

# REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, January 14	Worksession: Quarterly Financial Presentation	5:00 PM
Tuesday, January 14	Regular Meeting	6:00 PM
Monday, January 20	Strategic Planning Session	6:00 PM
Tuesday, January 28	Regular Meeting	6:00 PM



# Assembly Calendar

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**January 2014**

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Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29 <b>Dec</b>	30	31	1 <b>Jan</b>	2	3	4
Hackett Esquiro Hunter	Hackett Esquiro Hunter	Esquiro Hunter 1:00pm SCVB Board	Esquiro Hunter NEW YEAR'S DAY	Esquiro Hunter 12:00pm Parks & Rec 12:00pm SEDA	Esquiro	
5	6	7	8	9	10	11
		7:00pm Planning 7:00pm <u>School</u>	6:00pm Historic Preservation 6:00pm Port & Harbors Commission 6:00pm Police and Fire 7:00pm <u>Library</u>	12:00pm LEPC		
12	13	14	15	16	17	18
		12:00pm Health Needs and Human Services Commission 5:00pm Worksession: Quarterly Financial Presentation 6:00pm <u>Reg Assembly Mtg</u>	6:30pm STA			
19	20	21	22	23	24	25
	12:00pm Tourism Commission Meeting 6:00pm Assembly Strategic Planning Session	Reif 12:00pm <u>Tree/Landscape</u> 7:00pm <u>Planning</u> 7:00pm <u>School</u>	Reif	Reif 6:30pm <u>Hospital Board</u>	Reif	Reif
26	27	28	29	30	31	1 <b>Feb</b>
Reif	Reif	Reif 1:00pm SCVB Board 6:00pm <u>Regular Assembly Mtg</u>	Hackett	Hackett	Hackett	Hackett

# Assembly Calendar

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**February 2014**

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 [Special Events](#)

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26 <a href="#">Jan</a>	27	28	29	30	31	1 <a href="#">Feb</a>
Reif	Reif	Reif 1:00pm SCVB Board 6:00pm <a href="#">Regular Assembly Mtg</a>	Hackett	Hackett	Hackett	Hackett
2	3	4	5	6	7	8
Hackett	Hackett	Hackett 7:00pm Planning 7:00pm <a href="#">School</a>	Hackett 6:00pm Police and Fire 7:00pm <a href="#">Library</a>	Hackett 12:00pm <a href="#">Parks &amp; Rec</a>	Hackett	Hackett
9	10	11	12	13	14	15
Hackett	Hackett	Hackett 12:00pm Health Needs and Human Services Commission 6:00pm <a href="#">Reg Assembly Mtg</a>	Hackett 6:00pm Historic Preservation 6:00pm Port & Harbors Commission	Hackett 12:00pm LEPC	Hackett	Hackett
16	17	18	19	20	21	22
Hackett	Hackett 12:00pm Tourism Commission Meeting	Hackett 12:00pm <a href="#">Tree/Landscape</a> 7:00pm <a href="#">Planning</a> 7:00pm <a href="#">School</a>	Hackett 6:30pm STA	Hackett	Hackett	Hackett
23	24	25	26	27	28	1 <a href="#">Mar</a>
Hackett	Hackett	Hackett 1:00pm SCVB Board 6:00pm <a href="#">Regular Assembly Mtg</a>	Hackett	Hackett 6:30pm <a href="#">Hospital Board</a>	Hackett	Hackett

## Correspondence Information:

- “Letter of Inquiry” to the Rasmuson Foundation
- Letters of support for Alaska Arts Southeast, Inc.
- Monthly Update - Public Works Progress Report
- Monthly Update – Blue Lake Expansion Project

## Rasmuson letter of Inquiry for Library

Michael Harmon

**Sent:** Monday, January 06, 2014 9:36 PM

**To:** Sara Peterson

**Cc:** Mark Gorman; matt@cityofsitka.com

**Attachments:** Signed Letter of Inquiry.pdf (2 MB) ; ATT00001.htm (1 KB)

Sara,

Attached please find a copy of the "letter of inquiry" that we will be submitting to the Rasmuson Foundation in hopes of receiving an invitation to apply for a grant for the Library project. In order to apply for a grant we must submit this information in this format to be selected to receive an invitation. If we receive an invitation to apply, we will run the grant application through the Assembly for approval prior to submission.

As Mark discussed at the staff meeting, this would be good information for correspondence to keep everyone informed on what is happening.

Thanks.

Michael Harmon

=====

Public Works Director

100 Lincoln Street

Sitka, AK 99835

(907) 747-1823





# City and Borough of Sitka

PUBLIC WORKS

100 LINCOLN STREET • SITKA, ALASKA 99835

PHONE (907) 747-1804 • FAX (907) 747-3158

## SIGNATURE AUTHORIZATION FORM

To: Mark Gorman, City Administrator

From: \_\_\_\_\_ Public Works

Date:

Description of request:

*MATT,  
CORRECTIONS  
MADE  
12-31-13  
INCREASED  
COSTS PER  
M3-V SUGGESTION  
FOR \$35K  
COMPACTING STORAGE  
THIS IS READY  
FOR FINAL  
APPROVALS &  
SIGNATURES*

Justification:

Is this a planned item or a new request:

Is this item budgeted? Yes  No

Is there a contingency built into the budget? Yes  Amount Remaining \_\_\_\_\_

No

Time Frame of Project or Key Milestones:

### APPROVALS

Date Taken

12/27

12/31

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Finance *GO*

Public Works Director *MATT*

Legal *N/A*

Assembly *N/A*

Other *N/A*

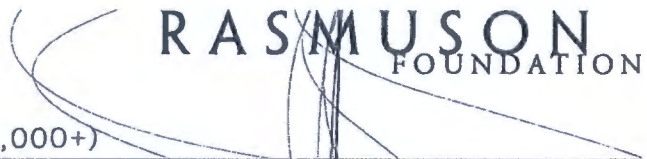
Date of Approval

12/27

12/31

\_\_\_\_\_

\_\_\_\_\_



TIER 1 (\$25,000 OR LESS) & TIER 2 (\$25,000+)

**COVER SHEET**

Legal name of organization City and Borough of Sitka  
 Address of organization 100 Lincoln Street  
 City Sitka State Alaska Zip Code 99835  
 Phone number (907) 747-3294 Fax number (907) 747-4779  
 Website address cityofsitka.com  
 Date of incorporation City 1913 City/Borough 1974 Federal Tax ID# 92-0041163  
 Organizational status  IRS 501(c)(3)  Other (explain) Municipal Government 501 (C) (25)

**Mission of organization**

The mission of Kettleton Memorial Library is to provide a varied collection of resources to meet the evolving library needs of its patrons and to promote reading as an essential element of an informed citizenry. KML provides services and resources through free, equal and reliable access to information. KML endeavors to utilize technologies that extend and enhance service in an environment where individuals are encouraged to safely access, explore and discover the world.

Name of chief executive Mark Gorman Title Municipal Administrator  
 CEO telephone number (907) 747-1808 CEO email address markgorman@cityofsitka.com  
 Contact for this application John P. Sweeney III Contact title Finance Director  
 Contact telephone number (907) 747-1836 Contact email address jay@cityofsitka.com

Application is  Tier 1 Request  Tier 2 Letter of Inquiry

Project title Kettleton Memorial Library Expansion

Project budget \$ 6,677,426 Amount requested \$ 353,668

**Specific purpose for which funds are requested**

These funds will be used to complete the furnishing, equipment, shelving, and technology requirements of our library expansion.

Mark Gorman Signature of authorized official (Board chair or chief executive) Date 12/31/13

Typed name Mark Gorman Title Municipal Administrator

FINANCIAL SUMMARY	LAST COMPLETE FISCAL YEAR (actual)	CURRENT FISCAL YEAR (budget)
Total revenue		
Total expenses		



## **Kettleson Memorial Library –Rasmuson Letter of Inquiry**

**Brief History:** The Sitka Public Library officially opened its doors on March 20, 1924. Between 1924 and 1967, the public library occupied ten different locations. In 1968, the library, now known as the Kettleson Memorial Library (KML), moved into its current location. In 1983, the library was expanded to its present size of 7,500 square feet.

**Services Provided:** KML provides an impressive assortment of library services, including public checkout of adult fiction and non-fiction, children and youth books, talking books, periodicals, videos, music tapes and CDs. Computers are available for public use. E books can be downloaded. The library staff provides a well-planned weekly preschool story time. Teen activities take place on a regular schedule. KML also serves as a public meeting place for author readings, poetry readings, and other presentations. The 2012 attendance to all classes, presentations, and author visits totaled 3,112. There were 372 different activities for youth with a total attendance of 6,390 in 2012. KML is easily the most widely used public building in Sitka. KML is open and staffed 71 hours per week.

**Geographical Area:** KML is located in Sitka, Alaska on Baranof Island. The City and Borough of Sitka encompass Baranof Island and the smaller Japonski Island that is connected to Baranof Island by the O'Connell Bridge. According to the United States Census Bureau, the City and Borough of Sitka is the second largest incorporated area in the U.S, with a total area of 4,811.5 square miles. The communities of Baranof Warm Springs, Port Armstrong, Port Walter and Port Alexander are also within the Borough

**Number of Beneficiaries:** As of the census of 2010, there were 8,881 people, 3,545 households, and 2,211 families residing in the borough. The library provides library services to all residents of Sitka, several hundred summer fishermen, the Coast Guard Base, Alaska State Trooper Academy and Mount Edgecumbe High School. KML also provides books and periodical to people across the country through interlibrary loan.

**Description of Project:** The City of Sitka and Kettleson Memorial Library in the process of a 60% library expansion, which is now at the schematic design phase. On December 10, 2013, the city assembly approved the design allowing the project to move forward. This 60% expansion will allow KML to increase the children's room size, add a separate teen room, enlarge the public meeting space, increase the space of the local history section, provide ADA accessible restrooms, and increase computer usage for the public.

**Need for Project:** Ten years ago we completed a survey that showed KML was woefully undersized to meet it's mission in the community. Because of its design, the children's room is extremely crowded at all times and especially over-crowded during special events like story hour. Teens have been relegated to as small area in the children's room. Public events like author readings have to take place in and around the regular library patrons. The stacks are crowded and inaccessible to anyone in wheelchairs. These same stacks are jammed with books so tightly packed that some are impossible to access. The CL Andrews Collection of Alaskan History and native artifacts needs its own space and the introduction of climate control. In addition, patrons involved in collaborative projects need individual study spaces and a small conference room.

**Current Status:** MRV Architects of Juneau has completed the final concept design and the City Assembly gave it approval to move forward on December 10, 2013.

**Timeline for Project Completion:** Completed design is due in spring 2014, with bids to follow and construction is slated to begin in August 2014. Project completion is scheduled for September 2015.



**Contribution of Project to Quality of Life for Alaskans:** Nothing demonstrates the vitality of a community better than a public library. Every day people walk through the doors of Kettleon Library hoping to foster growth on one kind or another. A library is an incubator of ideas, a place to relax, and a place of research. Studies document that public libraries are key institutions for healthy communities. This expansion will allow the KML to stay current with current library practices and to be better prepared for the fast-changing trends of a 21<sup>st</sup> century library.

**Total Project Cost:** Currently the KML project has been budgeted at \$6,677,426. This budget includes non funded bid alternatives. These items are part of our fund request.

**How Much Has Been Raised to Date**

Fund raising and donations	\$450,841
City contributions	94,868
State DLG	<u>5,700,000</u>
<b>Total</b>	<b>\$6,245,709</b>

**Amount Requested and What Grant Funds Will Purchase:** We are requesting \$353,668 to be used for adult and children furnishing, stacking chairs, movable tables, computers and other electronic media, a self checkout system, library casework including new book stacks, compacting storage, a new circulation counter, and glass display cases

**How the Balance Will Be Raised:** The balance would be raised through continued fund raising and grant efforts.

**Future Sustainability:** Kettleon Memorial Library will continue and a service provided by the City and Borough of Sitka. It will be included in the annual budget process that sustains all city services such as the fire, police or planning departments. The operating budget funded for KML funded by the City was approximately \$884,000. The design of the expanded library allows for the same number of employees. The choice of building materials, heating system and roof design will make this the most energy efficient building in the community adding to its sustainability.

**Project Director and Qualifications:** Mark Gorman, Municipal Administrator, will provide oversight and direction to the management of the project. Mr. Gorman has extensive experience managing capital projects. Sarah Bell, KML Director, will serve as the library liaison to the project. Sarah directs the overall management of KML including the budget, patron services and collection development.

Tier 1 / Tier 2

**Itemized Project Budget**Legal name of organization: City and Borough of SitkaDate: December 13, 2013Project title: Kettleson Memorial Library ExpansionRasmuson request total: \$353,668

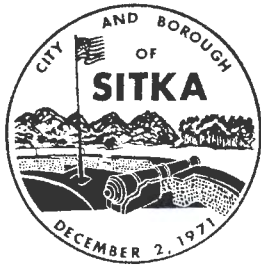
Under COSTS, list specific project components and the cost of each. Separate capital items from non-capital items (for example, do not include shipping, installation, or training as part of the cost of a capital item).

Under SOURCES OF FUNDING, list the sources of funding for each component and indicate whether those funds are pending, committed, or secured; and whether they are cash or in-kind. Show how project revenues are allocated to costs.

COSTS (Expenses)				SOURCES OF FUNDING (Revenue)			
Item List each project component	UNIT COST	# UNITS	Item cost (quote or estimate)	Rasmuson request	Other funding	Other sources of funding - Name and list each source of revenue for each item.	
Building Construction	\$4,225,000	1	\$4,225,000		\$4,225,000	State DLG	Secured/Cash
Site/Parking Lot Construction	\$350,000	1	\$350,000		\$350,000	Fundraising/Donations	Secured/Cash
Design	\$680,000	1	\$680,000		\$680,000	State DLG	Secured/Cash
Temporary Library Relocation	\$120,000	1	\$120,000		\$120,000	State DLG/ City	Secured/In Kind/Cash
Project Management	\$240,000	1	\$240,000		\$240,000	State DLG	Secured/Cash
Alternates	\$88,575	1	\$88,575		\$88,575	State DLG/ Fundraising	Secured/Pending
Contingency	\$420,000	1	\$420,000		\$420,000	State DLG	Secured/Cash
Feasibility Study & Surveys	\$94,868	1	\$94,868		\$94,868	City of Sitka	Secured/Cash
Sofa Chairs	\$500	50	\$25,000	\$25,000			Pending/Cash
Tables	\$450	15	\$6,750	\$6,750			Pending/Cash
Conference Chairs	\$125	26	\$3,250	\$3,250			Pending/Cash
16" Conference Table	\$2,000	1	\$2,000	\$2,000			Pending/Cash
10" Conference Table	\$1,750	1	\$1,750	\$1,750			Pending/Cash
Office Desk and Chairs	\$3,500	6	\$21,000	\$21,000			Pending/Cash
Movable Tables	\$339	8	\$2,712	\$2,712			Pending/Cash
Stacking Chairs	\$100	50	\$5,000	\$5,000			Pending/Cash
Computers and Software	\$2,000	20	\$40,000	\$40,000			Pending/Cash
DVD Dispenser	\$20,000	1	\$20,000	\$20,000			Pending/Cash
Projector	\$7,580	1	\$7,580	\$7,580			Pending/Cash
Projection Screen	\$2,555	3	\$7,666	\$7,666			Pending/Cash
Appliances (refrigerator/microwave)	\$2,150	1	\$2,150	\$2,150			Pending/Cash
Self Checkout System	\$10,000	1	\$10,000	\$10,000			Pending/Cash
Book Depository	\$2,093	1	\$2,093	\$2,093			Pending/Cash
Circulation Desk	\$11,276	1	\$11,276	\$11,276			Pending/Cash
Glass Display Cases	\$3,386	2	\$6,771	\$6,771			Pending/Cash
24" Double Book Stacks	\$108,125	1	\$108,125	\$108,125			Pending/Cash
12" Single Book Stacks	\$10,149	1	\$10,149	\$10,149			Pending/Cash
24" Children's Double Stack	\$13,970	1	\$13,970	\$13,970			Pending/Cash
Bike Racks	\$833	2	\$1,666	\$1,666			Pending/Cash
Stroller Racks	\$1,050	2	\$2,100	\$2,100			Pending/Cash
Trash Containers	\$300	5	\$1,500	\$1,500			Pending/Cash
Benches	\$616	10	\$6,160	\$6,160			Pending/Cash
Compacting Storage For Archive	\$35,000	1	\$35,000	\$35,000			Pending/Cash
Children's Desk	\$209	12	\$2,508		\$2,508	Friends of KML Matching	Pending/Cash
Children's Sofa Chair	\$500	2	\$1,000		\$1,000	Friends of KML Matching	Pending/Cash
Children's Sofa	\$1,200	6	\$7,200		\$7,200	Friends of KML Matching	Pending/Cash
Operable Wall Installation	\$5,082	1	\$5,082		\$5,082	Friends of KML Matching	Pending/Cash
Operable Wall Children's Area	\$19,406	1	\$19,406		\$19,406	Friends of KML Matching	Pending/Cash
Furnishings Shipping and Install	\$70,119	1	\$70,119		\$70,119	State DLG	Secured/Cash
<b>Totals</b>			<b>\$6,677,426</b>	<b>\$353,668</b>	<b>\$6,323,758</b>		

\$6,129,868





# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

January 7, 2014

Alaska Arts Southeast, Inc.  
PO Box 3086  
Sitka, AK 99835

Dear Alaska Arts Southeast,

The City and Borough of Sitka (CBS) is pleased to submit this letter of support for Alaska Arts Southeast's (AASE) National Endowment for the Arts, Our Town grant application.

The CBS fully endorses this innovative proposal which will host a month long creative collaboration of artists and scientists on the AASE Sitka campus. The beneficiaries of this event will include independent travelers who will participate in an exploration of the creativity behind art works and scientific enquiry. Residents of our community will also benefit from the infusion of new ideas and activity. Of equal importance will be the potential for economic stimulus resulting from the magnet effect of establishing Sitka as the arts and science center of Alaska. Further, this will add a unique tourism niche as one of our key economic strategies.

AASE is a remarkable success story. Through its committed leadership and legions of community volunteers, it has transformed the ghost of the Sheldon Jackson Campus to a vibrant center of the arts and sciences. It has realized this transformation in less than four years. This accomplishment has been achieved through visionary management and governance whose operative notion is that through dedicated and meaningful collaboration most any goal can be actualized.

Through the AASE's recent evolution, the CBS has played an increasingly active role including providing financial, advisory and in kind support. As an emerging part of our local economy, the CBS will continue to explore ways it can be supportive of AASE's programming and development which contribute to our community's economic resiliency and livability.

In conclusion, the CBS extends its support of the AASE application. We believe it has tremendous transformational potential to engage its participants in life expanding activities and help diversify Sitka's economy.

Yours Sincerely,

Mark Gorman  
Municipal Administrator  
City and Borough of Sitka





# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

January 7, 2014

To Whom it May Concern:

As Mayor of the City and Borough of Sitka, I am honored to submit this letter of support for Alaska Arts Southeast's (AASE), Our Town, grant application. The proposed Artist Scientist Project is an exciting program that will reach out to adults and independent travelers. This is the only application the community of Sitka is submitting for the National Endowment for the Arts, Our Town, grant.

Last January, in addition to a letter of support I wrote for AASE, the City and Borough of Sitka (CBS) Assembly also passed a resolution supporting AASE. The Assembly has been pleased with the continued progress AASE has made in our community. It seems to be nothing short of a miracle to witness how the worn out buildings have been transformed into places of learning and inspiration for so many. Of course, we realize that grants, donations, and hard work have brought about this change and we want to see this continue because of the positive effects on Sitka's livability and economic resilience.

AASE, better known as the Sitka Fine Arts Camp, is a major contributor to Sitka's tourist economy (the leisure industry represents 11% of our economy). Since 2008, Sitka has experienced a decline in cruise ship passengers, therefore this increase in the independent traveler is an important boost to our local economy. Not only will the addition of AASE events be helpful for Sitka's economy but these events will create a healthy diversity within our community. AASE will be working closely with the Sitka Convention and Visitors Bureau to attract the independent traveler.

In 2013, the Assembly demonstrated their support for an increase of independent travelers to Sitka and for arts and science in various ways:

- The Assembly approved an expenditure, and I also used some of my discretionary Mayor funds, to help pay for the resurfacing of the large parking lot at the Hames Center prior to the Alaska Travel Industry Association Conference. This not only showed support for the industry but also support for the entire AASE campus as the lot is used by many campus organizations.
- The Assembly supported an allocation of \$300,000 to help fund a Marketing/Branding project that will attract independent travelers to Sitka.
- In a recent Assembly strategic planning session, various members expressed the desire to support the Sitka Fine Arts Camp and promote the development of a professional cyber community - those who live in Sitka but work online, the type of people AASE's proposed program will likely draw to Sitka.

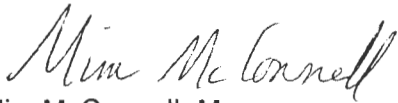
I have personally been involved with working on the campus buildings when AASE has held their 100 Volunteer Day event. This past summer I helped paint a stairwell in one of the buildings. Every time I go on campus I have a pride of ownership and I know hundreds of others in Sitka feel the same.

Providing for today ... preparing for tomorrow

I am extremely impressed with the world-class programs AASE offers our small town. My grandchildren participate in camp activities throughout the year in which they look forward to the afterschool classes and summer programs. Parents appreciate these programs because it makes well-rounded children.

The CBS Assembly will continue to look for ways to work with AASE in the coming years as they have proven themselves to be an organization that is vital in making our community both vibrant and resilient. I will continue to volunteer on campus when time allows and encourage others to do the same.

Sincerely,

A handwritten signature in cursive script that reads "Mim McConnell". The signature is written in black ink and is positioned above the printed name.

Mim McConnell, Mayor  
City and Borough of Sitka

# December Public Works Progress Report 1-1-14

## **Centennial Hall & Library Site Parking Lot Development:**

### **Milestones This Period**

- Plexiglass covers for the seating lighting completed in December 2013.
- Construction of a snow dump between Centennial Hall and the Library is complete. Concrete will be cured enough to use for its intended purpose by January 17, 2014.

### **Future Milestones**

- Design is complete for supplemental lighting work to replace the temporary lighting installed in the fall of 2013. Will procure construction contractor to complete work either via change order to existing contract or via competitive bid.
- 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. The project was accepted as substantially complete on September 30, 2013. S&S General Contractors was awarded the construction contract in the amount of \$2,613,651. The total project budget is \$3,950,000. There is an unencumbered balance of \$340,000.

## **Baranof Street Water and Sewer Improvements:**

### **Milestones This Period**

- The project was accepted as Substantially Complete on September 30, 2013.
- Final payment has been made to the contractor. The warranty payment is pending completion of the one-year warranty period starting at Substantial Completion.

### **Future Milestones**

- CBS Engineering Staff will submit application for State of Alaska Department of Environmental Conservation final approval to operate.

### **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 submitted draft as-built survey of the Edgecumbe Drive right-of-way due at the beginning of January 2014.
- Design/build procurement consultant met with Public Works staff to review project scope, schedule and budget. Delivered draft concept Request for Proposals in December 2013, and is revising per Public Works review comments.

#### **Future Milestones**

- Will issue Request for Proposal in January 2014.
- Proposals due in early March 2014.
- Anticipate award of design/build contract in late 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, sidewalk, curb and gutter, pavement and potentially traffic calming improvements on Edgecumbe Drive from Peterson Street to Cascade Creek Road. The total project budget is \$5.46 million. 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**

- Received 35% design drawings and cost estimate from design consultant DOWL HKM in December 2013.
- Project appeared on Governor's Budget for \$570,000 ADEC Grant. Award won't be final until Legislature passes the State FY2015 budget.

#### **Future Milestones**

- 65% design drawings and cost estimate due February 2014.
- 95% design drawings and cost estimate due March 2014.

- Construction drawings and final cost estimate due April 2014.
- Bid the project during Winter 2014-2015 for Summer 2015 construction.

## **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). Project will require a minimum additional \$20,000 contribution from the general fund to address Hollywood Way road rebuilding and drainage.

## **Airport Baggage and TSA Area design:**

### **Milestones This Period**

- Received draft scoping and design criteria report from McCool Carlson Green in January 2014.

### **Future Milestones**

- Incorporate Airport Users Group comments into final report in February 2014.
- Upon Assembly approval of project scope, award design contract for airport improvements in February 2014.
- Submittal of application to the Federal Aviation Administration to collect Passenger Facility Charges to fund airport improvements due March 2014.
- 65% design drawings and cost estimate due April 2014.
- 95% design drawings and cost estimate due June 2014.
- Construction drawings and final cost estimate due August 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.

## **Pacific High School:**

### **Milestones This Period**

- Classes under way at the improved school on January 7, 2014.

### **Future Milestones**

- Contract closeout will require additional submittals from Sunland Development Company, LLC.

## **Background**

The project includes the complete reconstruction of the Pacific High School. The improvements include the same size building as being replaced and include a stairway and walkway to the kitchen in the SEC Center. The heating system is an air to air heat pump. The interior design includes opening walls that allow flexible space. The project budget is \$2.671 million.

## **Centennial Hall Renovation:**

### **Milestones This Period**

- The Architects John Weir and Garrett Burtner of, McCool Carlson Green (MCG), met with the Building Design Committee (BDC), the Assembly in a Work Session and held a Public Meeting, where conceptual building elevations were presented and comment taken. MCG has modified the building elevations and changed the scale and canopy cover of the entries based on input from the meetings and comments received through social media. The rest of the design team is working on developing the design to the 35% milestone in order to perform the 35% professional cost estimate.

### **Future Milestones**

- Concept/Schematic Design and 35% Cost Estimate due February 2014.
- Assembly approval of 35% design and project budget March 2014.
- Design Development documents and 65% cost estimate due May 2014.
- Construction Documents and 95% cost estimate due August 2014.
- Project Bidding October 2014.
- Award construction contract December 2014.
- Begin construction winter/spring 2015.
- Complete construction summer 2016.

## **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 review has been completed.
- UV reactor submission received December 2014 and forwarded to design consultant for review and inclusion in the project design.

#### **Future Milestones**

- Submission to DEC February 2014
- The 95% design is due March 2014.
- The 100% design due April 2014.
- The project will be bid for construction in May 2014.
- The project construction will begin June 2014.
- The project construction will be complete November 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 team, MRV Architects, met with the Library Design Committee last month and presented the proposed conceptual design and conceptual cost estimate to the Assembly which approved the project at the December 10, 2013 meeting.

#### **Future Milestones**

- Finalization of the FEMA information is still outstanding.
- Design completion May- June 2014.
- Advertisement for bids July 2014.
- Construction begins August 2014.
- Construction Compete 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:**

#### **Future Milestones**

- Storm Water Ordinance will be developed in January 2014.

#### **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 forty percent CBS match of \$28,925. This phase included collecting more field data, preparing the Storm Water Management plan, Sitka specific rainfall

intensities, recommended Best Management Practices, Capital Improvement Plan and an example Storm Water Ordinance.

### **Alternative Water Source Investigation Filtration (Blue Lake Project):**

#### **Milestones This Period**

- Application for Engineering plan Review was submitted 1/2/14

#### **Future Milestones**

- 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.

### **Blatchley Middle School:**

#### **Milestones This Period**

- The door correction change order has been executed and the work is in progress.
- The one year warranty is in effect and the contractors are addressing issues as required.

#### **Future Milestones**

- Sitka School District is working on prioritizing the list of uncompleted major maintenance items that may be completed with the remaining project funding.

#### **Background**

The projects (combined Fund 704- now closed out, and Fund 706) funding including the Assembly approved accumulated interest of \$12.863 million for major maintenance is nearly complete. There remains encumbered funds for the remodel project and remaining funds for additional major maintenance needed at the school. The Sitka School District is in the process of prioritizing the remaining major maintenance projects that may still be able to be funded.

### **ANB Harbor Replacement (Project # 90674):**

#### **Milestones This Period**

- Demolition of the piling, floats and approach trestle are nearly complete.

- Six (6) new piling have been socketed into the bedrock to support the new approach trestle and gangway.
- An amendment to the grant agreement between the City and State of Alaska has been signed to account for the Installation phase of the work.
- CBS Electric Department installed a new transformer to serve ANB Harbor.
- The Alaska Native Brotherhood has expressed an interest in acquiring the old approach trestle from the City. PW Staff will work with ANB to facilitate that request.

### **Future Milestones**

- A second and final barge for the ANB Harbor project is scheduled arrive in Sitka the week of January 6, 2014.
- Piling and float installation will continue for the next several months with the marginal float and float 1 installed first.
- Installation of the new water line to serve the harbor along the beach will occur on Jan 1-2 to take advantage of the lowest tides of the project.
- Removal of rock obstructions from the inner harbor will begin in mid-January.

### **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**

- Punch list items are complete.

#### **Future Milestones**

- New walkway pads will be the last remaining item before Final Completion. The wrong material was sent by the supplier (TPO rather than PVC). PW Staff is recommending deferring walkway pads installation until spring 2014 as installation in the cold will result in unsatisfactory performance.

### **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**

- A change order adding more dredging quantity to the contract was signed.

#### **Future Milestones**

- 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 ongoing with several suppliers.

#### **Background**

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**

- Screening fences around transformers at harbor gangways and sidewalk replacement around Crescent Park restrooms were completed.
- A change order was signed adding the Centennial Hall snow dump to the Sea Walk project.
- Several punch list items were completed.

#### **Future Milestones**

- A change order to address drainage issues is anticipated.
- Remaining work will be completed by January 15, 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.
- 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.
- Project Agreement with Western Federal Land has been signed.
- Corps Permit has submitted for the review process.
- National Environmental Protection Act (NEPA) process has been initiated and sent on to Western Federal Lands for finalizing.

## **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 2013.

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.

### **Solid Waste Management Plan:**

#### **Milestones This Period**

- A Request for Qualifications (RFQ) for a consultant to develop a Solid Waste Management Plan began advertisement September 16, 2013 with submittals due October 14, 2013. Three proposals were received and are under review with the Municipal Solid Waste (MSW) team.
- Received three Request for Qualification submittals. The Municipal Solid Waste Team met and selected CB&I unanimously. In the process of negotiating a contract and securing a scope and schedule. Once this has been completed, the contract will come back to the Assembly for approval to move forward with the project.

#### **Background**

The City and Borough of Sitka (CBS) currently does not have a Solid Waste Management Plan to address the current or future needs of the Solid Waste Fund and general operations. As we approach the end of the current collection and off-island disposal contracts in 2015, we believe it is in the best interest of the CBS to be better prepared with a plan that details the goals and direction of our solid waste management backed with data and a financial plan.

At the June 6, 2013 Assembly Meeting, the Assembly approved advertising for a Request of Qualifications and select a consultant to assist Public Works in developing a Solid Waste Management Plan.

The funding for a Solid Waste Management Plan would come from the working capital of the Solid Waste Fund which is approximately \$1.5 million. It is projected that a Solid Waste Management Plan would cost between \$150,000 to \$250,000 depending on the complexity of future goals and the amount of public process exploring options. This cost estimate is based from other master planning we have accomplished for Water, Wastewater, and Harbors.

### **Sawmill Cove Industrial Park Marine Industry Service Center Feasibility Study:**

#### **Milestones This Period**

- The Consultant continued to collect and analyze data - collected via interviews and analyzing the results of the boat owner's survey.

- PW Staff held a teleconference with the Consultant on December 10, 2013.

### **Future Milestones:**

- A draft report is to be delivered to CBS no later than January 17, 2014; the Consultant has been encouraged to make delivery earlier if at all possible. After review and comment by DPW and the SCIP Board, the report will be finalized and delivered to CBS/SCIP in a presentation meeting, no later than February 15, 2014.

### **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 last month, the Water Division responded to 18 callouts; 10 for locates, three for turning water on/off, four leak investigations – all four were ground water and not leaking city water and one hydrant hit by a private snow plow.
- Water operators flushed the transmission main the night of December 9, 2013 and continued to flush all major distribution mains during the following two weeks. Each fall these water mains are flushed at high velocity to remove any sediment that has settled during the previous year. The flushing is preceded by several weeks of vacuum valve box cleaning to be sure the valves are accessible and leak listening with a special amplification device. The majority of these activities take 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 in the spring. During flushing many fire hydrants are utilized; this year four hydrants along HPR were found that were not draining. Hydrants drain into the ground through small ports that are open when the hydrant is closed and conversely closed when the hydrant is open and flowing water. Proper draining avoids freezing in the barrel of the hydrant; note that hydrant valves and drain ports are typically five feet below grade. Operators were successful in flushing out these four hydrants and getting them to drain without excavating around them.
- Water operators completed updating our system's Vulnerability Assessment and Emergency Response Plan; a Homeland Security requirement. These plans are purposely kept private as they list the water system's vulnerable sites.



- The morning of December 17, 2013, a water break was called in by residents near the DeArmond/ New Archangel intersection. PW crew was busy with snow removal so the water operators hired a contractor operator and excavator to assist. They had the cracked 6" cast iron main on DeArmond repaired by the end of the day.
- Water operators participated in a meeting where the 65% plans for the UV treatment building were thoroughly reviewed. Water operators along with Engineering, our WWWW Mechanic, WWWW Electrician and Env. Superintendent have been reviewing the plans in detail for about 2 weeks. We all got together and shared our comments and questions on a conference call with the design engineers.

### **Wastewater (WW) Repairs & Maintenance:**

- The city-wide power outage that began late Friday night, December 20, 2013 generated about 15 hours of overtime for WW operators. Power outages are a real concern for our WW system since we rely on so many pumps to keep the WW moving. All our large lift stations (LS) have permanently installed backup generators while many smaller LSs plug for trailer mounted portable generators. During a major power outage the stand-by operator typically calls in one or two additional operators to assist in being sure all backup generators have started properly and transferred to generator power and then proceed to check levels in the wet wells of the LS without permanent backup power to determine when and where trailer mounted generators might be needed. City-wide power outages frequently generate some additional electrical problems – many of which are not found until the city power comes back on. This power outage burned out a small transformer at Landfill LS that produces 24 volt control power in the panel. We have never lost one of these transformers before and did not have a spare. In true "MacGyver" fashion our WWWW Electrician connected two 12 volt batteries together to make 24 volts and get the station back up and running. A battery charger was later connected and the station ran fine while a spare transformer was sent over from a controls manufacturer shop in Juneau.
- 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.
- During the power outage, WW operators noticed what looked like higher flows entering the Channel LS. Operators began investigating for collection system leaks or improper connections but smoke testing the collection system on December 26, 2013.
- WW and maintenance operators continue our in-house winter project to reorganize and clean up 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, 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.

**Sawmill Cove Industrial Site – Wastewater (WW) Update:**

- In later December operators began pressure testing the 6” force main from the SMC lift station to Whale Park. Once pressure testing confirms no leaks in the repaired HDPE main the flows in the park will be split between the small extended aeration secondary treatment plant and the LS that pumps WW to the municipal system. We will keep the extended aeration plant operational = keep the bugs alive, so that it is ready to again take on the full load of the park when DOT’s contractor returns to complete the SMC Rd phase III work.

**Indian River Temporary Filtration system:**

- A temporary filtration system is being designed to treat Indian River water to serve the public during the Blue Lake penstock outage in 2014. We have been working closely with CH2MHill, the designer, reviewing plans for the temporary filtration system and answering specific questions about the site and old facilities.

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

- The Water Division continues working with the Electric Department to evaluate background water quality data out in the lake and around the construction activity as required during the project. 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. Very limited sampling is planned during the winter.



**BLUE LAKE EXPANSION PROJECT**

**MONTHLY UPDATE FOR CITY ASSEMBLY**

Report No. 13

Month ending December 31, 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**

- December 6- Participated in the quarterly Executive Partnering session.
- December 10-11- Met with Gilkes reviewed deliverables and agreed to a modified payment schedule.
- December 13- Barnard submitted the first draft generation outage plan describing the work that will be performed during the fall 2014 generation outage.
- December 15- ASRC McGraw Constructors (AMCL) completed the erection of power house steel columns and roof trusses.
- December 17- Advertised Contract 8 Reservoir Debris Management.
- December 18-January 3- Generally work crews took some time off for the holidays.
- December 20- Barnard completed the last concrete placement in the intake tunnel gate shaft.
- December 20- Barnard signed agreement with Pall for the lease of temporary filtration units.
- December 20- CH2MHill submitted final design for Alternate Water Supply. The design was reviewed and forwarded to Barnard for change order pricing.
- December 20 –Southeast Earthmovers (SEEM) completed the access road excavation until rock bolting may be conducted. Barnard will finish the access road excavation following the required rock bolting.
- December- 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.
- TO DATE – 20 of 79 blocks of concrete have been placed at the dam, 3230 CY of 3350 CY have been placed at the powerhouse. Concrete tests have been better than required by the specification.



**COST SUMMARY - updated 12/30/2013**

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	\$3,096	\$10,261,098
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	\$82,728	\$1,084,397
Contract 8, Debris Management	\$1,530,000	\$0	\$0
Contract 9, General Construction	\$89,963,432	\$2,208,348	\$50,635,407
Diesel Fuel	\$1,260,000	\$0	\$0
Temporary Filtration**	\$3,000,000	\$35,789	\$99,624
Remaining Project Costs		\$0	\$0
License Amendment	\$1,400,000	\$1,662	\$1,199,625
Engineering	\$9,498,393	\$5,820	\$11,712,295
Construction Management	\$8,076,201	\$153,191	\$4,356,509
City Performed Work	\$1,495,000	\$23,604	\$1,609,554
Incentive Payment	\$1,600,000	\$0	\$0
Cost of Insurance/Reserve Account	\$3,500,000	\$0	\$0
<b>TOTALS</b>	<b>\$137,471,928</b>	<b>\$2,514,237</b>	<b>\$83,472,538</b>
<b>ESTIMATED TOTAL PROJECT COST</b>	<b>\$141,517,667</b>		

\*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.
- The City has agreed to a no cost change order (Contract 9) to modify the dam site staging area.
- A series of change items are still under negotiation as follows:
  - 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 the dam's sluice gate valve and repair of this valve 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 January.
  - b. Install bridge crane in powerhouse during January.
  - c. Complete left abutment dam concrete work throughout January.
  - d. Begin second season concrete placements in dam spillway area.
  - e. Continued excavation of the powerhouse access road.
  - f. Begin stabilization of reservoir access road.
  - g. Open bids on Contract 8 January 28.
- 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 December. We are on-track with the City-performed work The City performed work will be removed from the risk analysis next month. The City has prepared a work plan that coordinates the City performed work with Barnard's Project Schedule.
- Barnard/ NAES and the CM team will be preparing commissioning plans in preparation for the generation outage.

**OTHER ITEMS OF INTEREST**

- The Blue Lake reservoir has stopped spilling .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. The generation model has been configured to manage both reservoirs to minimize the require diesel generation until the next expected spill from the two reservoirs in late 2016.

## **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 (January 1, 2013) schedule, the critical start of the 2014 Generation Outage is shown starting on August 18, 2014, six days ahead of schedule. It is interesting to note that Barnard is still on schedule in spite of the Christmas holiday season. The Total Project Cash Flow reflects the decrease in production over the holidays.

**CURRENT RISK: LOW**

**Weather and Lake Levels:** Green Lake is approximately 1.5 feet above spill and Blue Lake has completed spilling. This situation sets us up very well for the next season.

**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;
2. In the powerhouse area, removal of a rock knob along the powerhouse access road was required, as described above.

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: NIL.** – *Rock conditions are no longer considered a risk item for the Project, we will not report separately on rock conditions in future Assembly Updates, unless there is a significant change.*



**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 70% of this work is now complete. Several significant milestones in this area were achieved in December including: final shop witness tests for the industrial water pump control panels; completion of the plant function panel by City staff; completion of the switchyard control enclosure; and procurement of most electrical devices and materials for all remaining City-furnished electrical equipment. We are nearing completion of this Work, several months before we need to deliver these components to Barnard. ..

**CURRENT RISK: NIL.** [See Appendix 1-Action Plan at the end of this monthly update, for the status of this self-performed work]. This item will be removed from the risk summary in future Assembly Update reports.

**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.

**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. Barnard also prepped the spillway.**



**Figure 2. Drainage Tunnel and Scour Wall, the lake finished spilling.**





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



**Figure 4. Gate House Location, Barnard completed the last concrete placement in the intake tunnel gate shaft.**





**Figure 5. Dam Staging area, No change this month.**





**Figure 6. Lower Portal Area, no change this month.**



**Figure 7. Powerhouse Site, ASRC McGraw Constructors (AMCL) completed the erection of power house steel columns and roof trusses.**



**Figure 9. Lower Project Site, Southeast Earthmovers (SEEM) completed the access road excavation until rock bolting may be conducted.**



## LAKE LEVEL WINDOW FORECAST

### NOTE TO CITY ASSEMBLY

We are changing the format of the Lake Level Report with this December 31, 2013 update. The beginning of 2014 ushers in a new group of lake level management goals for the City, which are a mix of meeting the spring 2014 lake level target (required so Barnard can construct the tunnel intake structure) and in preserving as much water as possible in both Blue Lake and Green Lake in order to minimize diesel generation needs in the fall of 2014 and the spring of 2015, and following year.

So, with this month's Assembly Update, we are providing lake level predictions for both Blue Lake and Green Lake, showing the probabilities of meeting various lake level targets along with the probability of needing significant diesel generation in 2014 and 2015.

We must provide a low enough level for Barnard to complete the intake structure in late March 2014. At the same time, wasting too much water in order to draw Blue Lake's level down quickly in 2014 carries a significant penalty for having to replace this hydro generation with diesel generation over the next 22 months.

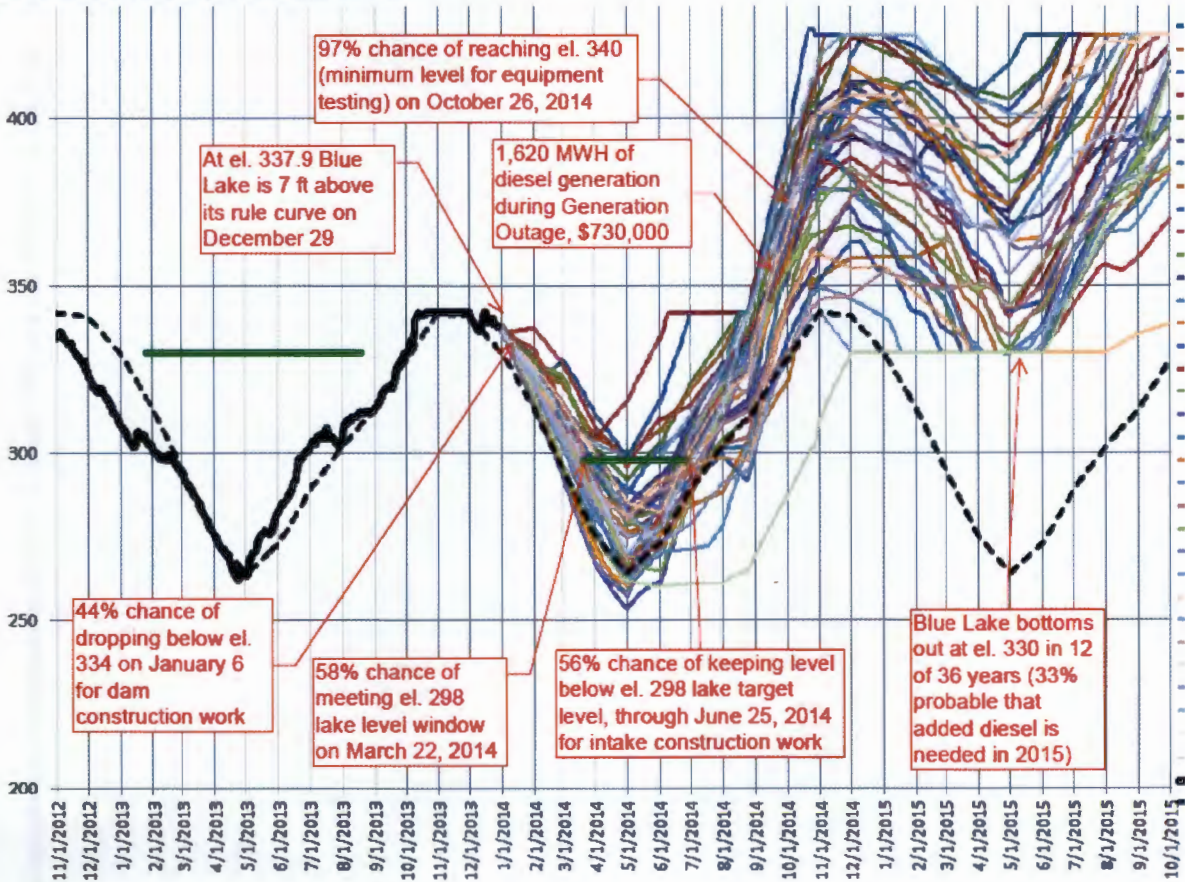
The following two pages show the current prediction for both lakes, based on water levels at the end of December, 2013.

### Blue Lake Level Forecast – December 30, 2013

Case 10. Start December 30, 2013. Multi-year simulation using 36 year hydrologic record. 117,000 MWH system load until August 26, 2014. Then conservation assumed to reduce load to 112,000 MWH through October 2015. All water wasting is stopped on January 3, 2014. PMFU operation is also stopped on January 3, 2014. FVU is run at full load until March 22, 2014. THIS IS THE CURRENT SUGGESTED OPERATING PLAN FOR THE SYSTEM.

Note that in each of these 36 simulations, D4 diesel is assumed to run 10 hours each day during the Generation Outage at an average output of 3 MW.

Blue Lake water level simulation.



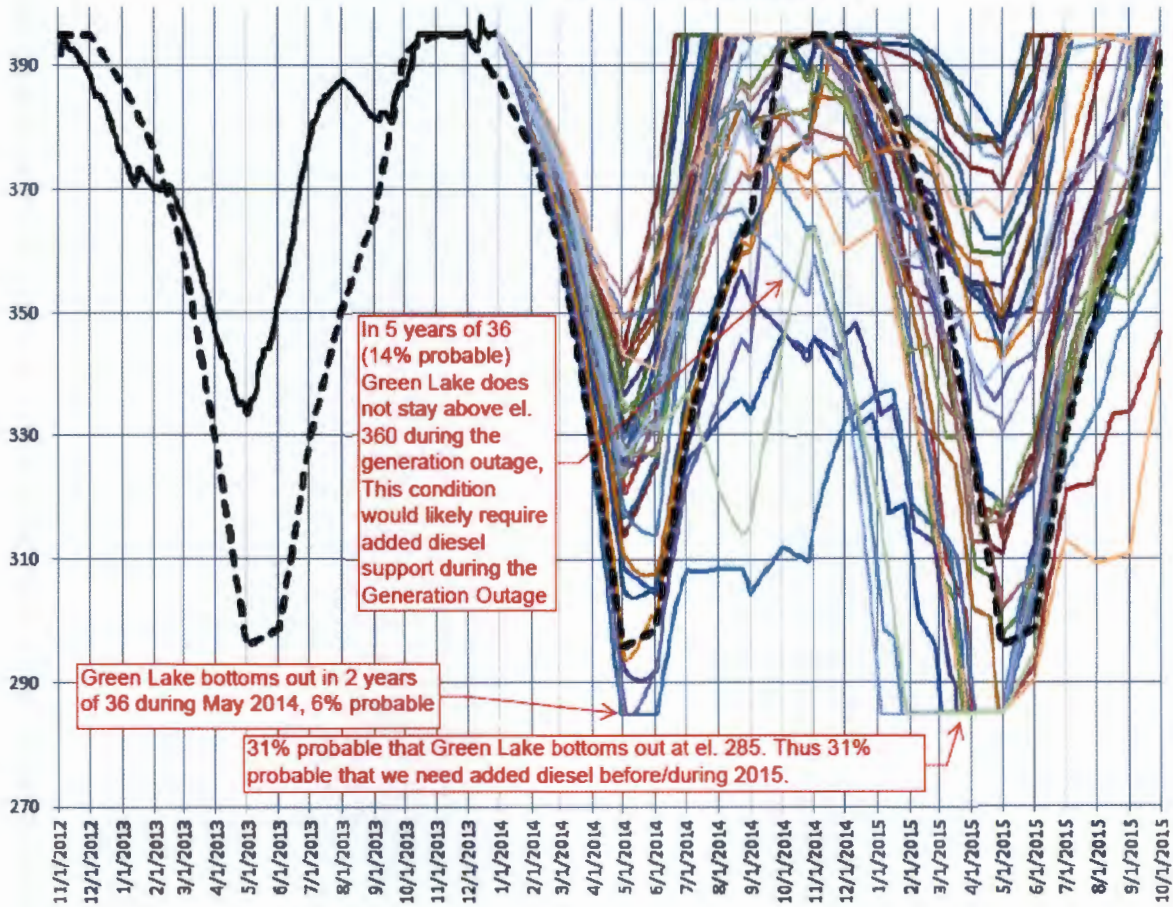
Total diesel generation predicted by this simulation:

Period	Dates	MWH of diesel	Cost at \$0.45 per kWh
Spring 2014	-	0	\$0
Generation Outage	Aug 26 – Oct 26, 2014	1,620 <sup>(1)</sup>	\$731,000
Spring 2015	Mar 30 – June 16, 2015	varies	\$varies

(1) Assumes approx 30 MWH per day for daily peaks, scheduled manually in model

See next page for Green Lake predicted levels under this scenario.

**Case 10  
Green Lake Level Forecast – December 30, 2013**





*Appendix 1 to Monthly Update for City Assembly*

**December, 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 – <b>First Priority for Bob</b>	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	Dec 2013	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.

## *Appendix 2 to Monthly Update for City Assembly*

**December 31, 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.

- Barnard signed an agreement with Pall on the lease of the filter units.
- CH2MHill completed the final design of the site equipment needed for the filtration units. The final design has been submitted to Barnard for pricing.
- McMillen will perform the construction management.
- The City will provide plant operation with possible assistance from the supplier.

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

We expect to issue the change order in January of 2014.

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. On December 21, 2013, rock removal contractor discovered 3 previously drilled holes believed to remain from the 1970's period when Jarvis was a rock quarry site. Subsequent investigation revealed these holes were loaded with explosives, including detonation cord, caps, and boosters. Contractor removed as much material as possible, approximately 70 sticks of Tovex, from the holes and on December 26, 2013 the last hole was loaded with a blasting cap and detonated. Site has been deemed safe for work and rock removal/substation construction has recommenced.
2. Installation of the 15/20 MVA Generator Step-Up Transformer (GSU) was completed on December 24, 2013. (Photo below)
3. 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.
4. Final order for substation structural steel was approved on December 12, 2013. Expected delivery date is February 7, 2014.
5. 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 thorough fire prevention, containment and suppression

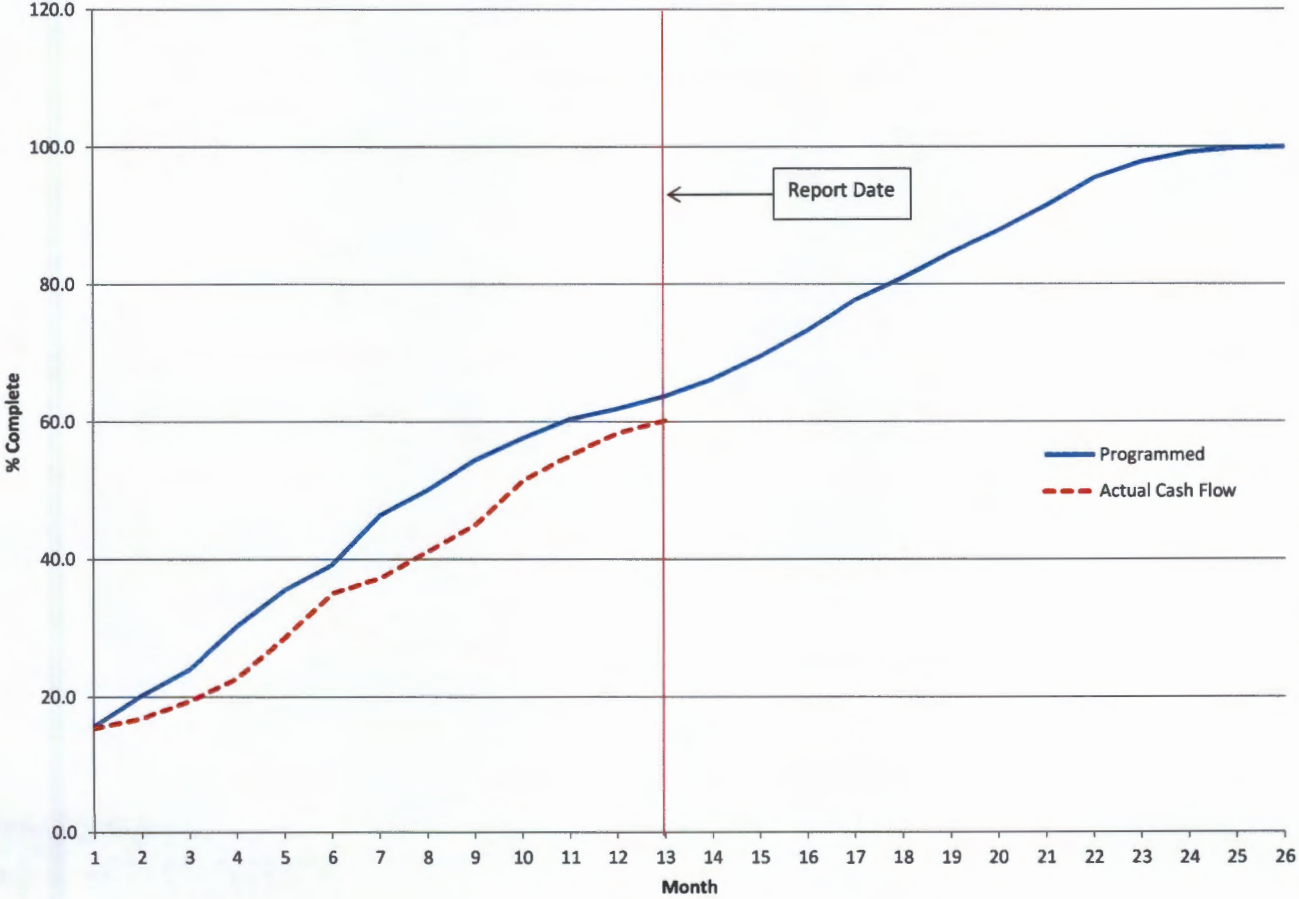
- review by multiple entities. The tanks, ancillary equipment and installation work are purchased. Confirmed ready to ship date for fuel tanks is February 15, 2014.
6. All substation concrete foundations will be complete by mid-January 2014.
  7. The final Air Quality Control Operating Permit No. AQ0014TVP01 was received on December 4, 2013. This permit authorizes operation of the existing diesel units and the new turbine; however, it does require additional monitoring and testing requirements for all machines.
  8. Solar Turbines will be conducting a site visit in late January 2014 to review project site, complete logistics planning, and prepare for shipment of turbine in March 2014.
  9. The engineering design of the 69kV breaker control and protective relays is 90% complete. The order is scheduled for placement January 10.
  10. Project Change Notice No. 004(Rev1) was signed on December 20, 2013. This PCN provides; a prototype fuel filtration skid (in lieu of a fuel oil centrifuge), sufficient spare filters for commissioning and Blue Lake generation outage, and on-site factory training for Electric Department staff.



Figure 1. The 15/20 MVA Generator Step-Up Transformer (GSU) was installed December 24, 2013.



### Total Project Cash Flow



## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: DECEMBER 31, 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 continued work on the gate shaft concrete liner, with 95 vertical feet of shaft lined to date. The small remaining section of liner will be completed with the gate house concrete foundation.

#### Dam Raise

Barnard crews continued placing concrete on the dam and left abutment thrust block and cutoff wall. We have completed 20 monoliths blocks total on the dam and have made 8 placements on the thrust block and cutoff wall. In addition, we also completed the required concrete grinding on the existing spillway concrete.

#### Powerhouse

ASRC McGraw started installation of the steel superstructure for the Powerhouse building. ASRC completed the second stage concrete in Unit 5 turbine pit. ASRC has also completed drilling for the turbine pit rock anchors.

Southeast Earthmovers continues rock excavation for the new powerhouse access road with Barnard installing the required rock bolts as the excavation progresses.

#### Adit Tunnel

Barnard has started preparatory work for the adit tunnel plug including, primary consolidation grouting, 36" diameter pipe installation, rebar installation and bulkhead formwork.

### **2. Status of Construction**

#### **Status of Ongoing Major Construction Activities**

- Powerhouse Excavation – 94% complete
- Dam Raise – 2000 CY placed to date.
- Left Abutment Thrust Block and Cutoff Wall – 587 CY.
- Powerhouse Concrete – 3230 CY placed to date.
- Gate Chamber Concrete – 150 CY placed to date.
- Gate Shaft Lining – 95 VF completed. – 98% complete.

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

## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: DECEMBER 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

### **3. Construction Issues**

### **4. Contract Status**

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

<b>Name</b>	<b>Scope</b>
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:

<b>Name</b>	<b>Scope</b>
ASRC McGraw Constructors, LLC	Concrete Supply
Gerda Reinforcing Steel	Concrete Reinforcing Steel
Haskell Corporation	Misc. Metal Fabrication

### **5. Critical Events and Dates**

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

Critical Dates for the Blue Lake Project are as follows:

<b>Milestone</b>	<b>Date</b>	<b>Required Status of Construction</b>
1	07/01/2013	Drainage Tunnel Complete – <b>Completed May 6, 2013</b>
2	08/19/2013	Initial Intake Excavation Complete – <b>Completed July 21, 2013</b>
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 <sup>st</sup> Blue Lake Turbine Generator
6	91 days after start of Generation Outage	Substantial Completion of 2 <sup>nd</sup> Blue Lake Turbine Generator
7	80 days after start of Generation Outage	Substantial Completion of Fish Valve Unit

### **6. Reservoir Filling**

Blue Lake Reservoir stopped spilling in early December allowing Barnard to begin work on the spillway (concrete demo only). However, warmer weather and rain in mid-late December caused the reservoir to begin spilling again.



## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: DECEMBER 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

### **7. Foundations**

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.

<b>Contract No.</b>	<b>Vendor</b>	<b>Scope of Supply</b>
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, gatehouse and dam throughout the month of December.

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

### **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: DECEMBER 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



**Figure 1: Left Abutment Dam and Thrust Block**



**Figure 2: Bird's Eye View of Dam Raise**



**BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: DECEMBER 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



**Figure 3: Powerhouse Steel Building**



**Figure 4: Powerhouse Turbine Pits**



## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: DECEMBER 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



**Figure 5: Gate Shaft Concrete Liner**

### **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**

