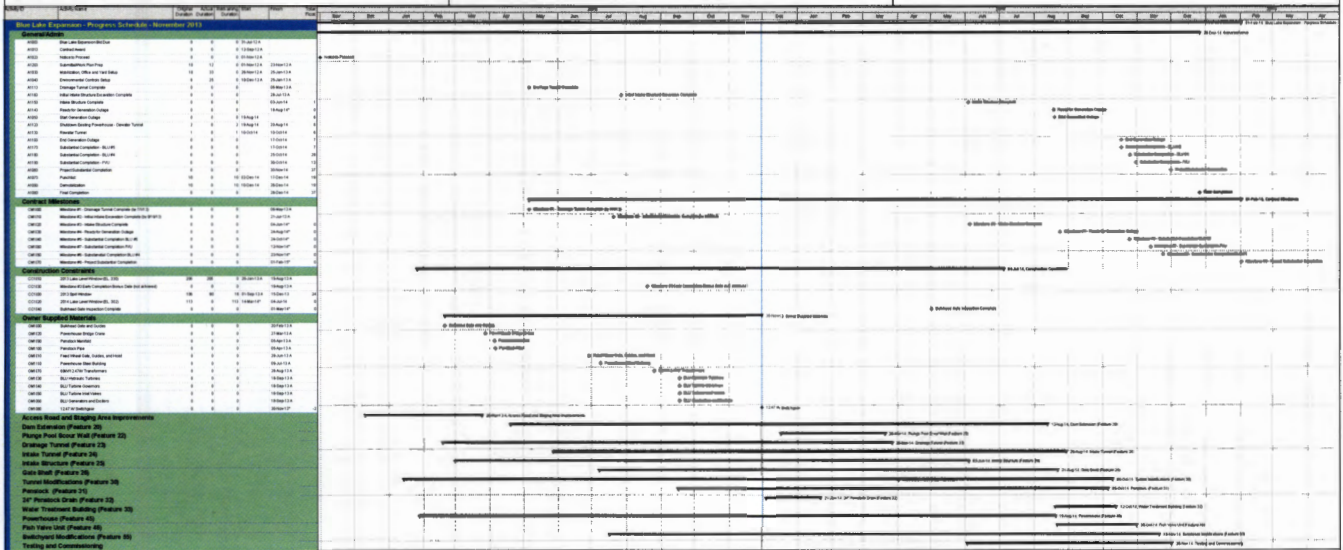


Figure 5: PH Mezzanine Deck Formwork

12. Erosion Control and Other Environmental Issues

Barnard is continuing to install the required environmental protection measures on the project site ahead of ground disturbing activities. Ongoing maintenance of dewatering system at powerhouse excavation site will be required to maintain water quality in Sawmill Creek.

13. Other Items of Interest



November Public Works Progress Report 12-4-13

The Ride Transit Stop Permanent Location:

The "Ride" transit bus stop has been relocated to the southwest corner of Lincoln Street and Harbor Drive (next to Stereo North) for operations on November 25, 2013. The temporary location at the southeast corner of Lincoln and Harbor Drive (across from The Bayview) will be restriped for on-street parking weather permitting. Appropriate signage has been reinstalled at this location.

Centennial Hall & Library Site Parking Lot Development:

Milestones This Period

- The project was accepted as Substantially Complete on September 30, 2013.
- The contractor is completing punch list items.
- Project extras not part of the S&S contract are at various stages of completion. Examples include construction of a snow dump between Centennial Hall and the Library and potential additional lighting improvements.
- Skateboard guards have been installed.
- Landscape blocks have been installed around the sewer manhole near the library entrance.

Future Milestones

- Some punch list items will be addressed in the spring of 2014.

Background

The project includes the complete reconstruction of the Centennial Hall Parking Lot and Crescent Harbor Parking lot. The improvements include storm drain, water, sewer, curb and gutter, paving, lighting, pedestrian plaza and landscaping. S&S General Contractors was awarded the construction contract in the amount of \$2,613,651. The total project budget is \$3,950,000.

Baranof Street Water and Sewer Improvements:

Milestones This Period

- The project was accepted as Substantially Complete on September 30, 2013.
- All significant tangible punch list items have been addressed. The contractor is working on satisfying documentation requirements to obtain final Completion.

Background

The project includes water, sewer, storm drain, curb and gutter, sidewalk and pavement improvements and has a total funding of \$2,672,500 including Alaska Department of Environmental Conservation (ADEC) Municipal Matching Grant and Loan funds.

The Assembly awarded the construction contract to S&S General Contractors on the April 23, 2013 Assembly meeting, in the amount of \$1,712,916. The total estimated project cost is \$2,232,000.

Edgecumbe Drive Street Reconstruction:

Milestones This Period

- O'Neill Surveying and Engineering began work on an as-built/topographic survey on October 24, 2013. Draft deliverable due at the beginning of December 2013.
- Received proposal from consultant to develop the necessary legal contract documents for a design-build maximum cost execution of this project. CBS has not executed a road project of this scale via the design-build method before, and consultant would assist us through the process of developing new contract documents.

Future Milestones

- Award contract for design-build consultant services.
- Project bidding February 2014.
- Award design-build contract March 2014. Contractor will be responsible for design and will propose a schedule. Construction can begin before design is complete with CBS approval.
- Begin construction July 2014
- Complete construction November 2014

Background

The project includes drainage, partial sidewalk, curb and gutter, and all new pavement from Kimsham Street to Cascade Creek Road on Edgecumbe Drive. The total project budget is \$4,750,000, which falls short of the cost estimate of \$5,500,000 for a complete rebuild. Public Works will pursue a design-build contract that would allow the contractor to fit a project into our budget that will best satisfy a priority list we will provide in the bid package.

Hollywood & New Archangel design:

Milestones This Period

- Design consultant on-site the week of November 4, 2013, to perform geotechnical investigation and site survey.
- Design of project is underway moving toward 35% design milestone

Future Milestones

- 35% design drawings and cost estimate due December 2013
- 65% design drawings and cost estimate due January 2014

- 95% design drawings and cost estimate due February 2014
- Construction drawings and final cost estimate due March 2014

Background

The project includes design for water, sewer, storm drain and pavement improvements, and potentially curb and gutter and sidewalk improvements on Hollywood Way and New Archangel Street from Halibut Point Road to Marine Street. Funding for design is available from ADEC Loans (Hollywood Water \$250,000, Hollywood & New Archangel Sewer \$500,000), General Fund budget for streets (\$5,000), and Enterprise Funds (Hollywood Water \$25,000, Hollywood Sewer \$25,000, New Archangel Sewer \$25,000).

Airport Baggage and TSA Area design:

Milestones This Period

- McCool Carlson Green has signed a \$65,818 contract for preliminary design services for this project.
- The consultant team visited Sitka on November 4 and 5, 2013. Consultants conducted research and interviews with members of the Airport Users Group, consisting of representatives from Alaska Airlines, TSA, ADOT&PF, airport vendors, Harris Air and CBS.
- Consultant is working on advancing the conceptual designs far enough to present to the Assembly. Received fee proposal for costs of consultant presentation, including cost estimate of refined conceptual design.

Future Milestones

- Final scoping and design criteria report due December 2013
- Present conceptual design to Assembly for review and approval January 2014
- Upon Assembly approval of project scope, award design contract for airport improvements January 2014
- Submittal of application to the Federal Aviation Administration to collect Passenger Facility Charges to fund airport improvements due February 2014
- 65% design drawings and cost estimate due March 2014
- 95% design drawings and cost estimate due May 2014
- Construction drawings and final cost estimate due July 2014

Background

The project includes design for expansion of the baggage makeup and TSA baggage screening areas. The project will also help establish a Passenger Facility Charges (PFC) program that will raise funds for the construction of the work. Funding collected from a previous PFC program amount to \$275,000 for the design project. \$76,000 budgeted for an unfinished Airport Lighting Retrofit project is available if needed.

Centennial Hall Renovation:

Milestones This Period

- The design consultant, McCool Carlson Green (MCG) has developed building elevations.
- The project was presented to the Building Design Committee (BDC) on the 18th of November.
- The Project was presented to the Public at a Meeting on November 25, 2013
- The project was presented to the Assembly at a Work Session on November 26, 2013.
- At these meetings MCG made a presentation showing the proposed conceptual floor plan, building elevations, and a short video 'fly by' in 3d modeling and recounted the past design process and project goals. The concept design was positively received by the majority of the participants in these meetings.

Future Milestones

- Concept/Schematic Design due February 2014
- 35% cost estimate due February 2014
- Design Development documents and 65% cost estimate due May 2014
- Construction Documents and 95% cost estimate due August 2014
- Project Bidding September 2014
- Award construction Contract November 2014
- Begin construction January – February 2015
- Complete construction November - December 2015

Background

The current total estimated cost for this project is \$15.2 million including the new museum wing. Phase one estimated cost is \$11,421,000. Current grant funding allocated specifically to the project is only \$8,230,000. A \$2,000,000 FY10 Legislative Grant designated for a lightering facility visitor's center (previously planned for under the O'Connell Bridge), is eligible to be used for this project since Centennial Hall serves as a visitor center for the Crescent Harbor Lightering Facility.

A FY14 Legislative Priority Request was submitted consisting of \$4,200,000 for the Centennial Hall building improvements and \$3,341,000 for combined Library/Centennial Hall heating system improvements; however it does not appear that either request will be funded at this time. Additionally, approximately \$2,000,000 is available in the Marine Passenger Fee Fund that could be used for this project. If additional funds are not secured, the scope of the project will need to be scaled back or phased with additional

museum and meeting space expansion planned for the future when funding becomes available.

Ultra Violet (UV) Disinfection Facility:

Milestones This Period

- The 65% design was submitted for review on November 21, 2013.
- The CBS review is scheduled to be complete December 5, 2013

Future Milestones

- The 95% design is due January 2014
- The 100% design and ADEC approval to construct is due January 2014
- The project will be bid for construction in March 2014
- The project construction will begin May 2014
- The project construction will be complete September 2014
- ADEC approval to operate December 2014

Background

The Blue Lake drinking water system is a surface water system, which must comply with the EPA Enhanced Surface Water Treatment Rules (ESWTRs). The subject UV Disinfection Facility will provide the additional microbial and disinfection controls required under the ESWTRs.

The current project cost estimate is \$8,966,000. Funding for this project is provided by State of Alaska Department of Environmental Conservation (ADEC) loans and grants:

- \$4,000,000 FY 2011 ADEC Loan. Includes \$2,500,000 financed with \$1,500,000 subsidized.
 - \$2,550,000 FY 2012 ADEC Loan (pending).
 - \$3,500,000 FY 2012 ADEC Grant (30% local match requirement).
 - \$2,061,000 FY 2013 ADEC Grant (pending - 30% local match requirement).
- \$12,111,000 Total Project Funding.

The grants and loans indicated as pending are grants and loans listed on the Alaska Drinking Water Fund intended use plans, for which CBS has submitted appropriate paper work to have the grant or loan finalized.

Library Development Planning:

Milestones This Period

- The design and technical teams have been meeting weekly to develop building elevations and costs.
- FEMA requested additional information which was collected and submitted November 26, 2013.

Future Milestones

- The Design team, MRV Architects, will meet with the Library Design Committee December 5, 2013 at the Library at 6:30 pm for input on the 35% design and cost estimate.
- Meetings are scheduled December 10, 2013 with the Assembly where MRV will present the proposed conceptual design and conceptual cost estimate in a Work Session and then at the regular meeting for approval.
- Finalization of the FEMA information is still outstanding.
- Design completion May- June 2014
- Advertisement for bids July 2014
- Construction begins August 2014
- Construction Complete August 2015

Background

The design phase is expected to take 12 months at a minimum with the earliest advertisement for construction planned for late summer/fall 2014. The project construction may be completed in 2015, depending on the phasing plan that is developed.

The State funding of \$5.7 million awarded to CBS is a direct appropriation with no funding match requirements. A private donation of \$400,000 has also been given to the project by the John J. and Eleanor Brust Family. \$350,000.00 of the budget was allocated to the Centennial Hall Parking Lot Project to relocate the Swan Lake storm drain, leaving a current project budget of \$5.75 million for the expansion and renovation of the Library.

Storm Water Management Plan Phase II:

Milestones This Period

- The project is complete. A report to the Assembly as a work session was completed on the November 12, 2013 Assembly Meeting.

Future Milestones

- Adoption of the Stormwater Management Plan is scheduled for the December 10, 2013 Assembly Meeting

Background

The first phase of the Storm Water Master Plan was completed in late June 2012 with Tetra Tech Alaska, LLC gathering existing infrastructure data and condition inventory to include in our GIS system along with precipitation analysis and drainage basin delineation as part of the first phase of the project. The second year grant funding (FY13) was approved by the Alaska Department of Environmental Conservation and the grant agreement was authorized by the Assembly in July 2012. The grant amount of \$43,388 requires a 40% percent CBS match of \$28,925. This phase included collecting more field data, preparing the Stormwater Management plan, Sitka specific rainfall intensities, recommended Best Management Practices, Capital Improvement Plan and an example Stormwater Ordinance.

Alternative Water Source Investigation Filtration (Blue Lake Project):

Milestones This Period

- The procurement of the filtration units and construction of the piping system has been change ordered into the Barnard Construction Contract for the Blue Lake Dam to allow the contractor to schedule the filtration units to match the scheduled Blue Lake water shutdown.
- The recommended filtration units lease cost is \$1,053,832 which does not include the site development and installation costs.
- Design review of the 50% Design received November 18, 2013

Future Milestones

- Final design to ACEC and contractor December 3, 2013
- The system is planned to be operational in July 2014

Background

The proposed schedule has the design completed in October 2013, Alaska Department of Environmental Conservation permitting completed in March of 2014, construction of the piping and pumping completed in April 2014 and final installation of the filter units in June 2014 for operation in July 2014. The preliminary design cost estimate has a projected design and construction cost of \$3,000,000. Due to the lack of well potential in the Indian River Valley, temporary surface water filtration will need to be utilized during the Blue Lake Project outage. Award of the design contract to CH2MHILL, was approved by the Assembly on February 12, 2013.

Pacific High School:

Milestones This Period

- The Pacific High School Renewal Project is Substantially Complete.

Future Milestones

- The planned move in date for the students is Christmas Break.

Background

The project budget is \$2.671 million.

Blatchley Middle School:

Milestones This Period

- The Blatchley Middle School Remodel Project is Substantially Complete.
- The door correction change order has been executed and the work will be complete by March 2014.
- Mechanical punch list items and training for School District personnel is complete.
- Electrical punch list items and training for school district personnel is incomplete

Future Milestones

- Final competition is scheduled for February 2014

Background

The project budget is \$12.475 million. The project is within its budget. The contract required substantial completion date is August 1, 2013, which was met with the exception of the door correction (installation).

ANB Harbor Replacement (Project # 90674):

Milestones This Period

- The ANB Harbor parking lot was closed to the public on November 18, 2013 to facilitate construction of the new harbor. CBS PW has requested that the Contractor keep nine (9) parking stalls available throughout the duration of the work to provide parking for the neighboring businesses.
- Pacific Pile & Marine L.P. (PPM) arrived in Sitka on November 19, 2013.
- The first barge loaded with new floats, piling, and a new gangway for ANB Harbor arrived and demolition work began in the harbor on November 24, 2013.
- Transpac Marinas completed repairs to a float section that was damaged during shipping.

Future Milestones

- A second and final barge for the ANB Harbor project is scheduled arrive in Sitka the week of December 9, 2013.
- PPM has indicated they intend to begin pile installation around December 9, 2013.

Background

CBS received a FY13 State of Alaska Municipal Harbor Facility Matching Grant, for the ANB Harbor Replacement Project, which will cover 50% of eligible construction costs not to exceed \$4,250,000 in match funding. CBS has received bond proceeds from the Alaska Municipal Bond Bank in the amount of \$4,300,000 for this project. On January 10, 2013, the Assembly awarded a Professional Services Contract to Moffatt & Nichol for the ANB Harbor Replacement Project. On June 25, 2013, the Assembly approved award of the Procurement Contract to Transpac Marinas, Inc. for \$2,698,870. On October 22, 2013, the Assembly approved award of the Installation Contract to Pacific Pile & Marine L.P. for \$3,639,319. The total project cost is currently estimated at \$7,720,000.

Sitka Community Hospital Roof Replacement (Project # 90737):

Milestones This Period

- Minor punch list items remain, but should be completed by November 27, 2013.
- New walkway pads will be the last remaining item before Final Completion. The wrong material was sent by the supplier (TPO rather than PVC). The issue is being rectified and the walkway pads will be installed when they arrive and weather permits.

Background

The Assembly approved award of a construction contract to CBC Construction, Inc. in the amount of \$784,754.16 for the Sitka Community Hospital Roof Replacement project on April 23, 2013. Due to the very competitive bid received, a change order to the contract was approved to upgrade the insulation to a better product (polyiso instead of EPS). The project is funded through a \$1,200,000 FY2013 State Legislative Grant.

Swan Lake Restoration / Dredging Project (Project # 90747):

Milestones This Period

- None.

Future Milestones

- CBS PW intends to issue a change order adding more dredging quantity to the contract.
- The Contractor is planning to complete all of the dredging in 2014.
- Purchase of a refurbished aquatic weed harvester was included in the grant funding. These floating machines cut and remove the vegetation to improve recreational opportunities and water flow through the lake. The search for a suitable harvester is on-going with several suppliers.

Background

Public Works Progress Report
12/4/13

The Assembly approved award of a construction contract to Island Enterprises, Inc. in the amount of \$399,806 for the Swan Lake Restoration – Lake Dredging project on April 23, 2013. The project includes dredging prioritized selected locations to improve water flow through the lake, winter habitat for fish, access and recreation in general. The City and Borough of Sitka received \$771,236 in Federal funds through the Coastal Impact Assistance Program (CIAP) for this restoration project on Swan Lake. The grant is administered through the Wildlife and Sport Fish Restoration Program, CIAP Branch and runs through December 2015.

Sea Walk – Crescent Harbor Park to National Historic Park:

Milestones This Period

- A change order was initiated to cover the following work: drainage improvements at Kelly Street crosswalk and Crescent Park Playground parking lot; screening fences around transformers at harbor gangways, sidewalk replacement around Crescent Park restrooms.
- Several punch list items were completed.

Future Milestones

- Remaining work will be completed by December 31, 2013.

Background

On March 12, 2013, the Assembly approved award of a contract to CBC Construction for the Sea Walk – Crescent Harbor Park to National Historic Park project in the amount of \$1,222,662.14 for the base bid and all five additive alternates. The current phase of the Sea Walk extends from the Centennial Hall Parking Lot to the Sitka National Historic Park boundary near Kelly Street. The Sea Walk is funded by way of the following: \$1,000,000 FY 2011 State of Alaska Grant (Sea Walk Extension Part C), \$700,000 FY 2011 State of Alaska Grant (Crescent Park Sidewalk Widening), \$80,000 Paul Sarbanes Transit in the Parks Programs (TRIP) Grant (applied for and administered by National Park Service), and \$175,000 CPET funds (Sea Walk – Centennial Building to Tennis Courts).

Federal Land Access Program (FLAP) Grant:

Milestones this period

- Match Agreement with Western Federal Land has been signed.
- Mental Health Land Trust (MHLT) construction License and Easement documentation has been signed.
- Bureau of Land Management application has been signed and submitted.

- Memorandum of Understanding with Sitka Trail Works and CBS has been signed.
- Reimbursable Agreement with Western Federal Land has been signed and submitted.
- Baranof Island Housing Authority (BIHA) construction License and Easement documentation has been signed.
- Federal Lands Access Program Project Memorandum of Agreement signed and submitted.
- Corps of Engineers permit has been submitted

Background

The City and Borough of Sitka has been awarded a \$916,897 MAP-21 Federal Lands Access Program (FLAP) Grant for Phase 5 Cross Trail multimodal pathway (Cross TMP), Baranof Street and Yaw Drive connectors, by Western Federal Lands (WFL). The Assembly approved submission of the grant in Resolution 2013 - 03 in February.

Phase 4 of the project, a \$926,000 STIP Grant for a multimodal pathway reconstruction and re-routing from Yaw Drive to the CBS property was funded by the Department of Transportation in the 2009 STIP. DOT planners, with the concurrence of Western Federal Lands (WFL) and CBS, initiated action to combine the two projects as a single \$1.8 million grant and have the project managed by Western Federal Lands for greater efficiency and cost savings.

The CBS is starting to work with the property owners to secure construction licenses and easements of the properties that will be affected during and after the trail is constructed.

Solid Waste Management Plan:

Milestones this period

- Municipal Solid Waste (MSW) team will meet on October 28, 2013 to review proposals and make a decision on which consultant will be chosen to complete a Master Plan for the MSW.
- CB&I has been chosen to complete a Municipal Solid Waste Master Plan and a presentation by the company is planned November 25, 2013.

Background

A Request for Qualifications (RFQ) for a consultant to develop a Solid Waste Management Plan began advertisement September 16, 2013 and will open October 14, 2013. RFQ submittals were opened on October 14, 2013 and a total of three proposals were received.

Sawmill Cove Industrial Park Marine Industry Service Center Feasibility Study:

Milestones This Period

- The City & Borough of Sitka (CBS) signed a Professional Services Agreement with Northern Economics, Inc. on August 7, 2013. Under this agreement, Northern Economics will initiate studies to evaluate the feasibility of a marine industry center at the Sawmill Cove Industrial Park (SCIP). The evaluation will include a marine haul out facility, a moorage facility for large commercial vessels, a deepwater dock and related infrastructure.
- A team from Northern Economics visited Sitka, August 26 – 28, 2013. The team included a representative from PND Engineers (PND is a subcontractor to Northern Economics). Activities included a visit to the Industrial Park, a meeting with the CBS Assembly, and a meeting with the SCIP Board of Directors (this meeting was open to the public, and to public comment). The Consultants also met with local businesspeople involved with various marine service industries, collecting data regarding the perceived needs for moorage, vessel haul outs, etc.
- Based on the information gathered during their visit to Sitka (as well as data from other communities of similar background) the Consultants developed a survey for vessel owners, to be used to ascertain the need for additional large vessel moorage and/or a large vessel haul out, at Sitka. The survey is currently available to the public from several sources. The cut-off date for survey data to be included in the project screening analysis is November 15, 2013; however, the Consultant will continue to collect and record surveys after that date.

Background

The project is funded by a Federal Earmark of \$486,917, of which some \$26,917 will go to the AK-DOT&PF for their costs to administer the funds for the FHWA. The project will be administered by Public Works and the Sawmill Cove Industrial Park Director (Garry White). In that the funding is through the State of Alaska, State procurement procedures will be followed to comply with Federal requirements.

Water Service Calls; Leaks/Locates/Routine Repairs & Maintenance:

- During the month, the Water Division responded to seven callouts; for residential locates and turning water on/off to a building under renovation; two water service leaks – both on the customer side and one leak caused when a contractor inadvertently hit a trailer court service line.
- Water operators continued working near daily with DOT's HPR Road subcontractor, Coastal Excavation, by performing locates as their work transitioned from storm drain crossings to water system improvements. These improvements were requested to be included in the DOT project by the city and will be paid for by the Water Fund. Early in the month the contractor exposed the last of the valves of the same generation that have the bolt/nut corrosion problem and our operators inspected and replaced the bonnet nuts and bolts. Corrosion

was apparent on some bolts and nuts on all valves. No evidence of water leaking was found.

- On November 14, 2013 DEC Drinking Water Division performed the annual filtration avoidance inspection. This is a daylong thorough inspection of our equipment, maintenance, reporting, and the watershed. A successful inspection result is critical in maintaining or avoidance of filtration for our Blue Lake drinking water supply. Exit interview preliminary results were very favorable. A job well done by our small three person water crew and the WW and maintenance employees who cross over to make our system efficient.
- The Water Division is prepared for the annual flushing program. Each fall the water transmission main and all major distribution lines are flushed at high velocity to remove any sediment that has settled during the previous year. The flushing is preceded by valve box cleaning and leak listening with a special amplification device. This takes place early in the mornings before traffic makes working in the streets difficult and noisy. Noise levels are recorded and compared with previous year's values for individual main line valves which will guide additional leak investigations in specific areas. Flushing has been rescheduled to begin the night of December 9, 2013 and continue until approximately December 18, 2013.
- Water operators began winterizing facilities; turning on heaters in meter boxes at the harbors and valve shack to SMCIP and raw water system freeze protection valves were opened/checked at SMCIP.
- Sitka hosted the SE Alaska Water & Wastewater Management Association training conference November 5 and 6, 2013. All water operators adjusted work duties and schedules to attend the training and network with other operators from around the region as well as the trainers and vendors. Sitka is a very popular location for this meeting hosting it many times over the last 20 years. The Centennial Building Crew are fantastic to work with on events such as this.

Wastewater (WW) Repairs & Maintenance:

- WW operators continued working with DOT's HPR sub-contractor locating sewer system infrastructure as they install water services across HPR.
- WW operators worked closely with our consultant DOWL- HKM when they drilled test holes to aid in design for sewer and water system replacement projects on Hollywood Way and New Archangel St.
- WW operators all attended the SE Alaska Water & Wastewater Management Association training conference November 5th and 6th; adjusting schedules and rearranging weekly routines so all could attend the maximum possible.

- The old float level and control power systems failed at Centennial lift station (LS) during the power outage on November 9th. One WW operator checked and manually pumped the wet well down several times during the night and next morning until new floats and control power lines could be installed the following day.
- WW operators continue to do research work on the existing old Lake St. LS. Individual pumping and dry weather inflow rates were determined during the first week of September. Wet weather flows continue to be. This data along with survey information will be used to select pumps for the replacement LS in the future.
- WW and maintenance operators began an in-house winter project to reorganize the maintenance shop; installing a new sink and counter as well as improving equipment storage around the shop exterior walls. The shop is the storage location for loaner equipment such as: water valve wrenches, back flow preventers and meters for hydrant connections and other small parts and pieces needed on a non-routine basis contractors and the public who check out through our WW staff.
- Five WW Operators took eight certification exams on October 11, 2013; seven of the eight passed, increasing their certification level or becoming certified in a new discipline for the first time. Certification exams are only offered twice per year. This continues the strong push by all our operators to advance in certification level and to expand into other disciplines. The state requires that the city have properly certified operators at the level each system is classified at for: Water Distribution, Water Treatment, WW Collection and WW Treatment. It takes several years of operational experience in a specific discipline combined with education to progress to the higher levels of certification. The city needs multiple operators certified at the proper level to fill in during times when supervising operators are out for vacation for example or to be prepared if one of our higher certified operators were to leave or retire. This has been an extraordinary year for Sitka's operators working towards additional certifications.

Sawmill Cove Industrial Site – Wastewater (WW) Update:

- In early October, WW Operators switched 100% of the WW flow from the site to the biological treatment system and have flushed the 7000' 6" force main with water. QAP, the Sawmill Creek Road Contractor, cut out a 600' section to allow for construction of a large retaining wall. With the small extended aeration plant loaded higher it requires more operator attention than under normal low load conditions. The plant is doing ok considering the rapid change in organic loading i.e. more food for the bugs to consume. In early - mid-November Maintenance operators fused the 6" force main back together with electrofusion couplings. The main is being tested for leaks and that air relief valves are properly operating by pumping SMCIP raw water. We expect to put the SMCIP lift station

back into service next month and begin pumping at least part of the site's WW to the municipal system, lightening the load on the biological system.

Summer Water Quality (WQ) Monitoring of Indian River:

- This summer/fall's special monitoring of Indian River water continues; the last set of samples were sent to the lab for analysis November 25th. This WQ data is needed to fine tune the temporary filtration system design that is needed to serve the public during the Blue Lake penstock outage in 2014. We are currently reviewing ~50% design plans for the temporary filtration system.

Blue Lake Water Quality: (Water Division/Electric Department)

Milestones This Period

- The Water Division continues working with the Electric Department to gather background water quality data out in the lake and around the construction activity as required during the project. The second field monitoring was completed and the samples were sent to the lab for analysis. This background data from out in the lake and at different depths will help us understand water quality changes in the future as the lake fills to greater depths and as the water moves through the lake towards the intake.



STATE OF ALASKA
DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Division of Community and Regional Affairs

Sean Parnell, Governor
Susan K. Bell, Commissioner
Scott Ruby, Director

November 25, 2013

Dear Municipal Official/Superintendent:

RE: FY 14 NATIONAL FOREST RECEIPTS PROGRAM

The purpose of this letter is to keep you informed about the Secure Rural Schools program and to alleviate any confusion that may have been caused by information coming from multiple sources.

On October 2, 2013 Congress passed a one year reauthorization of the Secure Rural Schools and Community Self Determination Act as part of HR 527 Helium Stewardship Act. The extension language funds the program at 95% of the last year's funding. As of today, the federal government has not released specific information on funding allocations to individual municipalities or school districts.

In anticipation of a last minute program extension, the Division of Community and Regional Affairs (DCRA) mailed on July 1, 2013 a Secure Rural Schools application to every eligible municipality or school district. This letter confirms that DCRA has received your completed application (also known as your election to receive payment) and the State of Alaska is prepared to transmit your election to receive payment to the U.S. Forest Service. Unless DCRA requests additional information from you, **your municipality or school district has taken all the necessary actions to receive the Secure Rural Schools payment.**

We have been told by federal program staff that payments are expected to be processed in March of 2014. We will continue to keep you informed on this program as the information becomes available to us.

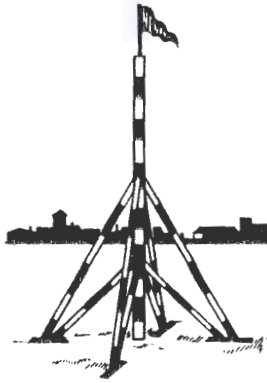
Sincerely,

A handwritten signature in cursive script that reads "Danielle Lindoff".

Danielle Lindoff

Local Government Specialist IV

cc: Susan Bell, Commissioner, DCCED
John Moller, Rural Liaison, Office of the Governor



Nenana Ice Classic

Box 00272

Nenana, Alaska 99760

(907) 832-5446

RECEIVED
NOV 18 2013

City & Borough of Sitka

November 11, 2013

To Whom It May Concern:

This letter is written as notification that the Nenana Ice Classic will be conducting gaming in your community through agents that are selling tickets for the Nenana Ice Classic. Nenana Ice Classic tickets will be sold from February 1, 2014 through April 5th, 2014.

The Nenana Ice Classic holds a 501C Federal Tax Exemption and is registered as a Non-Profit Charitable Gaming Corporation with the State of Alaska. We are requesting that you please exempt us from sales tax in your community (should you have a sales tax).

Proceeds from our ticket sales benefit our local Volunteer Fire Department and Emergency Medical Services, Public Library, Visitors Center, local Senior Center, Fairbanks Food Bank, American Cancer Society, Shriners Hospitals, American Cancer Society, KUAC Public Television and many children's scholarships, functions and activities. We were able to contribute over \$30,000.00 in contributions locally and statewide in 2013.

If you have any questions, please feel free to contact our office at (907) 832-5446.

Thank you for your time considering our request.

Respectfully,

Cherrie Forness, Manager

Cc: State of Alaska, Division of Charitable Gaming

Betting on the Tanana River breakup has been an Alaska tradition since 1917.