



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
330 Harbor Drive  
Sitka, AK  
(907)747-1811

## Meeting Agenda City and Borough Assembly

*Mayor Mim McConnell  
Deputy Mayor Matt Hunter  
Vice-Deputy Mayor Phyllis Hackett, Steven Eisenbeisz,  
Benjamin Miyasato, Aaron Swanson, and Tristan J. Guevin*

*Municipal Administrator: Mark Gorman  
Municipal Attorney: Robin L. Koutchak  
Municipal Clerk: Colleen Ingman, MMC*

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Tuesday, October 28, 2014

6:00 PM

Assembly Chambers

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### REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

[14-214](#) Reminders and Correspondence

**Attachments:** [Reminders and Calendars](#)

[Blue Lake License Amendment](#)

[NWPPA Communications Award](#)

[Solar Turbines](#)

[SE Transportation Plan Comment](#)

V. CEREMONIAL MATTERS

[14-207](#) Certificate for Wells Williams

**Attachments:** [Ceremonial Williams](#)

VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Sitka Community Hospital, Municipal Departments, School District, Students and Guests (time limits apply)

[14-209](#) CBS Financial Review - Jay Sweeney

**Attachments:** [CBS Financial Review rotated](#)  
[CBS Financial Statements rotated](#)

**VII. PERSONS TO BE HEARD**

*Public participation on any item off the agenda. All public testimony is not to exceed 3 minutes for any individual, unless the mayor imposes other time constraints at the beginning of the agenda item.*

**VIII. REPORTS**

**a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other**

**IX. CONSENT AGENDA**

*All matters under Item IX Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.*

**A** [14-212](#) Approve the minutes of the October 14, 2014 Assembly meeting

**Attachments:** [Motion CONSENT](#)  
[Motion Minutes](#)  
[Minutes](#)

**B** [14-211](#) Reappoint Amy Zanuzoski to a three-year term on the Health Needs and Human Services Commission

**Attachments:** [Motion reappointment](#)  
[Reappointment](#)

**X. UNFINISHED BUSINESS:**

**XI. NEW BUSINESS:**

**New Business First Reading**

**C** [ORD 14-33](#) Updating Attachment G: FWHA Anti-Drug and Alcohol Policy (CDL Drivers)

**Attachments:** [Motion Ord 2014-33](#)  
[Ord 2014-33 Updating Attachment G CDL policy](#)  
[Memo and attachments for Ord 2014-33](#)

**Additional New Business Items**

- D      [14-213](#)      Approve the award of a professional services contract to PND Engineers, Inc. for the Sitka Transient Float Replacement project Tasks 1 and 2 on a time and materials basis for a not to exceed amount of \$183,190 and authorize the Administrator to approve a future contract amendment to complete final design, permitting and construction support services

**Attachments:** [Motion Sitka Transient Float](#)

[Sitka Transient Float Replacement](#)

- E      [14-210](#)      Assignments: Deputy Mayor, Vice-Deputy Mayor and Assembly Liaisons

**Attachments:** [Appoint Deputy and Vice Deputy Mayor 2014](#)

[LIAISONS 2014-2015](#)

**XII. PERSONS TO BE HEARD:**

*Public participation on any item on or off the agenda. Not to exceed 3 minutes for any individual.*

**XIII. EXECUTIVE SESSION**

**XIV. ADJOURNMENT**

*Sara Peterson, CMC  
Acting Municipal Clerk  
Publish: October 24*



## Legislation Details

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**File #:** 14-214      **Version:** 1      **Name:**  
**Type:** Item      **Status:** AGENDA READY  
**File created:** 10/23/2014      **In control:** City and Borough Assembly  
**On agenda:** 10/28/2014      **Final action:**  
**Title:** Reminders and Correspondence  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Reminders and Calendars](#)  
[Blue Lake License Amendment](#)  
[NWPPA Communications Award](#)  
[Solar Turbines](#)  
[SE Transportation Plan Comment](#)

Date	Ver.	Action By	Action	Result
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# REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, October 28	Regular Meeting	6:00 PM
Monday, November 10	Regular Meeting	6:00 PM

**Note: Assembly orientation for new members will be held on October 31<sup>st</sup> at Harrigan Hall beginning at 9:00 AM.**



## Assembly Calendar

2013    Jan    Feb    Mar    Apr    May    Jun    Jul    Aug    Sep    Oct    Nov    Dec    2015

October 2014

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28 <u>Sep</u>	29	30	1 <u>Oct</u>	2	3	4
Hunter		1:00pm SCVB Board	7:00pm Library Board 6:00pm Police and Fire	12:00pm - 1:30pm SEDA Board Meeting		Reif
5	6	7	8	9	10	11
Reif	Reif	Reif Municipal Election 7:00pm School 7:00pm Planning - Meeting at Fire Hall	Reif 6:00pm Historic Preservation 6:00pm Port & Harbors Commission	Reif 12:00pm LEPC 12:00pm Parks & Rec	Reif	Reif
12	13	14	15	16	17	18
Reif	Reif	Reif 6:00pm Reg Assembly Mtg	6:30pm STA			
19	20	21	22	23	24	25
		12:00pm Tree/Landscape 7:00pm Planning 7:00pm School		6:30pm Hospital Board		
26	27	28	29	30	31	1 <u>Nov</u>
		1:00pm SCVB Board 6:00pm Regular Assembly Mtg				

## Assembly Calendar

2013    Jan    Feb    Mar    Apr    May    Jun    Jul    Aug    Sep    Oct    Nov    Dec    2015

November 2014

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26 <u>Oct</u>	27	28	29	30	31	1 Nov
		1:00pm SCVB Board 6:00pm <u>Regular Assembly Mtg</u>				
2	3	4	5	6	7	8
		7:00pm Planning 7:00pm <u>School</u>	7:00pm Library Board 6:00pm Police and Fire	12:00pm - 1:30pm SEDA Board Meeting	Hackett	Hackett
9	10	11	12	13	14	15
Hackett	Hackett 6:00pm <u>Reg Assembly Mtg</u>	Hackett HOLIDAY	Hackett 6:00pm Historic Preservation 6:00pm Port & Harbors Commission	Hackett 12:00pm LEPC 12:00pm <u>Parks &amp; Rec</u>	Hackett	Hackett
16	17	18	19	20	21	22
Hackett	Hackett	Hackett 12:00pm Tree/Landscape 7:00pm Planning 7:00pm <u>School</u>	Hackett 6:30pm STA	Hackett		
23	24	25	26	27	28	29
		1:00pm SCVB Board 6:00pm <u>Regular Assembly Mtg</u>		6:30pm <u>Hospital Board</u>		
30	1 <u>Dec</u>	2	3	4	5	6
		7:00pm Planning 7:00pm <u>School</u>	7:00pm Library Board 6:00pm Police and Fire	12:00pm - 1:30pm SEDA Board Meeting		

## Assembly Calendar

2013    Jan    Feb    Mar    Apr    May    Jun    Jul    Aug    Sep    Oct    Nov    Dec    2015

**December 2014**

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30 Nov	1 Dec	2	3	4	5	6
		7:00pm Planning 7:00pm School	7:00pm Library Board 6:00pm Police and Fire	12:00pm - 1:30pm SEDA Board Meeting		
7	8	9	10	11	12	13
		6:00pm Reg Assembly Mtg	6:00pm Historic Preservation	12:00pm LEPC 12:00pm Parks & Rec	6:00pm CBS Holiday Party at Harrigan Hall	Hackett
14	15	16	17	18	19	20
Hackett	Hackett	Hackett 12:00pm Tree/Landscape 7:00pm Planning 7:00pm School	Hackett 6:30pm STA	Hackett	Hackett	Hackett
21	22	23	24	25	26	27
Hackett	Hackett	Hackett 6:00pm Regular Assembly Mtg	Hackett	Hackett 6:30pm Hospital Board	Hackett	Hackett
28	29	30	31	1 Jan	2	3
Hackett	Hackett	1:00pm SCVB Board		12:00pm - 1:30pm SEDA Board Meeting		





## Memorandum

October 22, 2014

To: Mark Gorman, Municipal Administrator  
From: Christopher Brewton, Utility Director  
Subject: **Blue Lake License Amendment – Protection, Mitigation & Enhancement (PM&E) Terms and Conditions – Status Update**

Please include this memorandum in the reports section of the scheduled October 28, 2014 regular Assembly Meeting in regards to mitigation measures for the Blue Lake Expansion Project.

Pursuant to Section 4(e) of the Federal Power Act, the U.S. Forest Service (USFS) filed final terms and conditions relative to the PM&E measures required for the inundation of an additional 362 acres of the Blue Lake watershed. The Assembly was provided information on these proposed measures at the May 24, 2011 and June 28, 2011 meetings.

In summary, the proposed mitigation measures and current status include:

- Funding for Redoubt Lake Fertilization in the amount of \$10,000/year for 10 years
  - Collection Agreement with USFS signed on February 28, 2013 & expires December 31, 2022 – will be funded from Electric Department annual Operations Budget
- Funding in the amount of \$10,000/year for a Campground Host at the USFS Campground on the Blue Lake Road
  - Will be included in final PM&E document at conclusion of Blue Lake Construction – will be funded from Electric Department annual Operations Budget
- Establishment of a \$50,000 Mitigation Escrow Fund for post construction impacts that may arise
  - Budget item is included in the Blue Lake construction budget under License Amendment – monitoring will continue for 3-years after the lake reaches full pool
- Donation of two City-owned parcels within the West Chichagof-Yakobi Wilderness to the USFS
  - Initial property appraisal completed on September 30, 2011 to determine if value of property exceeds \$500,000 which would trigger a public vote for transfer – assessed value was well below this threshold
  - Wetlands Delineation field work was completed September 2014 – draft report due October 2014 with final report by end of year – this is a potentially positive outcome for the City as these wetlands may count towards the City's Wetlands Mitigation Bank

Transmittal Memorandum  
Blue Lake PM&E  
October 22, 2014

- Contractor visited site on September 26, 2014 to evaluate site for removing existing solid waste prior to lands transfer – City must develop a plan for removal and submit to USFS for approval – material will be moved across small section of Wilderness Area and authorization must be obtained prior to removal – draft plan will be submitted November/December 2014 & with USFS approval, materials will be removed Spring 2015

I would like to express my appreciation to the USFS Staff who have worked very closely with the City to develop mitigation measures that are reasonable, thoughtful, and will provide positive benefits to the environment and our community. In many cases, decisions on mitigation are expensive, protracted, and litigious. I have complete confidence the mutual respect and collaboration to complete these measures will continue to fruition.

Cc: Jay Sweeney, Chief Finance & Administrative Officer  
Robin Koutchak, Municipal Attorney  
Wells Williams, Planning Director  
Marlene Campbell, Gov. Relations Director



City & Borough of Sitka  
**Electric Department**  
105 Jarvis Street, Sitka AK, 99835  
Telephone: 907-747-4000 Fax: 907-747-3208



## Memorandum

October 22, 2014

To: Mark Gorman, Municipal Administrator  
From: Christopher Brewton, Utility Director  
Subject: **Northwest Public Power Association (NWPPA) Communications Award**

I am very proud to report that the Electric Department was recently honored with a 2014 NWPPA Excellence in Communication Award under the Special Publication category for our publication *Water Pressure*.

This brochure addressed progress on the Blue Lake Hydroelectric Expansion and included important statements about our community's willingness to take on a large project to ensure our energy independence and environmental stewardship. The brochure was produced in conjunction with the Sitka Conservation Society and is another unique example of collaboration in our community.

Attached is the correspondence from the NWPPA announcing our selection.



Northwest Public Power Association

9617 N.E. 54th Street Vancouver, Washington 98662-0576  
(360) 254-0109 FAX (360) 254-5731  
E-mail: [nwppa@nwppa.org](mailto:nwppa@nwppa.org)  
Web Site: [www.nwppa.org](http://www.nwppa.org)

**FOR IMMEDIATE RELEASE**  
**Contact: Brenda Dunn ([brenda@nwppa.org](mailto:brenda@nwppa.org))**

**September 18, 2014**  
**(360) 816-1453**

### **NWPPA announces 2014 Excellence in Communication awards**

**Vancouver, Wash.** – Now in its 21<sup>st</sup> year, the Excellence in Communication contest recognizes the top communication efforts from Northwest Public Power Association (NWPPA) member utilities and associations. NWPPA presented the awards at its Northwest Communications & Energy Innovations Conference (NIC) awards banquet at the Renaissance Hotel in Seattle, Wash., on Tuesday, September 16.

This year, NWPPA received a record-breaking 192 entries from a record-breaking 45 different utility and association members!

NIC Chair Erika Neff from Kootenai Electric Cooperative congratulated the attendees for the record-breaking numbers. “Thank you to everyone for sending in your entries and continuing to support this conference, and for making this contest the highly regarded event that it has become,” she said.

Categories are broken up into four groups: Group A utilities having the smallest number of customers and Group D having the largest. Eight local marketing and communication professionals – the majority of whom work in the utility field – volunteered their time to judge the entries. A complete list of the first-, second-, and third-place winners can be found on the following pages.

In addition to the Excellence in Communication awards, NWPPA presented the 2014 Tom Hougan Award for the best overall communication effort of the year to Alaska’s Homer Electric Association (HEA). The judges agreed that HEA entered exceptionally high-quality communication pieces; the cooperative submitted the only perfectly scored newsletter, received a near-perfect score (49 out of 50) on its first-place advertising campaign, and earned a 47 out of 50 on its photo entry to receive third place. HEA Communication Specialist Melissa Carlin accepted the award on the utility’s behalf at the banquet.

The 2015 Excellence in Communication awards will be presented in Tahoe on September 15, 2015.

***About NWPPA:** NWPPA is an international not-for-profit trade association representing and serving nearly 150 customer-owned, locally controlled utilities in the Western U.S. and Canada. The Association also serves approximately 300 associate members across the U.S. and Canada who are allied with the electric utility industry. Visit [www.nwppa.org](http://www.nwppa.org), follow us on Twitter, and like us on Facebook for more information.*



Northwest Public Power Association

9817 N.E. 54th Street Vancouver, Washington 98662-0576  
(360) 254-0109 FAX (360) 254-5731  
E-mail: nwppa@nwppa.org  
Web Site: www.nwppa.org

## 2014 Excellence in Communication Award Winners

### Annual Report

<b>Group A</b>	1 <sup>st</sup> place:	<b>Glacier Electric Cooperative</b>
	2 <sup>nd</sup> place:	<b>Clatskanie PUD</b>
	3 <sup>rd</sup> place:	<b>Columbia REA</b>
<b>Group B</b>	1 <sup>st</sup> place:	<b>*Kootenai Electric Cooperative</b>
	2 <sup>nd</sup> place:	<b>Salem Electric</b>
	3 <sup>rd</sup> place:	<b>Columbia River PUD</b>
<b>Group C</b>	1 <sup>st</sup> place:	<b>Mason County PUD No. 3</b>
	2 <sup>nd</sup> place:	<b>Benton PUD</b>
	3 <sup>rd</sup> place:	<b>Idaho Falls Power</b>
<b>Group D</b>	1 <sup>st</sup> place:	<b>*Roseville Electric</b>
	2 <sup>nd</sup> place:	<b>Snohomish County PUD No. 1</b>
	3 <sup>rd</sup> place:	<b>Bonneville Power Administration</b>

### Newsletter

<b>Group A</b>	1 <sup>st</sup> place:	<b>Mason County PUD No. 1</b>
	2 <sup>nd</sup> place:	<b>Canby Utility Board</b>
	3 <sup>rd</sup> place:	<b>Big Flat Electric Cooperative</b>
<b>Group B</b>	1 <sup>st</sup> place:	<b>*Homer Electric Association</b>
	2 <sup>nd</sup> place:	<b>Columbia River PUD</b>
	3 <sup>rd</sup> place:	<b>Salem Electric</b>
<b>Group C</b>	1 <sup>st</sup> place:	<b>Peninsula Light Co.</b>
	2 <sup>nd</sup> place:	<b>Mason County PUD No. 3</b>
	3 <sup>rd</sup> place:	<b>Benton PUD</b>
<b>Group D</b>	1 <sup>st</sup> place:	<b>Clark Public Utilities</b>
	2 <sup>nd</sup> place:	<b>ORECA</b>
	3 <sup>rd</sup> place:	<b>Energy Northwest</b>

### Advertising Campaign

<b>Group A</b>	1 <sup>st</sup> place:	<b>Clearwater Power Company</b>
	2 <sup>nd</sup> place:	<b>Glacier Electric Cooperative</b>
	3 <sup>rd</sup> place:	<b>Columbia REA</b>
<b>Group B</b>	1 <sup>st</sup> place:	<b>Homer Electric Association</b>
	2 <sup>nd</sup> place:	<b>Fall River Electric Cooperative</b>
	3 <sup>rd</sup> place:	<b>Salem Electric</b>
<b>Group C</b>	1 <sup>st</sup> place:	<b>*Flathead Electric Cooperative</b>
	2 <sup>nd</sup> place:	<b>Chelan County PUD</b>
	3 <sup>rd</sup> place:	<b>Mason County PUD No. 3</b>
<b>Group D</b>	1 <sup>st</sup> place:	<b>Energy Northwest</b>
	2 <sup>nd</sup> place:	<b>Clark Public Utilities</b>
	3 <sup>rd</sup> place:	<b>Bonneville Power Administration</b>

### Special Publication

<b>Group A</b>	1 <sup>st</sup> place:	<b>*City &amp; Borough of Sitka – Electric Dept.</b>
	2 <sup>nd</sup> place:	<b>Pend Oreille PUD</b>
	3 <sup>rd</sup> place:	<b>Clearwater Power Company</b>

# NWPPA

Northwest Public Power Association

9817 N.E. 54th Street Vancouver, Washington 98662-0576  
(360) 254-0109 FAX (360) 254-5731  
E-mail: nwppa@nwppa.org  
Web Site: www.nwppa.org

**Group B** 1<sup>st</sup> place: **Fall River Electric Cooperative**  
2<sup>nd</sup> place: **Midstate Electric Cooperative**  
3<sup>rd</sup> place: **Emerald PUD**

**Group C** 1<sup>st</sup> place: **Flathead Electric Cooperative**  
2<sup>nd</sup> place: **Central Lincoln PUD**  
3<sup>rd</sup> place: **Mason County PUD No. 3**

**Group D** 1<sup>st</sup> place: **\*Energy Northwest**  
2<sup>nd</sup> place: **ORECA**  
3<sup>rd</sup> place: **Clark Public Utilities**

## Website

**Group A** 1<sup>st</sup> place: **\*Mason County PUD No. 1**  
2<sup>nd</sup> place: **Beartooth Electric Cooperative**  
3<sup>rd</sup> place: **Columbia REA**

**Group B** 1<sup>st</sup> place: **Franklin PUD**  
2<sup>nd</sup> place: **Emerald PUD**  
3<sup>rd</sup> place: **Columbia River PUD**

**Group C** 1<sup>st</sup> place: **Cowlitz PUD**  
2<sup>nd</sup> place: **Grant PUD**  
3<sup>rd</sup> place: **Mason County PUD No. 3**

**Group D** 1<sup>st</sup> place: **Snohomish County PUD No. 1**  
2<sup>nd</sup> place: **Energy Northwest**  
3<sup>rd</sup> place: **Clark Public Utilities**

## Social Media

**Group A** 1<sup>st</sup> place: **Clearwater Power Company**  
2<sup>nd</sup> place: **Mason County PUD No. 1**  
3<sup>rd</sup> place: **Columbia REA**

**Group B** 1<sup>st</sup> place: **Emerald PUD**

**Group C** 1<sup>st</sup> place: **Mason County PUD No. 3**  
2<sup>nd</sup> place: **Peninsula Light Co.**  
3<sup>rd</sup> place: **Grant PUD**

**Group D** 1<sup>st</sup> place: **Snohomish County PUD No. 1**  
2<sup>nd</sup> place: **Clark Public Utilities**  
3<sup>rd</sup> place: **Energy Northwest**

## Photography

**Group A** 1<sup>st</sup> place: **Mason County PUD No. 1**  
2<sup>nd</sup> place: **Ravalli Electric Cooperative**  
3<sup>rd</sup> place: **Columbia REA**

**Group B** 1<sup>st</sup> place: **\*Franklin PUD**  
2<sup>nd</sup> place: **Salem Electric**  
3<sup>rd</sup> place: **Homer Electric Association**

**Group C** 1<sup>st</sup> place: **Idaho Falls Power**  
2<sup>nd</sup> place: **Mason County PUD No. 3**  
3<sup>rd</sup> place: **Grant PUD**

**Group D** 1<sup>st</sup> place: **\*NCPA**  
2<sup>nd</sup> place: **Clark Public Utilities**  
3<sup>rd</sup> place: **Energy Northwest**



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**Wild Card**

<b>Group A</b>	1st place:	<b>Columbia REA</b>
	2nd place:	<b>Clatskanie PUD</b>
	3 <sup>rd</sup> place:	<b>Canby Utility Board</b>
<b>Group B</b>	1st place:	<b>Kootenai Electric Cooperative</b>
	2nd place:	<b>Fall River Electric Cooperative</b>
	3rd place:	<b>Emerald PUD</b>
<b>Group C</b>	1st place:	<b>Flathead Electric Cooperative</b>
	2nd place:	<b>Idaho Falls Power</b>
	3rd place:	<b>Peninsula Light Co.</b>
<b>Group D</b>	1st place:	<b>Bonneville Power Administration</b>
	2nd place:	<b>Clark Public Utilities</b>
	3rd place:	<b>Energy Northwest</b>

*\* Denotes a perfect score of 50 out of 50.*

# NWPRG

**2014 EXCELLENCE IN COMMUNICATION**

**City & Borough of Sitka - Electric Department**

**First place, Special Publication**

**Group A**



# Solar Turbines

A Caterpillar Company

Thomas A. Pellette  
President

Solar Turbines Incorporated  
P.O. Box 85376  
San Diego, CA 92186-5376  
Tel: (619) 544-5212  
Fax: (619) 237-8100

October 14, 2014

Mr. Christopher Brewton, Utility Director  
City and Borough of Sitka  
105 Jarvis Street  
Sitka, AK 99835

Dear Mr. Brewton,

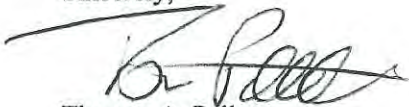
Thank you for your letter of September 10, 2014. Solar Turbines Incorporated is committed to providing unparalleled customer service in the delivery and execution of our projects. We strive to work as "One Team" at Solar and your recognition of those efforts is genuinely appreciated. It has been a great experience working with your team in placing the first Solar Turbines' Mobile Power Plant (MPP) in the beautiful city of Sitka, and the very first Titan 130 in the state of Alaska. The trust you have placed in our product and personnel in this critical application motivates us to perform at our highest level.

The opportunity to work in an environment as majestic as Alaska has made your installation one of the prized assignments for our Solar employees. From the historical significance of Sitka as the place that brought all of Alaska to the United States, to the splendid natural beauty of your city surrounded on the East by snow-capped mountains and on the West by the Pacific Ocean, it has been a pleasure for us to become a part of your city.

Solar Turbines is very appreciative of the great opportunity to work with the fine professionals that we have come in contact with as part of this project. Because of your efforts, we were provided unprecedented access to the facility and associated Blue Lake Hydroelectric Project in association with the production of our quarterly business update video. The video, which will be presented internally to the more than 8,000 Solar employees, will feature the MPP project as well as one of the jewels of Alaska, the City of Sitka. This cooperation, as well as the teamwork between your project manager, Jack West, and the Solar team has resulted in the immense success of this project.

Thank you for choosing Solar Turbines to supply the critical power needs for your city, for the opportunity to be part of this huge power system expansion, and for the pleasure of working with a group of professionals committed to providing the most efficient and available power to this fine community.

Sincerely,



Thomas A. Pellette



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

September 26, 2014  
ADOT&PF Southeast Region  
6860 Glacier Highway  
Juneau, AK 99801-7999  
Email [dot.satp@alaska.gov](mailto:dot.satp@alaska.gov)

RE: SE Transportation Plan Comment

Dear DOT&PF Southeast Region:

Thank you for the extended comment period. City and Borough of Sitka (CBS) submits the following comments on the 2014 draft Southeast Alaska Transportation Plan. These are similar to those CBS submitted for your 2011 Southeast Transportation Plan Scoping Report. The draft plan still does not appear to present a comprehensive regional transportation plan. It makes recommendations on the Alaska Marine Highway System (AMHS) component but does not provide an analysis of the specific plan and impacts to replace aging vessels. Nor does it address long-term results and ongoing operational costs and benefits to be able to evaluate the real impacts on all communities in the AMHS.

The Transportation Plan should make a strong statement about the need for surface transportation links via the Alaska Marine Highway which connect the region to the North American road system via Prince Rupert and Bellingham. Page 1 states the most important role of AMHS is to provide transportation to passengers and vehicles between communities. Perishable commercial freight is also critical. Equally important, Southeast Alaska's economy requires a surface transportation link to the lower 48 states without having to travel through a foreign country. Also, seafood processors supporting the region's largest economic sector, commercial fishing, and suppliers shipping perishable foods depend on AMHS links between communities and Prince Rupert to be able to competitively ship their goods.

The Alaska Marine Highway is Southeast Alaska's only road to move people, goods, and services both regionally and inter-state, and it must function year round to enable the Southeast economy to thrive and its citizens to maintain their connections. The Baranof Road project is listed in the SATP with preliminary design scheduled for 2022 and construction after 2035. As a priority project, feasibility and basic questions about how the Baranof Road would function need to be determined in 2015, and the result should guide much more immediate development if the project is to proceed. How much of the year would the road be usable? Is a train a possible solution, and how would it work for vehicles and passengers? How would proposed service (and operations costs including road and remote terminal maintenance) compare to existing service? Without a more detailed analysis, it is impossible to determine that service will actually be improved—the reality might be less service and less connectivity to communities than offered by the current system; or it might greatly benefit the AMH System.

Sitka is an urban hub for many smaller communities in Southeast Alaska, especially as pertains to regional health care at the Southeast Alaska Regional Health Corporation's (SEARHC) hospital facilities. The SEARHC Mt. Edgumbe Hospital is the largest employer in Sitka and provides critical health care services for these communities. When weather restricts air travel, the Marine Highway is the only link many have to vital health care services; yet Sitka receives only one northbound and two southbound ferries weekly for seven months of the year. A demand forecast would show Sitka is substantially under-served most of the year compared to Lynn Canal and other ports. This inequity needs to be addressed in the Transportation Plan.

Page 2, the SATP recommends the need to plan for periods of reduced funding, and discusses the three aging mainliners of the AMHS SE Fleet: Malaspina, Taku, and Matanuska and their retirement by 2024. The only new ferries planned for construction to replace these vessels are the two shuttle ferries proposed to run together in Lynn Canal and one SOLAS Class ferry to begin service in 2025. All three aging mainliners serve Sitka and the rest of the region. Reducing service to Prince Rupert is unacceptable since it provides a primary connection outside of the region. The issue of ferry deployment and replacement needs to be analyzed and discussed through a comprehensive, fully informed public process.

Aviation Recommendations, Pages 6, 9: The statement "the SATP is the appropriate forum for consideration of mode-specific major capital airport project needs. However, with some exceptions, the key components of the region's airport system are already in place." does not mention that Sitka's airport is the exception—it has no ability to expand. The 1999 Sitka Airport Master Plan included a project to fill the water area and develop new general aviation and lease lot areas to permit urgently needed airport expansion. With the relocation of Airport Road, this project should now proceed. Please include it in the Transportation Plan with implementation in the near future, unless it can proceed more immediately by other means.

Highway Recommendations, Page 11: Baranof Road: The FY'2016 City and Borough of Sitka Legislative Priorities requests "Equitable Sitka Alaska Marine Highway Service – City and Borough of Sitka continues to request that DOTPF and AMHS complete the Sitka Access Study in the near future to evaluate the feasibility, benefits and costs of developing a road connection to Chatham Strait, potentially in cooperation with the proposed Takatz Hydroelectric Project. Without this assessment to identify the best road corridor to the eastern side of Baranof Island, where a new terminal would be built, how the new system would operate year round including the distance, time, and feasibility to commute to and from the terminal, and the conceptual costs and benefits of such a project and impacts to ferry service to Sitka, it is impossible to evaluate whether the Baranof Road or other road connection to the mainline route makes practical sense and is worth the additional cost and time required to access the AMHS. Whatever is developed must provide consistent, connective Marine Highway service between Sitka and the rest of the Marine Highway System so critical to our economic future." Please complete this feasibility/scoping analysis in 2015 as a basis for re-prioritizing this project.

ADOTT&PF Southeast Region

September 26, 2014

Page 3

Please note that the final feasibility study for the Takatz Lake Hydroelectric Project is complete and on the City and Borough of Sitka Electric Department website. Completion of the Takatz Lake Hydroelectric Project in conjunction with the Baranof Warm Springs Bay road could possibly save millions of dollars for both projects.

Please be advised in Environmental Protection Agency's notice of final rule (CFR Part 63) titled National Emission Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines, all areas of Alaska not accessible by the Federal Aid Highway System (FAHS) were exempted from the new regulations, but Sitka is considered accessible to the FAHS through the Marine Highway System. The exemption results in cost savings of millions of dollars for Southeast communities in avoided costs for compliance. On page 11 of the SATP, there is intent to designate the Baranof Road a National Highway System route. We urge ADOT&PF to recognize this exemption and not inadvertently take action that may result in its elimination.

Marine Recommendations – The narrative in the Transportation Plan lists recommendations but does not include the dates and impacts. Some of this information can be found in the tables, but the discussion would be more meaningful if the narrative provided more information rather than having to cross-reference. The reference on page 12 states "Finally, a new fast ferry or conventional ferry (similar to the ACF) would be constructed as a replacement for one of the existing fast ferries, to be determined based on operational costs." Operational costs for a fast vehicle ferry are higher than conventional ferries. The original FVF Fairweather was planned as the "Sitka Shuttle" to enable improved service to Sitka without the constraints of tides in Sergius Narrows. When Lynn Canal is served by the shuttle ferries, the SATP should reconsider returning the fast vehicle ferry to the purpose for which it was originally intended—to be home-ported in and serve Sitka, at least for the next 20 year period of the current SATP.

The City and Borough of Sitka continues to recommend that DOT&PF consider modifying the SATP process to include the formation of a Regional Transportation Planning Organization (RTPO) to assist with the development of the SATP. The RTPO would provide a more equitable process to develop a broad community-supported sustainable transportation system for Southeast Alaska. Thank you for your consideration of these comments.

Sincerely,



Mark Gorman, Municipal Administrator

cc: Governor Sean Parnell  
Senator Bert Stedman  
Representative Jonathan Kreiss-Tomkins  
Commissioner Pat Kemp, DOT&PF  
Captain John Falvey, AMHS Manager  
Verne Skagerberg, SE Aviation Planner  
Andy Hughes, SE Planning Chief  
Marie Haldemann, SE Planner  
Sitka Assembly



## Legislation Details

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File #: 14-207      Version: 1      Name:  
Type: Ceremonial      Status: AGENDA READY  
File created: 10/21/2014      In control: City and Borough Assembly  
On agenda: 10/28/2014      Final action:  
Title: Certificate for Wells Williams  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Ceremonial Williams](#)

Date	Ver.	Action By	Action	Result
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# Service Award

*On behalf of the City and Borough of Sitka is hereby awarded to*

**Wells Williams**

In recognition of your 26 years of dedicated service to the City and Borough of Sitka. Your contributions have benefited this organization immensely. With our sincere gratitude.

*Sara Peterson*

ATTEST: Deputy Clerk, Sara Peterson

*Mim McConnell*

Mayor Mim McConnell





## Legislation Details

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File #: 14-209      Version: 1      Name:

Type: Special Report      Status: AGENDA READY

File created: 10/21/2014      In control: City and Borough Assembly

On agenda: 10/28/2014      Final action:

Title: CBS Financial Review - Jay Sweeney

Sponsors:

Indexes:

Code sections:

Attachments: [CBS Financial Review rotated](#)  
[CBS Financial Statements rotated](#)

Date	Ver.	Action By	Action	Result
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# City and Borough of Sitka

Financial Review  
October 28, 2014

Results as of June 30, 2014 (All Funds)



**City and Borough of Sitka**  
**Financial Review**  
**FY2014 General Fund Budget Execution**  
**June 30, 2014**

Planned Deficit Per Budget:	(675,000)
Budget Adjustments	(732,000)

Plus:

Revenues Exceeding Planned Levels	716,100
Unplanned Revenues (SRS)	464,000
Principal and Interest on School Bonds	
Now Paid By 1% sales Tax (Net)	381,000
Outlays less than Planned Levels	<u>860,300</u>
<b>Equals FY14 General Fund Budget Surplus</b>	<b><u>1,014,400</u></b>

City and Borough of Sitka  
Financial Review  
FY2014 General Fund  
Budget Adjustments

Pay Raise For	
Collective Bargained Employees	241,000
Extra Bed Tax to SCVB	46,000
Net Roll-Overs & Misc. Small Adjustments	<u>537,000</u>
<b>Total Net Budget Adjustments</b>	<b><u>732,000</u></b>

City and Borough of Sitka  
Financial Review  
FY2014 General Fund Budget

Major Components of Revenues Exceeding  
Planned Levels:

Sales Tax Receipts	657,900
Property Tax Receipts	28,700
All Other (net)	<u>29,500</u>
<b>Total:</b>	<b>716,100</b>

City and Borough of Sitka  
 Financial Review  
 General Fund Balance  
 June 30, 2014 Versus 2013

	6/30/2013	6/30/2014	Difference
Net Available Cash	1,314,900	2,414,900	1,100,000
Working Capital	5,999,400	7,384,900	1,385,500
Unrestricted Fund Balance	3,341,600	5,496,100	2,154,500

**Notes:**

*\$7,748,100 of cash and fund balance is designated for liquidity and emergency response*

*Net Available Cash equals cash plus investments less liabilities less all designated fund balances*

*Working Capital is current assets less current liabilities less liquidity and emergency response reserves*

**City and Borough of Sitka  
Financial Review  
Fund Net Income and Working Capital  
FY2014 Results Through June 30, 2014**

<u>Fund</u>	<u>Income/(Loss)</u>	<u>For Capex</u>	<u>Working Capital</u>	<u>Working Capital</u>
Electric Fund	21,575,431	8,427,417	9,712,333	18,139,750
Water Fund	251,113	510,012	(438,026)	71,986
Wastewater Fund	(10,040)	2,708,196	2,095,757	4,803,953
Solid Waste Fund	(223,075)	647,413	271,353	918,766
Harbor Fund	3,871,028	873,704	6,809,338	7,683,042
Airport Terminal Fund	* (34,935)	423,894	321,953	745,847
Marine Service Center Fund	* 73,491	-	1,462,488	1,462,488
SMC Industrial Park Fund	* (88,894)	16,984	873,804	890,788
MIS Fund	* 65,957	100,176	295,306	395,482
Central Garage Fund	* 417,665	263,663	1,991,553	2,255,216
Building Maintenance Fund	* (309,251)	-	2,126,331	2,126,331
CPET Fund	* (9,775)	1,917,881	-	1,917,881
Permanent Fund	2,566,314	-	22,780,095	22,780,095

# Comments on Net Losses and Working Capital

- Net losses signify that depreciation expense (the decline in value of infrastructure) exceeds revenue and may signify that infrastructure replacement may eventually need to be funded by bonding and higher user fees.
- Negative undesignated working capital signifies that we have more approved spending for infrastructure than we have fund balance to pay for.
- Net Income/and loss includes grant revenue. This was significant for the Electric Fund and Harbor Fund; Electric Fund grant revenue was \$19.5 million, and Harbor Fund grant revenue was \$3.19 million.
- Both of these situations are being addressed through long-term infrastructure plans, which seek to identify long-term infrastructure needs and determine the correct level of user fees necessary to finance the plan.

# Summary

- FY2014 is complete; the annual external audit is currently ongoing.
- The General Fund surplus has already been discussed by the Assembly and has been transferred to the Permanent Fund and the Public Infrastructure Sinking Fund.
- Additional planned annual increases in electric rates, water rates, wastewater rates, and harbor moorage rates are still required in order to achieve plan goals in future years. Furthermore, electric and moorage rates must be annually evaluated for bond rate covenant sufficiency.
- The financial position in three Funds, the Water Fund, Solid Waste Fund, and Building Maintenance Fund bear attention and possible action.
  - The financial position of the Water Fund as perhaps finally hit bottom unless an unforeseen requirement comes forth. As of June 30, 2014, the Water Fund had working capital of just \$72.0K and a negative cash balance of (\$76K), in essence a net borrower from the Central Treasury. This is because project outlays must be made out of fund cash first, then reimbursed through grant reimbursements or State of Alaska loan disbursements.
  - The financial performance of the Solid Waste Fund continues to deteriorate, causing working capital to begin to decline. This is due to rising costs coupled with no user rate increases. Working capital declined by \$291,9K in FY2014, and is now less than a million dollars ((918.8K).
  - The Building Maintenance Fund continues to experience a decline in working capital and fund balance. As this fund is an internal service fund, it derives its revenues from jobbing, and, from investment earnings on the balance of the Southeast Alaska Economic Development Fund. These jobbing revenues and investment earnings have been insufficient to cover operating costs. Raising jobbing rate, however, will place pressure on all other funds.
- With the closing of the 4<sup>th</sup> revenue bond issue on October 30, 2014, borrowing will be complete for the Blue Lake Hydroelectric Project, barring some unforeseen circumstance..

# Financial Statements

- You will find attached financial statements for the various significant funds of the City and Borough of Sitka. For the General Fund and for major Enterprise Funds for whom we report monthly results, information is through June, 2014.
- Financial reporting is shown in the custom reporting format designed by the Finance Department, which combines significant elements of the income statement, cash flow and working capital into one single page report. Traditional financial statements are produced monthly and are distributed to the Administrator and appropriate Department Heads.



# Definitions of Key Terms

**Working Capital** - This is essentially what a Fund has to spend. It is defined as current assets less current liabilities, including the current portion of long term debt. Working capital already earmarked for capital expenditures or otherwise restricted is called Designated Working Capital; the remainder is Undesignated Working Capital. The calculation of General Fund working capital also excludes designated amounts for liquidity and emergency response.

**Depreciation Expense** - This is an estimation of the decline in value of a long lived asset, which is an expense. When a long lived asset is purchased, cash is paid but expense is not recorded; instead, expense is recorded gradually, over the life of the asset, to match its use against revenues earned in the same period. Most importantly, Depreciation Expense **IS NOT** the accumulation of cash to replace an asset; that is called a sinking fund and is part of Working Capital.

**Fund Balance** – This is the net assets of a fund. It is equal to total assets less liabilities. It is important to note that a Fund Balance is usually only partially in cash; the remainder may be made up of long lived assets, receivables, and other assets.

# Definitions of Key Terms

**Net Available Cash** – This is equal to cash and investments, less liabilities and restricted or designated fund balances. This is similar to “cash on the barrelhead”.

**EBI/EBID** – These are accounting terms which measure earnings before certain expenses. EBI is Earnings Before Interest and measures earnings before interest expense. EBID is Earnings Before Interest and Depreciation, and is a rough measure of cash flow from operations.

**Enterprise Fund** – A fund which is run, and accounted for, similar to a private business. In such a fund, profit is measured and operations are accounted for on a full accrual basis.

**Internal Service Fund** - A fund which provides services to other funds. Such funds usually have no external source of revenue. Similar to an enterprise fund, profit is measured and operations are accounted for on a full accrual basis.

# City and Borough of Sitka

Financial Statements  
(Unaudited)

As of, and for the fiscal year ending,  
June 30, 2014

**General Fund  
Financial Analysis  
As Of, And For the Fiscal Year Ending June 30, 2014**

The financial performance and position of the General Fund has exceeded planned expectations through the end of fiscal year, 2014, increasing the surplus amount for the fiscal year.

The General Fund generated a surplus of revenues over expenditures of \$1,014.4K for FY2014, compared to \$1,214.2K for the fiscal year FY2013. Even though the FY2014 surplus was smaller than that of FY2013, it is still substantial and reflects good news.

Revenue in the General Fund for FY2014 was \$26.223M, compared to \$27.504M in FY2013, a decline of \$1.281M. The difference is attributable to the receipt of school bond debt reimbursement revenue from the State of Alaska. School bond debt reimbursement, along with the related debt service, is now being accounted for in the Seasonal Sales Tax Fund (Fund 651). Sales tax collections have risen by \$692.K, or 7.62%, for the fiscal year, and property tax collections have risen by \$92.K, or 1.52%, for the same comparison period.

General Fund outlays for FY2014 were \$25.209M, compared to \$26.289M in FY2013, a decline of \$1.08M. Controllable Costs (which exclude debt service, school and hospital support, and, transfers) decreased by \$106.2K from FY2013, a decrease of 0.6%.

The General Fund also exceeded the annual plan, generating the surplus. Total outlays for operations (controllable costs) were 93.8% of planned levels for the fiscal year. This was a major contributing factor to the large surplus for the fiscal year.



## Electric Utility

### Financial Analysis

#### As Of, And For the Fiscal Year Ending June, 2014

Electricity demand in June, 2014 was again lower than that of the previous comparable month in 2013, declining by 1,193.2 kWh, or 13.6%. Electricity consumption for FY14 declined by 3,028.6 kWh from F13, a decline of 2.7% year-over-year. Despite this lower demand, financial results for the Electric Fund remain positive with positive comparisons to the prior fiscal year and plan in almost all metrics.

For the month of June, 2014, revenue was \$144.1K, an increase of \$69.1K, or 5.03%. For the fiscal year ending June 30, 2014, revenue increased \$1,934.2K, or 15.6%. The rate covenant coverage ratio remains healthy, at 1.42 times, and a solid balance exists in the Rate Stabilization fund.

EBI was \$517.0K for June, 2014 compared to \$678.8K a year earlier. For the Fiscal Year ending June 31 2014, EBI was \$5,191.0K, an increase of \$1,671.1K, or 32.2% over FY13. Cost of sales and operating expense growth remained contained throughout the fiscal year, with costs of sales rising by \$263.2K, or 3.0%. EBIDA also increased on a year-over-basis by \$1,690.9K, or 31.3%.

The debt coverage ratio remains healthy, at 1.42 times. The ratio is substantially above the minimum requirement of 1.25 times, and, when compared to the Fiscal Year Ending ending June 31, 2013, the ratio was higher, at 1.43 times versus 1.35 times despite a 2.7% decline in overall electricity consumption.



Working Capital Designated for Capex, June 30, 2013

00	Green Lake Power Plant Improv	61,624
0300	Electric Heat Conversions	162,580
03010	Green Lake FERC Completion	71,474
00003	Feeder Improvements	(59,919)
00040	A.M.R.	93,271
00281	Island Improvements	188,897
00419	SCADA System Enhancement	10,105
00454	Automated SCADA Dist	-
00612	SMC Rd Upgrade Feeder Express	144,575
00502	Green Lake Power Plant Improv	157,186
00563	Jaff Davis Line Upgrade	49,685
00584	Blue Lake Third Turbine/Dam	33,720,905
00587	Thimbleberry - Blue Lk Tie Line 69kv	-
00610	Blue Lake FERC Enviro Mitigation	98,790
00611	Microwave or Optic Fiber	998,892
00614	Takota Lake Hydro	264
00628	Blue Lk 69 kv Ring Bus	-
00827	Marine St Sub-Voltage Regulator	9,150
00828	Demand Side Load Management	40,243
00945	HPR to Kramer Line Rise	506,827
00846	Jarvis St Diesel Capacity Iner.	969,716
00847	Jarvis Tank Inspection	468,675
00648	Transmission & 1229 upgrade	95,020
00672	Medville Transformer Replacement	76,713
00710	Blue Lake Sub-Plant & Maintenance	50,000
00717	Jarvis Street Improvements	103,187
00719	Marine Street Sub-Plant & Maintenance	171,225
00719	Warehouse Paving	33,000
		<u>37,622,075</u>

Working Capital designated for Capex, June 30, 2013

37,622,075

New CapEx designations of Working Capital in FY14 Budget

03,010	Green Lake FERC Compliance	100,000
00,717	Jarvis Street Improvements	75,000
00,003	Feeder Improvements	375,000
00,410	SCADA System Enhancement	50,000
00,611	Microwave or Optic Fiber	125,000
00,626	Demand Side Load Management	35,000
		<u>840,000</u>
	Plus New Bond Issuance Proceeds:	24,473,642
	Plus Bond Fund Interest	205,475
	Less FY14 working capital outlays for CapEx	<u>(53,793,775)</u>
	Working Capital designated for Capex, June 30, 2014	<u>8,427,617</u>



## **Water Utility**

### **Financial Analysis**

#### **As Of, And For the Fiscal Year Period Ending June 30, 2014**

The financial performance of the Water Fund was quite mixed again in June. The Fund showed substantial net income for the month; however, the Water Fund received \$256.2K in grant revenue for the month, which was greater than total net income. Without the grant revenue, the Water Fund would have shown a loss of (\$5.1K) for the month. Total working capital swung back to a positive balance due to the grant revenue, yet the deficit in undesignated working capital increased substantially, due to annual principal payments of \$174K for its DEC loans.

Operating revenues for the month were \$174.9K, an increase of \$1.4K over June of FY2013. Top line water sales revenue increased over FY 2013, rising \$17.6K. Year-to-date, total operating revenue is up \$139.6K, or 8.3%, over FY 2013. Compared to plan, operating revenues exceeded planned levels by \$427.9K, or 30.7%. Top line water sales revenue rose by \$316.7K, or 22.8% over plan.

Year-to-date operating costs decreased by \$240.4K over FY13, despite higher depreciation expenses. Compared to plan, operating costs were lower than planned levels For FY201414 by \$88.1K, or 4.4%.

The Water Fund remains in a weak financial condition. Increased cash flows generated through rate increases passed by the Assembly are being spent for capital improvements, either directly or in increased debt service for DEC loans.



City and Borough of Sitka  
Water Utility  
Income Statement  
For The Trailing Twelve-Month Period Ending June 30, 2014  
(Unaudited)

Working Capital designated for Capex, June 30, 2012

1,720,548

**Wastewater Treatment Utility  
Financial Analysis  
As Of, And For the Fiscal Year Ending June 30, 2014**

Financial results for the Wastewater Treatment Fund for FY14 improved over FY13 and showed a positive variance to FY14 annual plan.

For the fiscal year ending June 30, 2014, revenue has increased by \$57.5K, or 2.22%. Top line user fee revenue was up \$272.5K, or 12.6%, but was offset by lower jobbing and miscellaneous revenue. Compared to plan for FY14, revenue has exceeded plan by \$303.2K, or 12.9% for the fiscal year ending June 30, 2014.

In addition to increasing top line revenue, the Wastewater Treatment Fund contained operating costs for the fiscal year. Costs of operations decreased by \$34.3K, or -1.0%. Compared to plan for FY14, operating costs remain well under projections, posting a positive variance (costs below plan) of \$395.2K, or 10.4%.

Undesignated working capital rose by \$432.8K in FY14, from \$1,662.9K to \$2,095.8K. Undesignated working capital as of June 30, 2014 was above the targeted balance set forth in the Wastewater Treatment Master Plan for June 30, 2014, which was \$1,750,000.

At this time, no unfavorable trends exist which warrant the attention of management, given the wastewater fee increases scheduled for FY15.

**City and Borough of Sitka  
Wastewater Treatment Utility  
Income Statement  
For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
(Unaudited)**

	July 2013	August 2013	September 2013	October 2013	November 2013	December 2013	January 2014	February 2014	March 2014	April 2014	May 2014	June 2014	FY2014 YTD	FY2013 YTD	Variance To FY2013 YTD	FY2014 Plan (\$/L - 100%)	Variance To FY2014 Plan
<b>Revenue:</b>																	
Wastewater Treatment Services	187,279	208,179	205,010	204,950	205,620	208,627	208,491	204,746	202,581	200,159	205,333	205,052	2,486,027	2,163,479	272,548	2,119,000	317,027
Jobbing	-	710	3,702	37,802	2,361	5,400	58,591	539	3,839	25,203	-	54,064	191,741	235,468	(43,727)	218,000	(26,289)
Other Operating Revenue	298	1,438	1,919	447	33	287	1,888	958	16,130	863	651	9,826	28,436	189,748	(171,282)	15,000	12,436
<b>Total Revenue:</b>	<b>187,577</b>	<b>210,322</b>	<b>210,631</b>	<b>242,699</b>	<b>208,014</b>	<b>209,314</b>	<b>263,475</b>	<b>206,243</b>	<b>222,650</b>	<b>226,225</b>	<b>205,984</b>	<b>269,042</b>	<b>2,656,174</b>	<b>2,598,665</b>	<b>57,509</b>	<b>2,353,000</b>	<b>303,174</b>
<b>Cost of Sales:</b>																	
Collection	24,598	30,451	34,854	36,734	37,623	43,901	52,976	54,271	55,843	41,840	50,601	138,426	642,818	486,254	156,064	619,588	(22,780)
Treatment	50,052	51,776	53,650	56,236	81,616	58,815	30,335	25,000	83,759	43,591	55,734	49,483	820,047	742,133	(122,086)	702,874	82,827
Jobbing	-	-	-	-	-	-	-	-	-	-	-	1,891	1,891	-	1,891	-	1,891
Depreciation	121,528	121,528	121,528	121,928	121,528	121,528	121,528	121,528	121,528	121,528	121,528	143,364	1,480,172	1,458,361	21,811	1,480,172	-
<b>Total Cost of Sales:</b>	<b>196,178</b>	<b>203,755</b>	<b>210,032</b>	<b>215,498</b>	<b>240,767</b>	<b>224,244</b>	<b>204,839</b>	<b>200,799</b>	<b>241,130</b>	<b>206,958</b>	<b>268,063</b>	<b>333,164</b>	<b>2,744,428</b>	<b>2,686,728</b>	<b>57,700</b>	<b>2,402,634</b>	<b>61,588</b>
<b>Gross Margin:</b>	<b>(8,603)</b>	<b>6,567</b>	<b>599</b>	<b>28,201</b>	<b>(32,753)</b>	<b>(14,930)</b>	<b>58,636</b>	<b>5,444</b>	<b>(18,480)</b>	<b>19,266</b>	<b>(62,079)</b>	<b>(70,122)</b>	<b>(88,254)</b>	<b>(88,063)</b>	<b>(191)</b>	<b>(449,634)</b>	<b>361,380</b>
	-4.59%	3.12%	0.28%	11.62%	-15.75%	-7.13%	22.25%	2.64%	-8.30%	8.52%	-30.14%	-26.66%					15.79%
<b>Selling and Administrative Expenses</b>	<b>11,358</b>	<b>17,243</b>	<b>108,978</b>	<b>70,656</b>	<b>57,078</b>	<b>50,483</b>	<b>91,586</b>	<b>64,070</b>	<b>71,823</b>	<b>71,958</b>	<b>58,518</b>	<b>472</b>	<b>674,024</b>	<b>766,015</b>	<b>(91,991)</b>	<b>1,007,270</b>	<b>333,246</b>
<b>Earnings Before Interest (EBI):</b>	<b>(19,961)</b>	<b>(10,676)</b>	<b>(108,380)</b>	<b>(42,455)</b>	<b>(89,831)</b>	<b>(65,413)</b>	<b>(32,750)</b>	<b>(58,626)</b>	<b>(90,303)</b>	<b>(52,692)</b>	<b>(120,597)</b>	<b>(70,594)</b>	<b>(762,278)</b>	<b>(854,078)</b>	<b>91,800</b>	<b>(1,456,504)</b>	<b>694,626</b>
	-10.64%	-5.08%	-51.45%	-17.49%	-43.19%	-31.25%	-12.43%	-28.49%	-40.56%	-23.29%	-58.55%	-26.86%			4.17%		33.22%
<b>Non-operating Revenue and Expense:</b>																	
Non-operating revenue:	6,496	8,499	8,416	7,280	7,585	6,909	10,315	10,108	9,824	8,483	3,296	60,309	153,454	85,865	68,089	86,000	67,454
Grant Revenue	-	-	-	351,930	-	857	-	-	-	-	17,570	18,259	888,816	403,644	(15,028)	888,816	-
Interest Expense:	(8,375)	(3,375)	(3,375)	(3,375)	(3,375)	(3,375)	(3,375)	(3,375)	(3,375)	(3,375)	(3,375)	(18,014)	(55,139)	(98,006)	42,867	(55,139)	-
<b>Total Non-operating Revenue &amp; Expense:</b>	<b>8,061</b>	<b>5,124</b>	<b>5,041</b>	<b>355,835</b>	<b>4,210</b>	<b>4,482</b>	<b>6,940</b>	<b>6,733</b>	<b>6,449</b>	<b>5,108</b>	<b>23,891</b>	<b>60,554</b>	<b>597,409</b>	<b>587,215</b>	<b>10,194</b>	<b>529,955</b>	<b>67,454</b>
<b>Net Income:</b>	<b>(16,900)</b>	<b>(5,552)</b>	<b>(103,339)</b>	<b>313,380</b>	<b>(85,621)</b>	<b>(61,228)</b>	<b>(25,810)</b>	<b>(51,893)</b>	<b>(83,854)</b>	<b>(47,584)</b>	<b>(96,706)</b>	<b>(10,040)</b>	<b>(164,869)</b>	<b>(266,863)</b>	<b>101,994</b>	<b>(926,549)</b>	<b>762,080</b>
	-9.01%	-2.64%	-49.06%	129.12%	-41.16%	-29.25%	-9.80%	-25.16%	-37.66%	-21.03%	-46.85%	-3.82%			4.06%		-289.86%
<b>Earnings Before Interest and Depreciation (EBIDA):</b>	<b>101,567</b>	<b>110,852</b>	<b>13,148</b>	<b>79,073</b>	<b>31,697</b>	<b>55,115</b>	<b>88,778</b>	<b>62,902</b>	<b>31,225</b>	<b>68,836</b>	<b>931</b>	<b>72,770</b>	<b>717,894</b>	<b>604,263</b>	<b>113,631</b>	<b>23,268</b>	<b>694,626</b>
	54.15%	52.71%	6.24%	32.58%	15.24%	26.81%	33.70%	30.50%	14.02%	30.43%	0.45%	27.66%			3.77%		26.04%
<b>Debt Principal Coverage:</b>																	
Simple Cash Flow (Net Income Plus Depreciation)	104,624	115,874	15,188	144,908	15,967	50,800	65,718	69,695	37,674	73,944	24,822	133,324	2,205,025	777,851	1,427,174	559,223	651,802
Debt Principal	15,925	15,925	15,925	15,925	15,925	15,925	15,925	15,925	15,925	15,925	15,925	143,794	222,968	269,916	(40,942)	222,969	651,802
Debt Principal Coverage Surplus/Deficit	88,700	100,051	2,264	128,983	19,982	44,375	79,793	53,710	21,749	58,019	8,897	85,530	982,056	513,735	468,321	330,254	651,802
Debt Principal Coverage Percentage	897%	728%	14%	2731%	125%	279%	601%	437%	297%	464%	156%	279%	540%	295%	245.79%	248%	292%
<b>Simple Asset Replacement Coverage:</b>																	
Debt Principal Coverage Surplus/Deficit (From Above)	88,700	100,051	2,264	128,983	19,982	44,375	79,793	53,710	21,749	58,019	8,897	85,530	982,056	513,735	468,321	330,254	651,802
Depreciation	121,528	121,528	121,528	121,528	121,528	121,528	121,528	121,528	121,528	121,528	121,528	143,364	1,480,172	1,458,361	21,811	1,480,172	-
Cash Accumulated For/Taken From Asset Replacement	(32,825)	(21,477)	(119,264)	297,455	(101,546)	(77,153)	(41,735)	(67,818)	(99,779)	(69,509)	(112,631)	(57,834)	(498,116)	(944,606)	446,490	(1,149,918)	651,802

Working Capital Designated for CapEx	6/30/2013	Working Capital designated for Capex, June 30, 2013	2,791,985.00
90258 Replace Lift Station Alarm System	186,537.23		
90259 Cathodic Protection-14 Lift Station	429,168.77	90676 Replace Brady Lift Station Pump	75,000.00
90274 Cove Lift Station Replacement	92,527.79	90457 Replace Channel lift statio	30,000.00
90447 WWTP Control System	85,402.53	90755 Replace Monastery Lift station	30,000.00
90457 Channel Lift Station Design	185,000.00	90713 Replace Crescent Lift statio	45,000.00
90531 Monastery/Kincaid Sewer Design	30,000.00		
90534 W.W. Slids Monofill	30,000.00	New fixed assets	85,000.00
90564 HPR/SMC Intersection Main Rehab	-		
90565 Jamestown Bay Lift Station Replment	58,231.68	Less FY14 working capital outlay for CapEx/ ATF Grant Reimbursements	(298,799.00)
90579 SMC Rd Sewer Ph II	55,845.88	Working Capital designated for Capex, June 30, 2014	2,708,196.00

City and Borough of Sitka  
Wastewater Treatment Utility  
Income Statement  
For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
(Unaudited)

90601	Lake St Lift Station Rebuild	350,000.00
90602	Sanitary Sewer Main Replacement	145,642.62
90654	WWTP Air Control System	21,000.00
90655	SF4 Replacement (Supply Fan)	38,935.02
90663	Brady Street Sewer	-
90665	Oja Street Water/Sewer	-
90676	Brady St Rebuild Lift Station	90,000.00
90697	Japonski Island Sewer Lift Station	18,500.15
90698	Monastery St Sewer/Water Main	889,771.37
90710	Baranoff Water/WW Main Replacement	60,000.00
90713	Crescent Lift Station Replacement	150,000.00
90715	WWTP AHU retrofit	50,000.00
90732	Hollywood Way W/WW Replacement	25,000.00
90733	HPR Sewer Improvements (DOT)	99,277.77
90734	New Archangel Sewer Main (Marine-HPR)	25,000.00
	WWTP Exterior Building Rd	<u>19,460.92</u>
	Total designated working capital	2,791,994.64
	Cross Check	2,791,994.64

**Solid Waste Utility  
Financial Analysis  
As Of, And For the Fiscal Year Ending June 30, 2014**

The financial performance of the Solid Waste Fund declined in the fiscal year ending June 30, 2014 and did not meet plan for the fiscal year. The Solid Fund Waste Fund posted a net loss for June, (\$91.2K), or -34.1%, and the Fund has posted a net loss for the fiscal year of (\$223.1K), or -7.35%.

Compared to plan, the Solid Waste Fund posted negative variances for the fiscal year. Top line solid waste disposal revenue was (\$13.8K), or -0.05% below planned levels. EBI, EBID, and Net Income are all also behind plan, at (\$95.5K), (\$95.8K), and (\$103.8K), respectively.

Undesignated working capital declined since the end of July, 2013, decreasing by (\$266.4K), or -49.5%. Undesignated working capital as of June 30, 2014 was \$271.K, and, total working capital as of the same date was \$918.8K.

The Solid Waste Fund continues to be affected by three key metrics: the customer base has remained static, the commodity prices obtained for recycled waste materials has dropped, and costs of operations (especially off-island transportation costs) have risen. Furthermore, user fees have not been raised in several years. As a result, even with a slightly improved gross margin, the Solid Waste Fund has had a steady negative cash flow which has resulted in working capital declining to a precipitously low level. As advocated in the past, the Solid waste Fund must have annual increases in solid waste disposal revenue to offset increases in costs of operations.





City and Borough of Sitka  
Solid Waste Disposal Utility  
Income Statement

For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
(Unaudited)

Working Capital designated for Capex, June 30, 2014

507,413.00

## **Harbor System Financial Analysis As Of, And For the Fiscal Year Ending June 30, 2014**

Financial operations for the Harbor Fund for June, and the fiscal year ending June 30, 2014, were solid and helped contribute to the Harbor Fund exceeding FY13 financial performance. The moorage rate increase passed last year has had the intended effect of increasing permanent moorage revenue. Transient moorage is also significantly higher than that in the previous year. Raw Fish Tax, not yet received from the State of Alaska as of October 15, 2014, was estimated and accrued at \$1,138, due to the strong salmon returns in 2013, and contributed to the strong financial performance as the tax had been estimated at \$800K. Increases in costs of operations above the rate of inflation, however, have muted these revenue increases, with Earnings Before Income (EBI) rising by only \$5.8K, or 1.39%.

More so than any other fund, the Harbor Fund displays significant seasonal trends, especially in regards to working capital. Raw fish tax, a significant annual source of revenue, is received in one single payment at the end of the fiscal year. The amount of taxes to be received can't be determined with any certainty, thus no receivable amount is accrued through the year. On the attached report, for income smoothing purposes, a standard monthly estimate of raw fish tax revenue is included in the income statement. This amount is not included in the calculation of undesignated working capital until received, however. As a result, working capital tends to drift downwards through the year, then spiking back up in June, when the amount of taxes to be received is determined.

Revenue increased \$152.1K, or 7.5%, over FY2013, while costs of operations increased by \$146.3K, or 6.2%. Earnings before interest and depreciation (EBIDA) increased by 3.4K, or 1%, from \$342.1K to \$345.6K for the comparable fiscal year. Undesignated working capital grew by \$584.5K in year-over-year comparison with June, 2013, from \$6,224.8K to \$6,809.3K.

The Harbor Fund just fell short of meeting its annual plan for FY2014. EBI was (\$8.8K), or -2.8%, behind plan, and EBID was (\$11.3K), or -3.2% behind plan. Ending undesignated working capital, while increasing, was (\$322.8K) behind the projected level as of June 30. As presented to the Ports and Harbors Commission on October 15, an additional moorage rate increases remain necessary in order to obtain necessary working capital for future infrastructure replacements and renovations. The moorage rate increase for FY2015, however, can be expected to be similar to the percentage increase in FY2014.



City and Borough of Sitka  
 Harbor Fund  
 Income Statement  
 For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
 (Unaudited)

90722	Eliason Harbor Flotation Upgrades	2,664.00
90751	Crescent Harbor Water Line	58,909.00
		-
	Total designated working capital	4,387,367

Eliason Flotation Upgrade Addnl Appropriation	50,000.00
Transient Dock	500,000.00
	16,308.00
Bond Fund Interest	16,308.00
	-
Less FY14 working capital outlays for CapEx	(4,079,971.00)
Working Capital designated for Capex, June 30, 2014	873,704.00

**Airport Terminal  
Financial Analysis  
As Of, And For the Fiscal Year Ending June 30, 2014**

Financial operations for the Airport Terminal continue to be solid and profitable. Top-line revenue was \$454.1K for the fiscal year, a decline of (\$159.2K) from Fiscal year 2013. This decline is attributable to a temporary cessation in the collection of passenger facility fees. Passenger facility fees are added to airline tickets and must be approved by the Federal Aviation Administration in conjunction with a specific project. The Municipality is in the process of attempting to obtain approval to resume charging the fee in conjunction with expansion of the TSA area. Sufficient passenger facility fees have been collected in the past to pay for all work done on the TSA area expansion project to date.

For Fiscal year 2014, Earnings Before Interest (EBI) were (\$55.8K); however, Earnings Before Interest and Depreciation (EBID) were \$124.1K, indicating positive cash flow. Due to the positive cash flow, undesignated working capital grew by \$97K for the fiscal year, to \$322.0K. Total working capital, which includes collected but unspent passenger facility fees, was \$745.8K as of June 30, 2014.

A continuing financial challenge is the inability of the Fund to accumulate working capital greater than the estimate depreciation of the Terminal facility itself, as indicated by the negative EBI for the year. This trend, unless changed by future events, would mean that insufficient cash will be on hand on the eventual day that the facility needs to be replaced or substantially renovated. The fact that the terminal is already decades old and only \$322K is available in working capital is evidence of this fact. As a result, it is highly likely that the eventual major renovation or replacement of the Terminal will either need to be funded through a grant, or, through bonded debt of some sort.

City and Borough of Sitka  
Airport Terminal Fund  
Income Statement  
For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
(Unaudited)

	Jul-Sep 2013	Oct-Dec 2013	Jan-Mar 2014	Apr-Jun 2014	FY2014 YTD	FY2013 YTD	Variance To FY2013 YTD	FY2014 Plan (\$/L - 100%)	Variance To FY2014 Plan
<b>Revenue:</b>									
Leases	120,544.00	60,476.00	90,407.00	90,928.00	362,355.00	356,360.00	5,995.00	363,269.00	(914.00)
Other Operating Revenue	63,247.00	13,535.00	8,289.00	6,679.00	91,750.00	256,813.00	(165,163.00)	253,000.00	(161,250.00)
<b>Total Revenue:</b>	<b>183,791.00</b>	<b>74,011.00</b>	<b>98,696.00</b>	<b>97,607.00</b>	<b>454,105.00</b>	<b>613,273.00</b>	<b>(159,168.00)</b>	<b>616,269.00</b>	<b>(162,164.00)</b>
<b>Cost of Sales:</b>									
Operations	69,543.00	83,322.00	84,656.00	92,465.00	329,986.00	383,690.00	(53,704.00)	359,847.00	29,861.00
Depreciation	44,532.00	44,533.00	44,532.00	46,356.00	179,953.00	178,130.00	1,823.00	179,953.00	-
<b>Total Cost of Sales:</b>	<b>114,075.00</b>	<b>127,855.00</b>	<b>129,188.00</b>	<b>138,821.00</b>	<b>509,939.00</b>	<b>561,820.00</b>	<b>(51,881.00)</b>	<b>589,800.00</b>	<b>29,861.00</b>
<b>Gross Margin:</b>	<b>69,716.00</b> 37.93%	<b>(53,844.00)</b> -72.75%	<b>(30,492.00)</b> -30.89%	<b>(41,214.00)</b> -42.22%	<b>(55,834.00)</b> -12.30%	<b>51,453.00</b> 8.39%	<b>(107,287.00)</b> 67.40%	<b>76,469.00</b> 12.41%	<b>(132,303.00)</b> -24.70%
<b>Selling and Administrative Expenses</b>	-	-	-	-	-	-	-	-	-
<b>Earnings Before Interest and Taxes (EBIT):</b>	<b>69,716.00</b> 37.93%	<b>(53,844.00)</b> -72.75%	<b>(30,492.00)</b> -30.89%	<b>(41,214.00)</b> -42.22%	<b>(55,834.00)</b> -12.30%	<b>51,453.00</b> 8.39%	<b>(107,287.00)</b> 67.40%	<b>76,469.00</b> 12.41%	<b>(132,303.00)</b> -24.70%
<b>Non-operating Revenue and Expense:</b>									
Interest and Non-Operating Revenue:	3,635.00	5,479.00	4,178.00	7,607.00	20,899.00	6,523.00	14,376.00	12,000.00	8,899.00
Interest Expense:	-	-	-	-	-	(939.00)	939.00	-	-
<b>Total Non-operating Revenue &amp; Expense:</b>	<b>3,635.00</b>	<b>5,479.00</b>	<b>4,178.00</b>	<b>7,607.00</b>	<b>20,899.00</b>	<b>5,584.00</b>	<b>15,315.00</b>	<b>12,000.00</b>	<b>8,899.00</b>
<b>Net Income:</b>	<b>73,351.00</b> 39.91%	<b>(48,365.00)</b> -65.35%	<b>(26,314.00)</b> -26.66%	<b>(33,607.00)</b> -34.43%	<b>(34,935.00)</b> -7.69%	<b>57,037.00</b> 9.30%	<b>(91,972.00)</b> 57.78%	<b>88,469.00</b> 14.36%	<b>(123,404.00)</b> -22.05%
<b>Earnings Before Interest and Taxes and Depreciation (EBITDA):</b>	<b>114,248.00</b> 62.15%	<b>(9,311.00)</b> -12.58%	<b>14,040.00</b> 14.23%	<b>5,142.00</b> 5.27%	<b>124,119.00</b> 27.33%	<b>229,583.00</b> 37.44%	<b>(105,464.00)</b> 66.26%	<b>256,422.00</b> 41.61%	<b>(132,303.00)</b> -14.28%
<b>Debt Principal Coverage</b>									
Simple Cash Flow (Net Income Plus Depreciation)	117,883.00	(3,832.00)	18,218.00	12,749.00	145,018.00	235,167.00	(90,149.00)	268,422.00	(123,404.00)
Debt Principal	44,532.00	44,533.00	44,532.00	46,356.00	179,953.00	31,299.00	(31,299.00)	179,953.00	-
Debt Principal Coverage Surplus/Deficit	117,883.00	(3,832.00)	18,218.00	12,749.00	145,018.00	203,868.00	(58,850.00)	268,422.00	(123,404.00)
Debt Principal Coverage Percentage	100%	100%	100%	100%	100%	100%	100%	100%	0%
<b>Simple Asset Replacement Coverage</b>									
Debt Principal Coverage Surplus/Deficit (From Above)	117,883.00	(3,832.00)	18,218.00	12,749.00	145,018.00	203,868.00	(58,850.00)	268,422.00	(123,404.00)
Debt Principal	44,532.00	44,533.00	44,532.00	46,356.00	179,953.00	178,130.00	1,823.00	179,953.00	-
Cash Available For/(Taken From) Asset Replacement	73,351.00	(48,365.00)	(26,314.00)	(33,607.00)	(34,935.00)	25,738.00	(60,673.00)	88,469.00	(123,404.00)
<b>Working Capital</b>									
Beginning Undesignated Working Capital	224,900.00	291,814.00	287,963.00	305,972.00	224,900.00	353,598.00	(128,698.00)	619,517.00	(394,617.00)
Net Income Plus Depreciation Less Principal	117,883.00	(3,832.00)	18,218.00	12,749.00	145,018.00	235,167.00	(90,149.00)	268,422.00	(123,404.00)
CapEx, Accruals, and other Balance Sheet Changes	(50,969.00)	(19.00)	(209.00)	3,232.00	(47,965.00)	30,752.00	(78,717.00)	(47,965.00)	-
Ending Undesignated Working Capital	291,814.00	287,963.00	305,972.00	321,953.00	321,953.00	619,517.00	(297,564.00)	887,939.00	(565,986.00)
Working Capital Designated for CapEx	509,500	508,639	446,266	423,894	423,894	63,913	359,981	63,034	360,860
Current Assets	801,314	802,883	752,238	781,074	781,074				
Current Liabilities	(6,281)	(6,281)	(6,281)	(35,227)	(35,227)				
CPLTD									
WCD/FCapex	(509,500)	(508,639)	(446,266)	(423,894)	(423,894)				
Undesignated Working Capital	291,814	287,963	305,972	321,953	321,953				
Total Working Capital	801,314	796,602	752,238	745,847	745,847				

**July 1, 2013**  
\$ 63,913 - 90556 - Airport Lighting  
\$ 388,617 - PFC Projects  
\$458,530

Working Capital designated for Capex, June 30, 2013 458,530.00  
New CapEx designations of Working Capital in FY14 Budget  
FY14 Passenger facility Charges 51,199.00  
Less FY14 working capital outlays for CapEx (85,835.00)  
Working Capital designated for Capex, June 30, 2014 423,894.00

## **Marine Service Center**

### **Financial Analysis**

#### **As Of, And For the Fiscal Year Ending June 30, 2014**

Financial operations for the Marine Service Center continue to be solid and profitable. Top-line revenue for the fiscal year was \$233.1K, a decline of (\$9.1K) from FY2013. Cost of sales were substantially decreased over FY2013, though, \$51.9K compared to \$113.6K, resulting in improved Earnings Before Interest (EBI), \$37.7K versus (\$21.8K) and Earnings Before Interest and Depreciation (EBID), \$181.4K versus \$128.6K.

Working capital increased by \$207.8K during the fiscal year, and undesignated working capital as of June 30, 2014 was \$1,462.5K.

City and Borough of Sitka  
Marine Service Center  
Income Statement  
For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
(Unaudited)

	Jul-Sep 2013	Oct-Dec 2013	Jan-Mar 2014	Apr-Jun 2014	FY2014 YTD	FY2013 YTD	Variance To FY2013 YTD	FY2014 Plan (S/L - 100%)	Variance To FY2014 Plan
<b>Revenue:</b>									
Leases	58,146	58,146	58,146	58,625	233,063	242,174	(9,111)	232,584	479
Other Operating Revenue	-	-	-	263	263	-	263	-	263
<b>Total Revenue:</b>	<b>58,146</b>	<b>58,146</b>	<b>58,146</b>	<b>58,888</b>	<b>233,326</b>	<b>242,174</b>	<b>(8,848)</b>	<b>232,584</b>	<b>742</b>
<b>Cost of Sales:</b>									
Operations	16,971	23,215	6,338	5,403	51,927	113,576	61,649	200,221	148,294
Depreciation	37,597	37,597	37,597	30,971	143,762	150,386	6,624	143,762	-
<b>Total Cost of Sales:</b>	<b>54,568</b>	<b>60,812</b>	<b>43,935</b>	<b>36,374</b>	<b>195,689</b>	<b>263,962</b>	<b>68,273</b>	<b>343,983</b>	<b>148,294</b>
<b>Gross Margin:</b>	<b>3,578</b> 6.15%	<b>(2,666)</b> -4.59%	<b>14,211</b> 24.44%	<b>22,514</b> 38.23%	<b>37,637</b> 16.13%	<b>(21,788)</b> -9.00%	<b>59,425</b> 25.13%	<b>(111,399)</b> -47.90%	<b>149,036</b> 64.03%
<b>Selling and Administrative Expenses</b>	-	-	-	-	-	-	-	-	-
<b>Earnings Before Interest and Taxes (EBIT):</b>	<b>3,578</b> 6.15%	<b>(2,666)</b> -4.59%	<b>14,211</b> 24.44%	<b>22,514</b> 38.23%	<b>37,637</b> 16.13%	<b>(21,788)</b> -9.00%	<b>59,425</b> 25.13%	<b>(111,399)</b> -47.90%	<b>149,036</b> 64.03%
<b>Non-operating Revenue and Expense:</b>									
Interest and Non-Operating Revenue:	6,096	6,448	7,299	16,011	35,854	(3,735)	39,589	26,100	9,754
Interest Expense:	-	-	-	-	-	-	-	-	-
<b>Total Non-operating Revenue &amp; Expense:</b>	<b>6,096</b>	<b>6,448</b>	<b>7,299</b>	<b>16,011</b>	<b>35,854</b>	<b>(3,735)</b>	<b>39,589</b>	<b>26,100</b>	<b>9,754</b>
<b>Net Income:</b>	<b>9,674</b> 16.54%	<b>3,782</b> 6.50%	<b>21,510</b> 36.99%	<b>38,525</b> 65.42%	<b>73,491</b> 31.50%	<b>(25,523)</b> -10.54%	<b>99,014</b> -1119.06%	<b>(85,299)</b> -36.67%	<b>158,790</b> 68.17%
<b>Earnings Before Interest and Taxes and Depreciation (EBITDA):</b>	<b>41,175</b> 70.81%	<b>34,931</b> 60.07%	<b>51,808</b> 89.10%	<b>53,485</b> 90.82%	<b>181,399</b> 77.74%	<b>128,598</b> 53.10%	<b>66,049</b> 24.64%	<b>32,363</b> 13.91%	<b>149,036</b> 63.83%
<b>Debt Principal Coverage</b>									
Simple Cash Flow (Net Income Plus Depreciation)	47,271	41,379	59,107	69,496	217,253	124,863	92,390	58,463	158,790
Debt Principal	-	-	-	-	-	-	-	-	-
Debt Principal Coverage Surplus/Deficit	47,271	41,379	59,107	69,496	217,253	124,863	92,390	58,463	158,790
Debt Principal Coverage Percentage	100%	100%	100%	100%	100%	100%	100%	100%	0%
<b>Simple Asset Replacement Coverage</b>									
Debt Principal Coverage Surplus/Deficit (From Above)	47,271	41,379	59,107	69,496	217,253	124,863	92,390	58,463	158,790
Depreciation	37,597	37,597	37,597	30,971	143,762	150,386	(6,624)	143,762	-
Cash Accumulated For/(Taken From) Asset Replacement	9,674	3,782	21,510	38,525	73,491	(25,523)	99,014	(85,299)	158,790
<b>Working Capital</b>									
Beginning Undesignated Working Capital	1,254,664	1,292,508	1,333,886	1,392,994	1,254,664	1,101,016	153,648	619,517	635,147
Net Income Plus Depreciation Less Principal	47,271	41,379	59,107	69,496	217,253	124,863	92,390	58,463	158,790
CapEx, Accruals, and Other Balance Sheet Changes	(9,427)	(2)	1	(2)	(9,425)	28,785	(38,214)	-	(9,425)
Ending Undesignated Working Capital	1,292,508	1,333,886	1,392,994	1,462,488	1,462,488	1,294,664	207,824	677,980	784,508
Working Capital Designated for CapEx	-	-	-	-	-	82,632	(82,632)	-	-
Current Assets	1,292,508	1,333,886	1,392,994	1,462,698	1,462,698	1,254,664	208,034	-	-
Current Liabilities	-	-	-	(210)	(210)	-	-	(210)	-
CPLTD	-	-	-	-	-	-	-	-	-
WCDFCapex	-	-	-	-	-	-	-	-	-
Undesignated Working Capital	1,292,508	1,333,886	1,392,994	1,462,488	1,462,488	1,294,664	207,824	-	-
Total Working Capital	1,292,508	1,333,886	1,392,994	1,462,488	1,462,488	1,294,664	207,824	-	-

July 1, 2013

Working Capital designated for Capex, June 30, 2013	0.00
New CapEx designations of Working Capital in FY14 Budget	-
Less FY14 working capital outlays for CapEx	-
Working Capital designated for Capex, June 30, 2014	<u>0.00</u>



**Sawmill Creek Industrial Park Fund**  
**Financial Analysis**  
**As Of, And For the Fiscal Year Ending June 30, 2014**

Financial operations for the Sawmill Creek Industrial Park well surpassed those of Fiscal Year 2013 and were in line with plan for Fiscal year 2014. Of note is \$150,000 of other operating revenue recognized in FY14; this represents the recognition of previous water sales deposits as revenue. These deposits had been included in working capital calculations in previous reports; thus, while net income is substantially higher than plan, ending undesignated working capital is right in line with plan.

Top-line revenue surpassed the 4th fiscal quarter of 2013 (April thru June) due to the deposit recognition previously mentioned. Top line rental revenue declined slightly for the quarter as compared to FY13, from \$148.8K to \$132.4K. Total revenue for the quarter was \$304.4K versus \$142.2K, an increase of \$162.2K, or 114.1%. Year-to-date revenue was \$500.9K versus \$297.0K, an increase of \$203.9K, or 68.7%

Costs of operations exceeded last year, but were lower than plan. Total costs of operations for the quarter were \$272.9K versus \$179.1K, an increase of \$93.8K, or 52.%. Year-to-date costs of operations were \$664.7K versus \$536.2K, an increase of \$128.5K, or 24%. It is important to note that increases in depreciation accounted a significant portion of the overall increase in operations; depreciation was up by \$40.1K year-to-date compared to the prior nine-month period.

Working capital rose slightly during the 4th quarter, increasing by \$52.1K. Undesignated working capital declined by \$15.3K in the 4th quarter, however. As of June 30, 2014, overall undesignated working capital was \$890.8K and undesignated working capital was \$873.8K.

City and Borough of Sitka  
Sawmill Cove Industrial Park  
Income Statement  
For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
(Unaudited)

	Jul-Sep 2013	Oct-Dec 2013	Jan-Mar 2014	Apr-Jun 2014	FY2014 -YTD	FY2013 YTD	Variance To FY2013 YTD	FY2014 Plan (S/L - 100%)	Variance To FY2014 Plan
<b>Revenue:</b>									
Leases	125,676	130,963	111,946	-132,359	500,944	296,975	203,969	450,000	50,944
Other Operating Revenue	-	31	22,275	172,021	194,327	300	194,027	-	194,327
<b>Total Revenue:</b>	<b>125,676</b>	<b>130,994</b>	<b>134,221</b>	<b>304,380</b>	<b>695,271</b>	<b>297,275</b>	<b>397,996</b>	<b>450,000</b>	<b>245,271</b>
<b>Cost of Sales:</b>									
Operations	42,334	102,272	46,926	165,925	357,457	269,126	88,331	354,770	2,687
Depreciation	66,779	66,779	66,779	106,927	307,264	267,116	40,148	267,116	40,148
<b>Total Cost of Sales:</b>	<b>109,113</b>	<b>169,051</b>	<b>113,705</b>	<b>272,852</b>	<b>664,721</b>	<b>536,242</b>	<b>128,479</b>	<b>621,886</b>	<b>42,835</b>
<b>Gross Margin:</b>	<b>16,563</b> <b>13.18%</b>	<b>(38,057)</b> <b>-29.05%</b>	<b>20,516</b> <b>15.29%</b>	<b>31,528</b> <b>10.36%</b>	<b>30,550</b> <b>4.39%</b>	<b>(238,967)</b> <b>-80.39%</b>	<b>269,517</b> <b>84.78%</b>	<b>(171,886)</b> <b>-38.20%</b>	<b>202,436</b> <b>42.59%</b>
<b>Selling and Administrative Expenses</b>	-	-	-	-	-	-	-	-	-
<b>Earnings Before Interest (EBI):</b>	<b>16,563</b> <b>13.18%</b>	<b>(38,057)</b> <b>-29.05%</b>	<b>20,516</b> <b>15.29%</b>	<b>31,528</b> <b>10.36%</b>	<b>30,550</b> <b>4.39%</b>	<b>(238,967)</b> <b>-80.39%</b>	<b>269,517</b> <b>84.78%</b>	<b>(171,886)</b> <b>-38.20%</b>	<b>202,436</b> <b>42.59%</b>
<b>Non-operating Revenue and Expense:</b>									
Interest and Non-Operating Revenue:	9,652	9,712	4,233	(7,616)	15,981	16,899	(918)	1,000	14,981
Grant Revenue:	-	29,170	9,559	142,555	181,284	124,688	56,596	38,729	142,555
Sale of Fixed Assets	-	-	-	-	-	5,013	(5,013)	-	-
Interest Transfer From SMC Contingency	4,230	4,386	3,277	5,963	17,806	18,034	(228)	27,000	(9,194)
Interest Expense:	(4,202)	(4,202)	(4,202)	(4,202)	(16,808)	(14,561)	(2,247)	(8,000)	(8,808)
<b>Total Non-operating Revenue &amp; Expense:</b>	<b>9,680</b>	<b>39,016</b>	<b>12,867</b>	<b>136,700</b>	<b>198,263</b>	<b>150,073</b>	<b>48,190</b>	<b>58,729</b>	<b>139,584</b>
<b>Net income:</b>	<b>26,243</b> <b>20.88%</b>	<b>353</b> <b>0.73%</b>	<b>33,383</b> <b>24.87%</b>	<b>168,228</b> <b>55.27%</b>	<b>228,813</b> <b>32.91%</b>	<b>(88,884)</b> <b>-29.90%</b>	<b>317,707</b> <b>62.81%</b>	<b>(113,157)</b> <b>-25.15%</b>	<b>341,970</b> <b>87.96%</b>
<b>Earnings Before Interest and Depreciation (EBID):</b>	<b>83,342</b> <b>66.31%</b>	<b>28,722</b> <b>21.93%</b>	<b>87,295</b> <b>65.04%</b>	<b>138,455</b> <b>45.49%</b>	<b>337,814</b> <b>48.59%</b>	<b>28,149</b> <b>9.47%</b>	<b>309,665</b> <b>39.12%</b>	<b>95,230</b> <b>21.16%</b>	<b>242,584</b> <b>27.43%</b>

	Jul-Sep 2013	Oct-Dec 2013	Jan-Mar 2014	Apr-Jun 2014	FY2014 -YTD	FY2013 YTD	Variance To FY2013 YTD	FY2014 Plan (S/L - 100%)	Variance To FY2014 Plan
<b>Debt Principal Coverage Surplus/Deficit (From Above)</b>	<b>80,576</b>	<b>55,292</b>	<b>87,716</b>	<b>262,709</b>	<b>486,293</b>	<b>128,440</b>	<b>357,853</b>	<b>104,177</b>	<b>382,116</b>
<b>Depreciation</b>	<b>66,779</b>	<b>66,779</b>	<b>66,779</b>	<b>106,927</b>	<b>307,264</b>	<b>267,116</b>	<b>40,148</b>	<b>267,116</b>	<b>40,148</b>
<b>Cash Accumulated For/(Taken From) Asset Replacement</b>	<b>13,797</b>	<b>(11,487)</b>	<b>20,937</b>	<b>155,782</b>	<b>179,029</b>	<b>(138,676)</b>	<b>317,705</b>	<b>(162,939)</b>	<b>341,968</b>

	Jul-Sep 2013	Oct-Dec 2013	Jan-Mar 2014	Apr-Jun 2014	FY2014 -YTD	FY2013 YTD	Variance To FY2013 YTD	FY2014 Plan (S/L - 100%)	Variance To FY2014 Plan
<b>Debt Principal Coverage Surplus/Deficit (From Above)</b>	<b>80,576</b>	<b>55,292</b>	<b>87,716</b>	<b>262,709</b>	<b>486,293</b>	<b>128,440</b>	<b>357,853</b>	<b>104,177</b>	<b>382,116</b>
<b>Depreciation</b>	<b>66,779</b>	<b>66,779</b>	<b>66,779</b>	<b>106,927</b>	<b>307,264</b>	<b>267,116</b>	<b>40,148</b>	<b>267,116</b>	<b>40,148</b>
<b>Cash Accumulated For/(Taken From) Asset Replacement</b>	<b>13,797</b>	<b>(11,487)</b>	<b>20,937</b>	<b>155,782</b>	<b>179,029</b>	<b>(138,676)</b>	<b>317,705</b>	<b>(162,939)</b>	<b>341,968</b>

<b>July 1, 2013</b>	Working Capital designated for Capex, June 30, 2013	24,238.00
<b>\$24,238 - Boat Building</b>	New CapEx designations of Working Capital in FY14 Budget	-
	Less FY14 working capital outlays for CapEx (Thru 3/31)	(7,254)
	Working Capital designated for Capex, June 30, 2014	16,984.00

**Management Information Systems (MIS) Fund  
Financial Analysis  
As Of, And For the Fiscal Year Ending June 30, 2014**

The MIS Fund continues to hold its own and was operated in accordance with plan during the fiscal year.

Interdepartmental billings increased by \$85.3K, or 10.7% in comparison to FY2013. This increase was right in line with plan, however, as actual revenue exceeded planned revenue by just \$2.1K.

Costs of operations rose by \$19.9K, or 2.5%. This increase in operating costs was \$41.2K less than planned, however, a positive variance of 4.8%.

Working capital in the MIS Fund declined by (\$31.8K), to \$295.3K as of June 30, 2014.

City and Borough of Sitka  
MIS Fund  
Income Statement  
For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
(Unaudited)

	Jul-Sep 2013	Oct-Dec 2013	Jan-Mar 2014	Apr-Jun 2014	FY2014 YTD	FY2013 YTD	Variance To FY2013 YTD	FY2014 Plan (5/1 - 100%)	Variance To FY2014 Plan
<b>Revenue:</b>									
Data Processing Charges	194,504	194,504	194,504	194,504	778,016	772,863	5,153	778,022	(6)
Other Operating Revenue	-	-	105,236	1,302	107,138	27,001	80,137	105,000	2,138
<b>Total Revenue:</b>	<b>194,504</b>	<b>194,504</b>	<b>299,740</b>	<b>195,806</b>	<b>885,154</b>	<b>799,864</b>	<b>85,290</b>	<b>883,022</b>	<b>2,132</b>
<b>Cost of Sales:</b>									
Operations	208,346	201,669	136,690	171,740	718,445	707,026	(11,419)	759,806	41,361
Depreciation	22,388	22,388	22,388	30,875	98,039	89,552	(8,487)	98,039	-
<b>Total Cost of Sales:</b>	<b>230,734</b>	<b>224,057</b>	<b>159,078</b>	<b>202,615</b>	<b>816,484</b>	<b>796,578</b>	<b>(19,906)</b>	<b>857,845</b>	<b>41,361</b>
<b>Gross Margin:</b>	<b>(36,230)</b>	<b>(29,553)</b>	<b>140,662</b>	<b>(6,209)</b>	<b>68,670</b>	<b>3,286</b>	<b>65,384</b>	<b>25,377</b>	<b>43,293</b>
	<b>-18.63%</b>	<b>-15.19%</b>	<b>46.93%</b>	<b>-3.16%</b>	<b>7.76%</b>	<b>0.41%</b>	<b>7.35%</b>	<b>2.87%</b>	<b>4.88%</b>
<b>Selling and Administrative Expenses</b>	-	-	-	-	-	-	-	-	-
<b>Earnings Before Interest (EBI):</b>	<b>(36,230)</b>	<b>(29,553)</b>	<b>140,662</b>	<b>(5,209)</b>	<b>68,670</b>	<b>3,286</b>	<b>65,384</b>	<b>25,377</b>	<b>43,293</b>
	<b>-18.63%</b>	<b>-15.19%</b>	<b>46.93%</b>	<b>-3.16%</b>	<b>7.76%</b>	<b>0.41%</b>	<b>7.35%</b>	<b>2.87%</b>	<b>4.88%</b>
<b>Non-operating Revenue and Expense:</b>									
Interest and Non-Operating Revenue:	2,147	2,181	2,249	1,123	7,700	5,386	2,314	4,000	3,700
Interest Expense:	(1,906)	(2,906)	(1,906)	(4,695)	(10,413)	-	(10,413)	(10,413)	-
<b>Total Non-operating Revenue &amp; Expense:</b>	<b>241</b>	<b>275</b>	<b>343</b>	<b>(3,572)</b>	<b>(2,713)</b>	<b>5,386</b>	<b>(8,099)</b>	<b>(6,413)</b>	<b>3,700</b>
<b>Net Income:</b>	<b>(35,989)</b>	<b>(29,278)</b>	<b>141,005</b>	<b>(9,781)</b>	<b>65,957</b>	<b>8,672</b>	<b>57,285</b>	<b>18,964</b>	<b>46,993</b>
	<b>-18.50%</b>	<b>-15.05%</b>	<b>47.04%</b>	<b>-4.98%</b>	<b>7.45%</b>	<b>1.08%</b>	<b>67.16%</b>	<b>2.15%</b>	<b>5.30%</b>
<b>Earnings Before Interest and Depreciation (EBIDA):</b>	<b>(13,842)</b>	<b>(7,165)</b>	<b>163,050</b>	<b>24,666</b>	<b>166,709</b>	<b>92,838</b>	<b>73,871</b>	<b>123,416</b>	<b>43,293</b>
	<b>-7.12%</b>	<b>-3.68%</b>	<b>54.40%</b>	<b>12.56%</b>	<b>18.83%</b>	<b>11.61%</b>	<b>7.23%</b>	<b>13.98%</b>	<b>4.86%</b>
<b>Debt Principal Coverage</b>									
Simple Cash Flow (Net Income Plus Depreciation)	(13,601)	(6,890)	163,393	21,094	163,996	98,224	65,772	117,003	46,993
Debt Principal	11,084	11,084	11,084	11,084	44,336	-	44,336	44,336	-
<b>Debt Principal Coverage Surplus/Deficit</b>	<b>(24,685)</b>	<b>(17,974)</b>	<b>152,309</b>	<b>10,010</b>	<b>119,660</b>	<b>98,224</b>	<b>21,436</b>	<b>72,667</b>	<b>46,993</b>
<b>Debt Principal Coverage Percentage</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>
<b>Simple Asset Replacement Coverage</b>									
Debt Principal Coverage Surplus/Deficit (From Above)	(24,685)	(17,974)	152,309	10,010	119,660	98,224	21,436	72,667	46,993
Depreciation	22,388	22,388	22,388	30,875	98,039	89,552	8,487	98,039	-
<b>Cash Accumulated For/(Taken From) Asset Replacement</b>	<b>(47,073)</b>	<b>(40,362)</b>	<b>129,921</b>	<b>(20,865)</b>	<b>21,621</b>	<b>8,672</b>	<b>12,949</b>	<b>(25,377)</b>	<b>46,993</b>
<b>Working Capital</b>									
Beginning Undesignated Working Capital	327,096	140,885	135,901	323,309	327,096	238,478	88,623	327,096	-
Net Income Plus Depreciation Less Principal	(13,601)	(6,890)	163,393	21,094	163,996	98,224	65,772	117,003	46,993
CapEx, Accruals, and other Balance Sheet Changes	(172,610)	1,306	24,015	(49,097)	(195,786)	(9,601)	(186,185)	(174,751)	(21,035)
<b>Ending Undesignated Working Capital</b>	<b>140,885</b>	<b>135,901</b>	<b>323,309</b>	<b>295,306</b>	<b>295,306</b>	<b>327,096</b>	<b>(31,790)</b>	<b>269,348</b>	<b>25,958</b>
<b>Working Capital Designated for CapEx</b>	<b>239,967</b>	<b>197,988</b>	<b>142,730</b>	<b>100,176</b>	<b>100,176</b>	<b>438,000</b>	<b>(337,824)</b>	<b>87,561</b>	<b>12,615</b>
<b>Current Assets</b>	<b>455,259</b>	<b>405,870</b>	<b>529,946</b>	<b>473,205</b>					
<b>Current Liabilities</b>	<b>(26,807)</b>	<b>(22,434)</b>	<b>(16,307)</b>	<b>(30,123)</b>					
CPLTD	(47,600)	(47,600)	(47,600)	(47,600)					
WCDPCapex	(239,967)	(197,988)	(142,730)	(200,176)					
<b>Undesignated Working Capital</b>	<b>140,885</b>	<b>135,901</b>	<b>323,309</b>	<b>295,306</b>	<b>295,306</b>	<b>327,096</b>	<b>(31,790)</b>		
<b>Total Working Capital</b>	<b>380,852</b>	<b>333,839</b>	<b>466,039</b>	<b>395,482</b>	<b>395,482</b>	<b>414,657</b>	<b>(19,175)</b>		

## **Building Maintenance Fund**

### **Financial Analysis**

#### **As Of, And For the Fiscal Year Ending June 30, 2014**

The Building Maintenance Fund continues to post losses, as jobbing billings are significantly less than costs of operations. As depreciation is insignificant in this Fund, these losses from operations are translating into significant sustained decreases in Fund working capital. The shortfall was planned for in FY2014, however, and the Fund is performing better than plan (that is, losses are less than were planned).

Jobbing billings have decreased by (\$97.0K), or -21.3% in comparison to FY2013. Costs of operations for the same period fell, however, by \$107.7K, or 12.0%. Working capital declined by (\$189.9K), from \$2,433.1K to \$\$2,126.3K, since July 1, 2013.

As has been discussed in previous analyses, even though the losses for FY2014 were planned, they are unsustainable in the long run. Either jobbing billings must be increased or expenses must be decreased. It must be noted, furthermore, that increases in jobbing billings, either through more billings or an increase in the jobbing rate, will have a direct impact on the cost structures of other Funds, increasing their expenditures in turn.

City and Borough of Sitka  
Building Maintenance Fund  
Income Statement  
For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
(Unaudited)

	Jul-Sep 2013	Oct-Dec 2013	Jan-Mar 2014	Apr-Jun 2014	FY2014 YTD	FY2013 YTD	Variance To FY2013 YTD	FY2014 Plan (S/L - 100%)	Variance To FY2014 Plan
<b>Revenue:</b>									
Building Maintenance Charges	-	119,768	103,247	135,200	358,215	455,224	(97,009)	433,573	(75,356)
Other Operating Revenue	-	-	1,415	2,753	4,168	-	4,168	-	4,168
<b>Total Revenue:</b>	-	119,768	104,662	137,953	362,383	455,224	(92,841)	433,573	(71,190)
<b>Cost of Sales:</b>									
Operations	159,048	157,887	123,818	231,352	672,105	737,217	65,112	874,625	202,520
Depreciation	624	625	624	624	2,497	2,497	-	2,497	-
<b>Total Cost of Sales:</b>	159,672	158,512	124,442	231,976	674,602	739,714	65,112	877,122	202,520
<b>Gross Margin:</b>	(159,672) 0.00%	(98,744) -82.35%	(19,780) -18.90%	(94,023) -68.16%	(312,219) -85.16%	(284,490) -62.49%	(27,729) -23.56%	(443,549) -102.30%	131,330 16.14%
<b>Selling and Administrative Expenses</b>	23,191	28,326	29,517	33,961	114,995	157,607	42,612	921,023	206,028
<b>Earnings Before Interest (EBI):</b>	(182,863) 0.00%	(67,070) -56.00%	(49,297) -47.10%	(127,984) -92.77%	(427,214) -117.89%	(442,097) -97.12%	14,883 -20.77%	(764,572) -176.34%	337,358 58.45%
<b>Non-operating Revenue and Expense:</b>									
Interest and Non-Operating Revenue:	11,398	49,166	32,084	25,315	117,963	119,910	(1,947)	161,000	(43,037)
Interest Expense:	-	-	-	-	-	-	-	-	-
<b>Total Non-operating Revenue &amp; Expense:</b>	11,398	49,166	32,084	25,315	117,963	119,910	(1,947)	161,000	(43,037)
<b>Net Income:</b>	(171,465) 0.00%	(17,904) -14.95%	(17,213) -16.45%	(102,669) -74.42%	(309,251) -85.34%	(322,187) -70.78%	12,936 -13.93%	(603,572) -139.21%	294,321 53.87%
<b>Earnings Before Interest and Depreciation (EBID):</b>	(182,239) 0.00%	(66,445) -55.48%	(48,673) -46.50%	(127,360) -92.32%	(424,717) -117.20%	(439,600) -96.57%	14,883 -20.63%	(762,075) -175.77%	337,358 58.57%
<b>Debt Principal Coverage</b>									
Simple Cash Flow (Net Income Plus Depreciation)	(170,841)	(17,279)	(16,589)	(102,045)	(306,754)	(293,847)	(12,907)	(601,075)	294,321
Debt Principal	-	-	-	-	-	-	-	-	-
Debt Principal Coverage Surplus/Deficit	(170,841)	(17,279)	(16,589)	(102,045)	(306,754)	(293,847)	(12,907)	(601,075)	294,321
Debt Principal Coverage Percentage	100%	100%	100%	100%	100%	100%	100%	100%	0%
<b>Simple Asset Replacement Coverage</b>									
Debt Principal Coverage Surplus/Deficit (From Above)	(170,841)	(17,279)	(16,589)	(102,045)	(306,754)	(293,847)	(12,907)	(601,075)	294,321
Depreciation	624	625	624	624	2,497	2,497	-	1,249	1,248
Cash Accumulated For/(Taken From) Asset Replacement	(171,465)	(17,904)	(17,213)	(102,669)	(309,251)	(296,344)	(12,907)	(602,324)	293,073
<b>Working Capital</b>									
Beginning Undesignated Working Capital	2,433,084	2,281,400	2,244,963	2,228,376	2,433,084	2,793,499	(360,415)	2,433,084	-
Net Income Plus Depreciation Less Principal	(170,841)	(17,279)	(16,589)	(102,045)	(306,754)	(293,847)	(12,907)	(601,075)	294,321
CapEx, Accruals, and other Balance Sheet Changes	19,157	(19,158)	2	-	1	(66,568)	66,569	-	-
Ending Undesignated Working Capital	2,281,400	2,244,963	2,228,376	2,126,331	2,126,331	2,433,084	(306,753)	1,832,009	294,322
<b>Working Capital Designated for CapEx:</b>									
Current Assets	2,316,269	2,261,677	2,246,018	2,196,021	-	-	-	-	-
Current Liabilities	(34,869)	(16,714)	(17,642)	(69,690)	-	-	-	-	-
CP/LTD	-	-	-	-	-	-	-	-	-
WCDFCapex	-	-	-	-	-	-	-	-	-
<b>Working Capital</b>	2,281,400	2,244,963	2,228,376	2,126,331	2,126,331	2,433,084	(306,753)	-	-

**Central Garage Fund  
Financial Analysis  
As Of, And For The Fiscal Year Ending June 30, 2014**

The Central Garage Fund continues to slowly build back its vehicle sinking fund but remains significantly underfunded. At June 30, 2012, the Central Garage Fund's vehicle replacement sinking fund was calculated to be underfunded by approximately \$3,401.4 (\$3.4 million). Since 2012, the underfunding has been improved by \$1093.5K and now stands at approximately \$2,307.3K. The Central Garage is increasing the vehicle replacement sinking fund by approximately \$50K/month. It is important to note that contributions to the vehicle replacement sinking fund are a flow-through after expenses and are dependent on expenses running in line with plan.

Costs of operations for the Central Garage for the fiscal year rose by \$19.5K, or 2.9%, but were \$111.9K, or 8.8%, lower than FY2014 plan.

Undesignated working capital rose to \$1,991.5K, an increase of \$508.K since July 1, 2013.

City and Borough of Sitka  
Central Garage Fund  
Income Statement  
For The Twelve-Month Period From July 1, 2013 to June 30, 2014  
(Unaudited)

	Jul-Sep 2013	Oct-Dec 2013	Jan-Mar 2014	Apr-Jun 2014	FY2014 YTD	FY2013 YTD	Variance To FY2013 YTD	FY2014 Plan (\$/L - 100%)	Variance To FY2014 Plan
<b>Revenue:</b>									
Vehicle Billings	367,646	356,491	374,889	369,068	1,468,094	1,622,543	(154,449)	1,851,757	(383,663)
Other Operating Revenue	3,409	-	36,118	3,309	42,836	37,375	5,461	33,500	9,336
<b>Total Revenue:</b>	<b>371,055</b>	<b>356,491</b>	<b>411,007</b>	<b>372,377</b>	<b>1,510,930</b>	<b>1,659,918</b>	<b>(148,988)</b>	<b>1,885,257</b>	<b>(374,327)</b>
<b>Cost of Sales:</b>									
Operations	78,679	119,843	108,353	135,307	442,182	480,733	38,551	551,395	109,213
Depreciation	93,410	93,410	93,411	111,672	391,903	372,888	(19,015)	391,903	-
<b>Total Cost of Sales:</b>	<b>172,089</b>	<b>213,253</b>	<b>201,764</b>	<b>246,979</b>	<b>834,085</b>	<b>853,621</b>	<b>19,536</b>	<b>943,298</b>	<b>109,213</b>
<b>Gross Margin:</b>	<b>198,966</b>	<b>143,238</b>	<b>209,243</b>	<b>125,398</b>	<b>676,845</b>	<b>806,297</b>	<b>(129,452)</b>	<b>941,959</b>	<b>(265,114)</b>
	53.62%	40.18%	50.91%	33.68%	44.80%	48.57%	-3.78%	49.95%	-5.17%
<b>Selling and Administrative Expenses</b>	<b>33,515</b>	<b>110,360</b>	<b>82,346</b>	<b>92,154</b>	<b>318,375</b>	<b>364,024</b>	<b>45,649</b>	<b>321,023</b>	<b>2,648</b>
<b>Earnings Before Interest (EBI):</b>	<b>165,451</b>	<b>32,878</b>	<b>126,897</b>	<b>33,244</b>	<b>358,470</b>	<b>442,273</b>	<b>(83,803)</b>	<b>620,936</b>	<b>(262,466)</b>
	44.59%	9.22%	30.87%	8.93%	23.73%	26.64%	-2.92%	32.94%	-9.21%
<b>Non-operating Revenue and Expense:</b>									
Interest and Non-Operating Revenue:	24,110	8,944	10,801	35,340	79,195	26,606	52,589	38,500	40,695
Interest Expense:	(5,000)	(5,000)	(5,000)	(5,000)	(20,000)	(22,500)	2,500	(20,000)	-
<b>Total Non-operating Revenue &amp; Expense:</b>	<b>19,110</b>	<b>3,944</b>	<b>5,801</b>	<b>30,340</b>	<b>59,195</b>	<b>4,106</b>	<b>55,089</b>	<b>18,500</b>	<b>40,695</b>
<b>Net Income:</b>	<b>184,561</b>	<b>36,822</b>	<b>132,698</b>	<b>63,584</b>	<b>417,665</b>	<b>446,379</b>	<b>(28,714)</b>	<b>639,436</b>	<b>(221,771)</b>
	49.74%	10.33%	32.29%	17.08%	27.64%	26.89%	19.27%	33.92%	-6.27%
<b>Earnings Before Interest and Depreciation (EBIDA):</b>	<b>258,861</b>	<b>126,288</b>	<b>220,308</b>	<b>144,915</b>	<b>750,373</b>	<b>815,161</b>	<b>(64,788)</b>	<b>1,012,839</b>	<b>(262,466)</b>
	69.76%	35.43%	53.60%	38.92%	49.66%	49.11%	0.55%	53.72%	-4.06%
<b>Debt Principal Coverage</b>									
Simple Cash Flow (Net Income Plus Depreciation)	277,971	130,232	226,109	175,256	809,568	819,267	(9,699)	1,031,339	(221,771)
Debt Principal	12,500	12,500	12,500	12,500	50,000	50,000	-	50,000	-
Debt Principal Coverage Surplus/Deficit	265,471	117,732	213,609	162,756	759,568	769,267	(9,699)	981,339	(221,771)
Debt Principal Coverage Percentage	2223.77%	1041.86%	1808.87%	1402.05%	100%	100%	100%	100%	0%
<b>Simple Asset Replacement Coverage</b>									
Debt Principal Coverage Surplus/Deficit (From Above)	265,471	117,732	213,609	162,756	759,568	769,267	(9,699)	981,339	(221,771)
Depreciation	93,410	93,410	93,411	111,672	373,642	372,888	754	373,642	-
Cash Accumulated For/(Taken From) Asset Replacement	172,061	24,322	120,198	69,345	385,926	396,379	(10,453)	607,697	(221,771)
<b>Working Capital</b>									
Beginning Undesignated Working Capital	1,485,108	1,479,385	1,638,541	1,855,338	1,485,108	980,650	504,458	980,650	504,458
Net Income Plus Depreciation Less Principal	277,971	130,232	226,109	175,256	809,568	819,267	(9,699)	1,031,339	(221,771)
CapEx, Accruals, and other Balance Sheet Changes	(283,694)	28,924	(9,312)	(35,041)	(309,123)	(314,809)	1,686	(289,500)	(13,623)
Ending Undesignated Working Capital	1,479,385	1,638,541	1,855,338	1,991,553	1,991,553	1,485,108	506,445	1,722,489	269,064
Working Capital Designated for CapEx	313,931	274,132	269,663	263,663	263,663	389,898	(126,232)	274,132	(10,469)
Current Assets	1,842,403	1,950,308	2,164,992	2,328,697					
Current Liabilities	913	12,365	4,009	(23,481)					
CPLTD	(50,000)	(50,000)	(50,000)	(50,000)					
WCDF Capex	(313,931)	(274,132)	(269,663)	(263,663)					
Undesignated Working Capital	1,479,385	1,638,541	1,855,338	1,991,553	1,991,553	1,485,108	506,445		
Total Working Capital	1,793,316	1,912,673	2,119,001	2,255,216	2,255,216	1,519,958	735,258		





## Legislation Details

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File #: 14-212      Version: 1      Name:

Type: Minutes      Status: AGENDA READY

File created: 10/21/2014      In control: City and Borough Assembly

On agenda: 10/28/2014      Final action:

Title: Approve the minutes of the October 14, 2014 Assembly meeting

Sponsors:

Indexes:

Code sections:

Attachments: [Motion CONSENT](#)  
[Motion Minutes](#)  
[Minutes](#)

Date	Ver.	Action By	Action	Result
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# **CONSENT AGENDA**

## **POSSIBLE MOTION**

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**I MOVE TO APPROVE THE CONSENT AGENDA  
CONSISTING OF ITEMS A & B**

I wish to remove Item(s) \_\_\_\_, \_\_\_\_, \_\_\_\_

**REMINDER – Read aloud a portion of each item being  
voted on that is included in the consent vote.**

Should this item be pulled from the Consent Agenda the following motion would be in order:

## **POSSIBLE MOTION**

**I MOVE TO** approve the minutes of the October 14, 2014 Assembly meeting.



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
330 Harbor Drive  
Sitka, AK  
(907)747-1811

## Minutes - Draft City and Borough Assembly

*Mayor Mim McConnell  
Deputy Mayor Matt Hunter  
Vice-Deputy Mayor Phyllis Hackett, Steven Eisenbeisz, Benjamin  
Miyasato, Aaron Swanson, and Tristan J. Guevin*

*Municipal Administrator: Mark Gorman  
Municipal Attorney: Robin L. Koutchak  
Municipal Clerk: Colleen Ingman, MMC*

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Tuesday, October 14, 2014

6:00 PM

Assembly Chambers

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### REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

**Present:** 6 - McConnell, Hunter, Esquiro, Swanson, Miyasato, and Guevin

**Excused:** 2 - Hackett, and Eisenbeisz

IV. CORRESPONDENCE/AGENDA CHANGES

- 1    **14-205**            Governor's Award for Arts and Humanities - Public Works Monthly Update - Electrical Monthly Update - Jarvis Street Diesel Memo

V. CEREMONIAL MATTERS

- 2    **14-195**            Food Day Proclamation

Mayor McConnell read the Food Day Proclamation proclaiming October 24th as Food Day in Sitka.

VI. **SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Municipal Departments, School District, Students and Guests (time limits apply)**

STA General Manager Lawrence Spottedbird announced that November was Native American Awareness Month and a planning meeting was to be held October 16.

- 3    **14-204**            1) Introductions of Sitka's Exchange Students, and 2) Introduction of Jeff Comer CEO Sitka Community Hospital and Update

1) Mayor McConnell provided background on the student exchange program. Krisanne Rice, a volunteer with AFS, gave some additional history. Each student introduced herself and spoke a bit about their country.

2) Jeff Comer introduced himself as the new CEO for Sitka Community Hospital (SCH). He stated it had been a pleasure to join the community. Three things he noted worth pursuing: 1) Physician recruitment; 2) Emergency room physicians; and 3) An orthopedic surgeon. Comer added SCH was looking at telemedicine in collaboration with Providence Hospital and was pursuing a grant to cover expenses. He noted, SCH was also considering locations for an Urgent Care and Physical Therapy facility in Sitka.

3) Administrator introduced new Library Director, Robb Farmer. Farmer provided a report on events to be held at the Library.

## VII. PERSONS TO BE HEARD

Sitka Convention and Visitors Bureau Director, Tonia Rioux, spoke to the Sitka Branding project. A consulting firm had been hired and planned to be in Sitka to meet with various groups the week of October 20.

## VIII. REPORTS

### a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other

Mayor - Met with Marjorie Henesey and Michelle from Sitka Conservation society to talk about housing.

Administrator - Informed that the Investment Committee met a couple weeks ago and plan to bring in consultants to speak to Portfolio Management for the city. He attended the Health Summit. Received Municipal Solutions DRAFT report. It was being distributed to the department heads for review. Noted he would be traveling to Miami to meet with cruise ship officials.

Liaison Reports - Miyasato attended the Library Commission meeting. He wanted to clarify something that came up during the campaign that was mis-information with regard to library funding. The library funding came primarily from grants and Senator Stedman's efforts. With regard to the Parks and Recreation Committee he relayed that they hoped their recommendations would be taken seriously. Hunter thanked Hackett for attending the Port and Harbors meeting in his absence.

Clerk - Mentioned that the first regular Assembly meeting in November would be held on Monday, November 10th because of the Veterans Day Holiday - the normal meeting date. Deputy Clerk Peterson informed the Admin office was going to start a newsletter publication similar to Inside City Hall to help keep the public better informed on city happenings.

Other - Miyasato asked a question on the Electrical update - Brewton spoke to a defective transformer and explained there was a loose connection that was arching internally.

## IX. CONSENT AGENDA

A 14-202 Approve the minutes of the September 23, 2014 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

- B 14-203** Reappoint 1) Patrick Williams to a term on the Health Needs and Community Services Commission; and Appoint 2) Mike Reif to a term on the Investment Committee

This item was APPROVED ON THE CONSENT AGENDA.

- C 14-196** Approve a Budget Adjustment for Pacific High School - \$31,000

This item was APPROVED ON THE CONSENT AGENDA.

- D 14-197** Approve a design build contract award for the Monastery and Baranof Street Water and Sewer Project to CH2M Hill - not to exceed \$119,500

This item was APPROVED ON THE CONSENT AGENDA.

**X. UNFINISHED BUSINESS:**

- E 14-201** Approve the Municipal Clerk's Certification of Election

A motion was made by Miyasato that this Item be APPROVED. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Esquiro, Swanson, and Miyasato

Excused: 1 - Hackett

- F 14-198** Recognize outgoing Assembly Members followed by a short recess

Pete Esquiro thanked all the members and the citizens of Sitka for providing him the opportunity to serve the city over the last four years. Esquiro reminded the public of the values he had held. The economy was not good and there were lot of things yet to be done in the city. He emphasized sustainability. His personal concept had been to never spend a dime he did not already have. Esquiro stressed the need for infrastructure repair and the value of the Sinking Fund. He described infrastructure as needs vs. wants and encouraged the Assembly to say "no" once in a while. He added that not everything had to be a cadillac. With regard to the city waterfront, Esquiro urged the Assembly not to sell it for less than market value. Finally, Esquiro urged citizens to come to more Assembly meetings and express their thoughts and feelings. In closing, Esquiro, expressed that all Assembly members had their hearts in making Sitka a better place though they didn't always agree and noted a difference of opinion was helpful.

Meeting went into Recess to thank Mr. Esquiro.

Meeting Reconvened

This item was PRESENTED.

**XI. NEW BUSINESS:****New Business****G 14-199 Swearing in of the Newly Elected Officials**

Mim McConnell was sworn in as Mayor for a two-year term and Tristan Guevin was sworn in for a three-year term on the Assembly. Steven Eisenbeisz was traveling and would later be sworn in at City Hall.

**H RES 14-16 Urging the US Government to work with the International Commission (IJC) and the Alaska/British Columbia (BC) Transboundary Region and to utilize any and all powers under the Boundary Waters Treaty to ensure that Alaska Resources are not harmed by upstream development in BC**

An employee of Sitka Conservation Society spoke in support of the resolution.

Mayor informed that there had been similar resolutions adopted by other communities. This one was introduced by SE Conference of Mayors and they planned to adopt a final copy in November at AML.

**A motion was made by Swanson to approve this resolution. The motion PASSED by the following vote.**

**Yes:** 5 - McConnell, Hunter, Swanson, Miyasato, and Guevin

**Excused:** 2 - Hackett, and Eisenbeisz

**Non-voting:** 1 - Esquiro

**I RES 14-17 Opposing the newly proposed Rule on the Definition of Waters of the United States under the Clean Water Act**

Hunter explained that what the new proposed rule would do was expand the waters that were governed by the federal government instead of state and local governments. Governing things such as small drainage ditches. He felt it was not a good idea and would end up costing the city.

**A motion was made by Miyasato that this Resolution be APPROVED. The motion PASSED by the following vote.**

**Yes:** 5 - McConnell, Hunter, Swanson, Miyasato, and Guevin

**Excused:** 2 - Hackett, and Eisenbeisz

**Non-voting:** 1 - Esquiro

**J RES 14-18 Joining Alaska Municipal League in recommending an amendment to Alaska Statute 35.30.010 providing for Stronger Authority by Local Planning Authorities and Elected Officials for Public Projects**

Mayor informed that this would be brought forward at the Mayor's Conference at Alaska Municipal League in November.

A motion was made by Swanson that this resolution be approved. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Swanson, Miyasato, and Guevin

Excused: 2 - Hackett, and Eisenbeisz

Non-voting: 1 - Esquiro

**K 14-206 Approve donating Sitka's old ambulance to Hollis Alaska**

Hunter mentioned it was a tradition among EMS folks to take care of each other. Hunter used Juneau as an example -- when they had their downtown fire Sitka assisted and it works both ways. Sitka has received equipment from the Juneau Police Department, USCG, and others. This ambulance would cut down transport times by 20 minutes in Hollis and those patients often came to SEARHC for hospitalization. Gorman explained that CBS was in the process of selling the ambulance when the request came in from Hollis. Miyasato asked if we could add a condition - to send a picture of it at its new location. Gorman and Chief Miller said they would make sure that happened.

A motion was made by Swanson that this Item be APPROVED. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Swanson, Miyasato, and Guevin

Excused: 2 - Hackett, and Eisenbeisz

Non-voting: 1 - Esquiro

**XII. PERSONS TO BE HEARD:**

Alexander Allison spoke to the need for a boat haul out. While one existed, it was not adequate and had become a bus stop. He believed boats were leaving Sitka and urged the Assembly to take action. Allison felt there should be a city haul out, built, owned and operated by the City. Port and Harbors recommended this idea years ago but it was not acted upon because of the thought the City should not compete with private enterprise. He also encouraged the Assembly not to sell the Sitka waterfront.

**XIII. ADJOURNMENT**

A motion was made by Swanson to ADJOURN. With no further business and no objections the meeting ADJOURNED at 7:18 PM.

ATTEST:

\_\_\_\_\_  
Colleen Ingman, MMC  
Municipal Clerk





# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

## CERTIFICATE OF ELECTION

**THIS IS TO CERTIFY THAT** the results of the Regular Election held on October 7, 2014, has been certified by the Municipal Clerk and accepted by the Assembly on October 14, 2014 at a regular meeting.

The total number of ballots issued was 1798 and the number of ballots counted was 1757. 1518 ballots were cast and counted Election Day. An additional 235 question, absentee and special needs ballots were counted on October 10, 2014. An additional four ballots were hand entered. A total of 41 ballots were spoiled, ineligible or not returned, broken down as follows: 28 spoiled, 6 ineligible and 7 not returned. The results are tabulated below:

# ISSUED	BALLOT TYPE/DISPOSITION	COUNTED/CAST	REMARKS
1540	REGULAR	1518	Of regular ballots issued <22 were spoiled on election day
258	QUESTION, ABSENTEE AND SPECIAL NEEDS	235 +4 hand counted	Of the Q, A, & SN ballots issued: <6 ineligible <6 spoiled <7 not returned
1798	←ISSUED  COUNTED→	<b>1757</b>	41 total ballots not counted for the reason(s) indicated above.

The following are the final results:

For Mayor one to be elected: 1 - two year term

Mim McConnell	<b>1007 ELECTED</b>
Orion Hughes-Knowles	670

For Assembly two to be elected: 2- three-year terms:

<b>Steven Eisenbeisz</b>	<b>771 ELECTED</b>
<b>Tristan Guevin</b>	<b>748 ELECTED</b>
Thor Christianson	729
Lillian R. Feldpausch	579
Aaron Wamsley	304

Election Certification - October 1, 2013

Page 2

Two other Assembly candidates dropped out after filing:  
Richard Parmelee and Dennie Daniels

For School Board two to be elected: 2 - three year terms:

**Tim J. Fulton**                      **1436 ELECTED**

**Thomas Conley**                      **1340 ELECTED**

Dated this 14<sup>th</sup> day of October, 2014

ATTEST



Colleen Ingman, MMC  
Municipal Clerk

Attachments

**MUNICIPAL REGULAR ELECTION - OFFICIAL RESULTS (10/12) OCTOBER 7, 2014**

CANDIDATES	PRECINCT		PRECINCT QUESTION	COUNT 10/10	TOTALS		PERCENTAGES
	NO. 1	NO. 2				%	
<b>MAYOR (1 - TWO YEAR TERM)</b>							
ORION HUGHES-KNOWLES	308	292	70	670		39.3%	
MIM MCCONNELL	378	479	150	1007		59.0%	
Write-ins	14	13	3	30		1.8%	
<b>ASSEMBLY (2 - THREE YEAR TERMS)</b>							
LILLIAN R. FELDPAUSCH	282	243	54	579		18.0%	
TRISTAN J. GUEVIN	287	368	93	748		23.2%	
THOR CHRISTIANSON	304	317	108	729		22.6%	
AARON S. WAMSLEY	127	129	48	304		9.4%	
STEVEN EISENBEISZ	326	340	105	771		23.9%	
RICHARD PARMELEE (W)	1	30	11	42		1.3%	
DENNIE DANIELS (W)	6	24	3	33		1.0%	
Write-ins	4	8	2	14		0.4%	
<b>SCHOOL BOARD (2 - THREE YEAR TERMS)</b>							
THOMAS CONLEY	547	616	177	1340		47.1%	
TIM J. FULTON	599	657	180	1436		50.4%	
Write-ins	30	38	3	71		2.5%	



## Legislation Details

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File #: 14-211      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 10/21/2014      In control: City and Borough Assembly

On agenda: 10/28/2014      Final action:

Title: Reappoint Amy Zanuzoski to a three-year term on the Health Needs and Human Services Commission

Sponsors:

Indexes:

Code sections:

Attachments: [Motion reappointment](#)  
[Reappointment](#)

Date	Ver.	Action By	Action	Result
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Should this item be pulled from the consent the following motion would be in order:

POSSIBLE MOTION

**I MOVE TO** reappoint Amy Zanuzoski to a term on the Health Needs and Human Services Commission.



**Application for Appointment to Boards, Committees, and Commissions  
City and Borough of Sitka**

Board/Commission/Committee: Heath Needs and Human Services Commission  
 Name: Amy Zanuzoski Daytime Phone: 907-747-3636  
 Address: PO box 1991 Evening Phone: 805-390-4194  
 Email Address: amyz@scpsak.org Fax Number: 907-747-2702  
 Length of Residence in Sitka: 5 yrs Registered to vote in Sitka?  Yes  No  
 Employer: Sitka Counseling

Organizations you belong to or participate in:

None

Explain your main reason for applying:

As a commission member I would like to continue to work of the goals we have set out to accomplish.

We have been working towards getting the community meeting back and would like to see that happen regularly each month.

What background, experience or credentials will you bring to the board, commission, or committee membership?

I have been working with Sitka Counseling and want to continue to help support our community.

Please attach a letter of interest, outline, or resume which includes your education, work, and volunteer experience that will enhance your membership.

→ (To be considered, your application must be complete AND be accompanied by one of the above supporting documents.)

Date: 10/14/2014

Signature: \_\_\_\_\_

Your complete application and resume should be returned to the Municipal Clerk's Office by noon on the Wednesday prior to an advertised Assembly meeting. Applications received after the deadline will be considered but will not be included in the Assembly packets for review prior to appointment.

Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed?  Yes  No

Return to:

Sara Peterson, Deputy Clerk  
 100 Lincoln Street  
 Fax: 907-747-7403  
 Email: sara@cityofsitka.com

# Amy Zanuzoski

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## Education

**Bachelor of Arts Degree, Radio Television Film**  
2000 California State University Northridge

## Experience

**9/2012 – Present Sitka Counseling & Prevention Svs., Inc.**  
Sitka, AK

### **Executive Director**

- Overall daily management to include implementing the mission and strategic goals, fiscal, technology, personnel management, organizational staff development, and program development to serve multi-cultural populations.
- Logic Model development and Grant reporting.
- Develops and implements fund raising projects.
- Act as the liaison between the Board and staff
- Provides monthly reports to the Board concerning agency operations.
- Oversees maintenance of all facilities
- Facilitates community presentations regarding agency programs and services
- Facilitates quarterly all staff meetings
- Establishes and maintains a positive working environment that enhances staff productivity and welcomes clients to participate in agency services
- Maintains an environment that ensures the health and safety of the client and staff
- Authorizes purchases and expenditures within parameters set in the agency budget/by-laws.
- Oversight of licensure training of staff; monitor and maintain qualification of training staff for the benefit of the agency.
- Responsible for meeting HUD requirements in management and occupancy of River's Edge Property.
- Designs and coordinates process and policy revisions related to business practices.
- Establishes and maintains adequate administrative control systems.

**4/2010 – 9/2012 Sitka Counseling & Prevention Svs., Inc.**  
Sitka, AK

### **Administrative Operation Officer/Deputy Executive Director**

- Maintains employee benefit contracts and agency insurance contracts. Work with Board Risk Management Committee to provide adequate insurance coverage.
- Screen, interview and recommend candidates for hire and supervise administrative staff in the process.

- Directs, develops, and updates program and employee manuals as needed.
- Develops and implements business plan with Executive Director.
- Monitor and review compliance with specific grant & contracts terms and accreditation at direction of the Executive Director.
- Manage completion of annual inventory of agency equipment; create and maintain system for monitoring technology needs of staff and facilities.
- Supervise and monitor the procurement, installation, and functioning of office technology, including computer system and phones.
- Accuracy, attention to detail, initiative, and ability to manage multiple tasks to meet deadlines

**5/2009 – 4/2010 Sitka Counseling & Prevention Svcs., Inc.**  
Sitka, AK

**Employee Development Coordinator/ HR**

- Maintains personnel records and arranges/conducts employee training as needed -ensures employees remain current on TB testing, CPR/First Aid, and required annual training
- Conducts new employee orientation regarding personnel issues
- Participate in "Administrative Team" projects. These projects range from production of grant proposals to phoning clients for follow-up reports, Administers employee benefit package
- Recommends administrative candidates for hire, trains, and supervises office staff
- Maintains working knowledge of medicated billing regulations, Provide reports as requested by managerial staff and the Board of Directors, Ensures HIPPA compliance and responds to requests for clinical records in a timely manner, Oversees maintenance of agency web site and arranges for updates as needed, Resolves routine administrative problems and answers inquiries regarding agency programs/services
- Ensures office equipment is kept in good working order, Data coordinator for agency database system, Conducts reference checks and gathers background information on applicants as needed

**7/2007 – 5/2009 TheraCare Rehabilitation Services**  
Newbury Park, CA

**Office Manager – Assistant to CFO/CEO**

- Supervise 2 staff members, Payroll, Quick Books, Track payments, A/P, A/R, Collections, mailings, staffing for 19 facilities
- Responsible for medical billing of 19 facilities-monthly, Track 7 independent contractors invoices-monthly, Track Registry payments
- Customer Service, organize office, HR, problem solving, Support Staff for 125 Therapists (OT,PT,ST) and CFO,CEO & Director

**6/2005–6/2007 Holiday Inn Express Hotel & Suites**  
Camarillo, Ca

**General Manager/ Sales Manager**



- Responsible for the overall operations, customer service, quality & guest satisfaction of the hotel
- Worked on revenue management to meet the 2007 monthly budget
- Oversaw 27 staff in all departments (Housekeeping, Front desk, Sales & Marketing, Maintenance, Breakfast Bar)
- A/R and A/P coded and sent out invoices, tracked payments and outstanding balances
- Created and maintained customer driven operations with consistent quality scores in the 90%
- Effectively solicited business for new clients, customer service, monitored production for top accounts, sold meeting space for 5-55 person events
- Maintained accurate & up to date records of sales and transactions
- Hotel tours, assisted GM w/ research & development of annual business, correspond w/ potential clients providing bids, proposals, confirmations of bookings, follow up and thank you letters

**2/2003-6/2005      Maritz Inc.**  
Torrance, CA

**Program Coordinator for University of TOYOTA**

- Schedule four coaches for upcoming Service Lane Visits at dealerships across the United States
- Communicate on a daily basis with business partners and 19 regional /4 area contacts to discuss on going changes with future events
- Track attendance within a web based program and provide accurate credit for ~ 44,760 participants per year
- Administrative contact for the Penske Auto Group, track attendance, organize spreadsheets w/ SSN and Gallup Pins & send class pre-work for 234 students
- Coordinate directly with Toyota/Lexus billing dept. to ensure proper tuitions fees are collected and certification credit is awarded for ~2,338 events per year
- Function as a customer service representative in support for the University of Toyota as the administration team of 11 for Maritz

**2003, 2001 & 2000      National Broadcasting Company**  
Burbank, CA

**Production Assistant, Tournament of Roses Parade**

- Organized the office, travel and accommodations for talent
- Arranged for promotional materials, credentials and tickets
- Coordinated production staff, crew and vendors

**7/2001-3/2002      International Sports Broadcasting**  
Salt Lake City, UT

**Uniform & Merchandise Coordinator/Asst. Broadcast  
Venue Manager, 2002 Winter Olympics/ Paralympics**

- Bought & created gift ideas for VIPs with vendors
- Negotiated prices with merchandise suppliers/vendors
- Created and managed uniform distribution for 1650 crew members

- Designed reports for uniform distribution
- Oversaw 6 broadcast assistants with uniform distribution
- Assisted crews, created & monitored meal voucher system
- Filled in as a spotter on the field of play, for the director, assisted technical crew and manager
- Organized transportation for the Technical Director, Director and producer for ISB

**1/2001-7/2001 National Broadcasting Company**  
Burbank, CA

**Editorial Assistant, NBC Channel 4 News**

- Organized scripts from the news producer for two on-air talents
- Assisted the assignment editor, beat checks, follow up on incoming story ideas and answer the phones
- Worked special events in the field as support for the news dept.

**4/1998 – 11/2000 Biltmore Broadcasting, KADY-TV**  
Camarillo, CA

**Assistant Program Director/ Master Control Operator**

- Produced and distributed weekly program schedules
- Reviewed contracts for new shows, that were to air on KADY
- Contacted major distribution houses for copies of tapes that were missed for the satellite feeds
- In charge of filing children's programming, Educational/Informational, with the FCC
- Responsible for switching shows and commercials on-air
- Keeping track of satellite feeds and recording them in broadcast quality for air
- Created dubs of commercials and satellite feeds
- Tracking audio and video of on-air shows and commercials from the log

**Computer Proficiency**

Certified in beginning Excel, Word, and Windows & Outlook.  
Worked in Web based Applications, AKAIMS, Avstar and Opera.

**Community Involvement**

- Volunteered at the Port Hueneme Chamber of Commerce
- Volunteered on Fire Line, a Fire education show on Cable
- Co-Editor for Campus Observer at Oxnard College for 1 year
- Volunteered at CIMRI (Channel Islands Marine Research Institute)
- Assisted Frank Ursitti w/ his marine education program on the Coral Sea.



## Health Needs and Human Services Commission

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
WILLOW MOORE 700 Etolin St	747-4600 w 738-9082 c willow@braveheartvolunteers.org	10/22/13	10/22/14	<b>CHAIR</b>
PAUL BAHNA, MD 600 DeGroff St #A	747-7749 w 623-0945 h bnbahna@uas.alaska.edu	11/12/13	10/22/15	<b>VICE-CHAIR</b> <i>Leccese term</i>
MYRON FRIBUSH, MD PO Box 303	738-1489 c 747-5377 h rfribush3@gmail.com	10/22/13	10/22/16	
AMY ZANUZOSKI PO Box 1991	747-3636 w 805-390-4194 c amyz@scpsak.org	10/22/13	10/22/14	
GALADRIEL MORALES 429 Katlian St	747-7221 w 738-0630 c glade.morales@sitkatriben-sns.gov	10/22/13	10/22/15	
VICKI D'AMICO PO Box 2191	747-3370 w 747-4729 h vdamico@safv.org	10/22/13	10/22/16	
PATRICK WILLIAMS 209 Moller Avenue	747-0349 pwilliams@sitkahospital.org	5/13/14 10/14/14	10/22/14 10/14/17	Hample's term
Phyllis Hackett 500 Lincoln Street #B4  <i>Alternate: Mim McConnell 215 Smith Street Apt G</i>	738-1991 c assemblyhackett@cityofsitka.com  747-2860 h 738-2888 c assemblymccconnell@cityofsitka.com			Assembly Liaison

Established by Ordinance 2013-23

7 members 3-year terms (except for first commission): The first members appointed to the Commission shall, upon appointment, determine the length of the terms so that the terms of three (3) members shall be for one year, the terms of two (2) members shall be for two years, and the terms of two (2) members shall be for three years, resulting in staggered terms for members subsequently appointed. A vacancy on the commission shall be filled by appointment by the Assembly for any remainder of an unexpired term.

Meeting Schedule: 2<sup>nd</sup> Tuesday of each month or as needed – noon at Harrigan Hall; meets a minimum of four times per year.

Revised: October 15, 2014



## Legislation Details

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File #: ORD 14-33    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 10/7/2014    In control: City and Borough Assembly

On agenda: 10/28/2014    Final action:

Title: Updating Attachment G: FWHA Anti-Drug and Alcohol Policy (CDL Drivers)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2014-33](#)  
[Ord 2014-33 Updating Attachment G CDL policy](#)  
[Memo and attachments for Ord 2014-33](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2014-33 on  
first reading.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-33

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
UPDATING ATTACHMENT G: FWHA ANTI-DRUG AND ALCOHOL POLICY
(CDL DRIVERS)

1. CLASSIFICATION. This ordinance is of a permanent nature, but is not intended to become a part of the Sitka General Code of the City and Borough of Sitka, Alaska. It amends the City and Borough of Sitka Personnel Policies Handbook, which is required to be amended by ordinance in accordance with the Sitka Charter at Art. 3.05 and Art. 18.09.

2. SEVERABILITY. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstance shall not be affected.

3. PURPOSE. The purpose of this ordinance is to update Attachment G: City and Borough of Sitka FHWA Anti-Drug and Alcohol Policy, and to replace it with Attachment G: City and Borough of Sitka Department of Transportation (DOT) and Federal Motor Carrier Safety Administration (FMCSA) Drug and Alcohol Policy. This policy has not been updated since 1996. This policy serves to maintain compliance with Federal and State Laws for our Commercial Driver's License (CDL) drivers.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska that the City and Borough of Sitka Personnel Policies Handbook is amended by the deleting of Attachment G: FHWA Anti-Drug and Alcohol Policy, January 1, 1996, and replacing it with the attached Attachment G: U.S. DOT and FMCSA Drug and Alcohol Plan, November 12, 2014.

5. EFFECTIVE DATE. This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 10th day of November, 2014.

Mim McConnell, Mayor

ATTEST:

Sara Peterson, CMC
Acting Municipal Clerk



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

Tuesday, October 07, 2014

To: Mark Gorman, Municipal Administrator  
From: Mark Danielson, HR *Mark Danielson*  
Subject: Update of CDL Drug and Alcohol Policy

## Request

This is to request approval of the attached Federal Motor Carrier Safety Administration (FMCSA) Drug and Alcohol Plan as Attachment G of our Personnel Policies.

## Background

The policy has not been updated since 1996 and the Federal Motor Carrier Safety Administration (FMCSA) is now the regulatory agency established by the Department of Transportation (DOT) and the Federal Highways Administration (FHWA) that is responsible for standards and testing for commercial motor vehicle drivers. The attached policy has been reviewed and recommended by our testing contractor, Beacon/Worksafe of Anchorage.

## Fiscal Note

We will continue to have regular and normal expenses in the training of CDL drivers and supervisors and in the maintenance of commercial motor vehicle driving permits.

## Recommendation

I recommend approval of Personnel Policies Attachment G: Drug and Alcohol Plan for the City and Borough of Sitka's commercial motor vehicle drivers.

# **DRUG AND ALCOHOL PLAN**

U.S. DEPARTMENT OF TRANSPORTATION  
FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION (FMCSA)  
PREPARED IN ACCORDANCE WITH THE REQUIREMENTS OF:  
49 CFR PART 382  
49 CFR PART 40

## **CITY AND BOROUGH OF SITKA**

100 Lincoln Street  
Sitka AK 99835

(907) 747-1816

**ORIGINAL DATE OF IMPLEMENTATION:** January 1, 1996

**NEW EFFECTIVE DATE:** October 29, 2014

**PLAN REVISION DATE: OCTOBER 1, 2010**  
**©NATIONAL COMPLIANCE MANAGEMENT SERVICE, INC. (NCMS)**  
**REVISION DATE MODIFIED BY NCMS ONLY**



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## I. INTRODUCTION

### 1. Development of "Combined" Plan

The Federal Motor Carrier Safety Administration (FMCSA) is the agency within the Department of Transportation (DOT) that regulates motor carriers in the trucking industry. FMCSA's Controlled Substances and Alcohol Use and Testing regulation, 49 CFR Part 382<sup>1</sup>, requires each motor carrier to develop, maintain, and follow a Drug and Alcohol Policy (i.e., Plan). A basic requirement of the Plan is that all drug and alcohol testing will follow the requirements of DOT's "Procedures for Transportation Workplace Drug and Alcohol Testing," 49 CFR Part 40<sup>2</sup>. The Drug and Alcohol Plan, henceforth referred to as the "Plan," meets all the requirements of Part 382 and Part 40.

### 2. Approach

The Plan will use the generic word "*Company*" in reference to the motor carrier for which it is written. The Plan will describe how the Company will comply with government requirements. In any case where there is a discrepancy between the requirements of Part 40 with that of Part 382, Part 40 will prevail.

The Plan will identify "Company-additional" requirements - those that go beyond the minimum requirements of DOT. Company-additional requirements will be underscored. Therefore, consider anything that is not underscored a requirement of DOT, or a process put in place by the Company to meet a DOT requirement. Appendix D outlines the Company disciplinary actions and additional procedures.

The Plan is written in "plain language" and follows the requirements of each rule. However, the Plan does not repeat the language of either Part 40 or Part 382. Doing so would require the Company to produce a new plan every time DOT or FMCSA issued a change to their respective rule. The goal of DOT is to know that the Company understands the requirements of the rules and how the Company will go about achieving compliance. The Plan makes use of existing DOT language in places where summaries are used to explain a more detailed process (e.g., specimen collection and alcohol test procedures are extracted from DOT's "Employee Guide"<sup>3</sup>).

### 3. Background

**Safety.** The DOT requires transportation employers to develop and implement drug and alcohol testing programs in the interest of public safety. Safety is the highest priority for DOT. One of the means by which the DOT helps ensure safety is by subjecting those drivers responsible for transportation safety to drug and alcohol testing. Drivers tested under the DOT program have direct impact on the safety of the traveling public.

**Test Procedures.** The overall responsibility for management and coordination of the DOT program resides within the Office of the Secretary of Transportation's (OST), Office of Drug and Alcohol Policy and Compliance (ODAPC). ODAPC issues Part 40. Whether the transportation employee is a pipeline worker, truck driver, or airline pilot, their drug and alcohol tests are conducted using the same Part 40 procedures. This consistency benefits all employees affected by DOT regulations in that each agency's regulations must adhere to DOT's testing procedures. Better known simply as "Part 40," this rule has become the standard for workplace testing in the United States.

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<sup>1</sup> Title 49 Code of Federal Regulations (CFR), Part 382, "Controlled Substances and Alcohol Use and Testing," Federal Motor Carrier Safety Administration, Department of Transportation, 61 FR 9553, Mar. 8, 1996 as amended.

<sup>2</sup> Title 49, Code of Federal Regulations (CFR), Part 40, "Procedures for Transportation Workplace Drug and Alcohol Testing Programs," Office of the Secretary, Department of Transportation, 65 FR 79462, Dec. 19, 2000 as amended.

<sup>3</sup> "What Employees Need To Know About DOT Drug & Alcohol Testing," ODAPC, DOT, October, 2010.

**Compliance Enforcement.** Regulation and enforcement within the different transportation industries is the responsibility of the DOT agency (e.g., FMCSA for trucking) that has authority over the particular industry. The regulatory authority requiring drug and alcohol testing of safety-sensitive employees in aviation, trucking, railroads, and mass transit industries is the Omnibus Transportation Employee Testing Act of 1991<sup>4</sup> (OTETA).

## **II. GENERAL**

### **1. Applicability**

Part 382, and this Plan, applies to every person and to all employers of such persons who operate a commercial motor vehicle in commerce in any State, and is subject to: (1) The commercial driver's license requirements of Part 383<sup>5</sup>; (2) The Licencia Federal de Conductor (Mexico) requirements; or (3) The commercial drivers license requirements of the Canadian National Safety Code.

### **2. Compliance**

**Plan Development.** The Plan meets the requirement of Part 382, paragraph §382.601, to provide educational materials that explain the requirements of Parts 382 and 40 and the Company's policies and procedures with respect to meeting these requirements. The Plan describes the methods and procedures for compliance with the drug and alcohol program requirements of the DOT. The Plan covers the operational, day-to-day requirements that are found in Part 382, and the procedural, testing requirements that are found in Part 40. The Plan provides appendices for the name and address of each laboratory that analyzes specimens for the Company, the Company's Medical Review Officer, Substance Abuse Professionals, and Employee Assistance Professionals. The Plan communicates to drivers, Company officials, and DOT officials the path that the Company will follow in order to comply with the requirements for a successful DOT drug and alcohol program.

**Plan Availability.** The Plan will be posted in a common place, selected by the Company, for driver review and feedback. A copy of the Plan will be made available to all drivers. Any driver desiring a copy of Part 40 and/or Part 382 must contact the Designated Employer Representative (see Appendix B). The Plan will provide a basic description of the rules and testing requirements, and will show how the Company implements and follows them. The Plan is not meant as a substitute for the detail provided in either rule. If there is any difference in instruction or interpretation between the Plan and the rules, the rules prevail. The Plan will be updated at any time its language, or the intent of its language, differs from that of either Part 40 or Part 382. Drivers are encouraged to obtain and read Part 40 and Part 382 on their own.

### **3. "DOT" vs. "FMCSA"**

All DOT workplace testing procedures will follow Part 40 requirements. All DOT procedural responsibilities for motor carriers will follow Part 382. In the Plan, the term "DOT" will be used for references to general requirements (e.g., testing procedures) placed on motor carriers. The use of the term "FMCSA" will be to distinguish specific, unique administration requirements versus general, DOT requirements (e.g., blood alcohol test results received from law enforcement may be used in a post-accident situation).

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<sup>4</sup> Public Law 102-143, October 28, 1991, Title V - Omnibus Transportation Employee Testing, 105 Stat. 952-965; 49 U.S.C. 45104(2).

<sup>5</sup> Title 49 Code of Federal Regulations (CFR), Part 383, "Commercial Drivers License Standards; Requirement and Penalties," Federal Motor Carrier Safety Administration, 52 FR 20587, June 1, 1987, as amended.

#### 4. DOT Procedures

The Company will assure that the procedures of Part 40 are followed for drug and alcohol testing conducted under the requirements and authority of Part 382; a violation of Part 40 is a violation of Part 382. If the Company employs a Consortium/Third-Party Administrator (C/TPA) to assist in program development, implementation, and management, the C/TPA will, likewise, follow all the requirements of Part 40 and Part 382. It is the Company's goal to establish and maintain compliance with the DOT drug and alcohol program.

#### 5. Stand-down Waiver

DOT "stand-down" is not in effect for this Company. The Company does not hold a stand-down waiver under Part 40, and has not applied for one. Should this status change, the Company will notify all drivers and Company officials, in accordance with Part 40 requirements.

#### 6. Preemption of State and Local Laws

Part 40 and Part 382 are Federal laws. Federal law preempts any state or local law, rule, regulation, or order to the extent that: (a) compliance with both the state or local requirement and Part 40 or 382 is not possible; or, (b) compliance with the state or local requirement is an obstacle to the accomplishment and execution of any requirement of Part 40 or 382. This provision does not preempt provisions of state criminal law that impose sanctions for reckless conduct leading to actual loss of life, injury, or damage to property, whether the provisions apply specifically to transportation employees or employers or to the general public.

#### 7. Definitions

Definitions from Parts 40, and 382 have been combined in alphabetical order and are provided in a single listing. For purposes of the Plan the following definitions apply:

**Actual knowledge** - For the purpose of Part 382 (subpart B) and the Plan, means actual knowledge by an employer that a driver has used alcohol or controlled substances based on the employer's direct observation of the employee, information provided by the driver's previous employer(s), a traffic citation for driving a CMV while under the influence of alcohol or controlled substances or an employee's admission of alcohol or controlled substance use, except as provided in Sec. 382.121. Direct observation as used in this definition means observation of alcohol or controlled substances use and does not include observation of employee behavior or physical characteristics sufficient to warrant reasonable suspicion testing under Sec. 382.307.

**Administrator** - The Administrator of the Federal Motor Carrier Safety Administration (FMCSA) or any person to whom authority in the matter concerned has been delegated by the Secretary of Transportation.

**Adulterated specimen** - A specimen that has been altered, as evidenced by test results showing either a substance that is not a normal constituent for that type of specimen or showing an abnormal concentration of an endogenous substance.

**Affiliate** - Persons are affiliates of one another if, directly or indirectly, one controls or has the power to control the other or a third party controls or has the power to control both. Indicators of control include, but are not limited to: interlocking management or ownership; shared interest among family members; shared facilities or equipment; or common use of employees. Following the issuance of a Public Interest Exclusion (PIE), an organization having the same or similar management, ownership, or principal employees as the service agent concerning who public interest exclusion is in effect is regarded as an affiliate. This definition is used in connection with the public interest exclusion procedures of Part 40, Subpart R.

**Air blank** - In evidential breath testing devices (EBTs) using gas chromatography technology, a reading of the device's internal standard. In all other EBTs, a reading of ambient air containing no alcohol.

**Alcohol** - The intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohols, including methyl or isopropyl alcohol.

**Alcohol concentration** - The alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by a breath test under this part.

**Alcohol confirmation test** - A subsequent test using an EBT, following a screening test with a result of 0.02 or greater, that provides quantitative data about the alcohol concentration.

**Alcohol screening device (ASD)** - A breath or saliva device, other than an EBT, that is approved by the National Highway Traffic Safety Administration (NHTSA) and placed on a conforming products list (CPL) for such devices.

**Alcohol screening test** - An analytic procedure to determine whether an employee may have a prohibited concentration of alcohol in a breath or saliva specimen.

**Alcohol testing site** - A place selected by the employer where employees present themselves for the purpose of providing breath or saliva for an alcohol test.

**Alcohol use** - The drinking or swallowing of any beverage, liquid mixture or preparation (including any medication), containing alcohol.

**Aliquot** - A fractional part of a specimen used for testing. It is taken as a sample representing the whole specimen.

**Blind sample or blind performance test specimen** - A specimen submitted to a laboratory for quality control testing purposes, with a fictitious identifier, so that the laboratory cannot distinguish it from an employee specimen.

**Breath Alcohol Technician (BAT)** - A person who instructs and assists employees in the alcohol testing process and operates an evidential breath testing device.

**Cancelled test** - A drug or alcohol test that has a problem identified that cannot be or has not been corrected, or which Part 40 otherwise requires to be cancelled. A cancelled test is neither a positive nor a negative test.

**Chain-of-custody** (or Custody and Control Form (CCF)) - The procedure used to document the handling of the urine specimen from the time the employee gives the specimen to the collector until the specimen is destroyed. This procedure uses the Federal Drug Testing Custody and Control Form (CCF).

**Collection Container** - A container into which the employee urinates to provide the specimen for a drug test.

**Collection Site** - A place selected by the employer where employees present themselves for the purpose of providing a urine specimen for a drug test.

**Collector** - A person who instructs and assists employees at a collection site, who receives and makes an initial inspection of the specimen provided by those employees, and who initiates and completes the CCF.

**Commerce** - (1) Any trade, traffic or transportation within the jurisdiction of the United States between a place in a State and a place outside of such State, including a place outside of the United States; and (2) Trade, traffic, and transportation in the United States which affects any trade, traffic, and transportation described in paragraph (1) of this definition.

**Commercial Motor Vehicle (CMV)** - A motor vehicle or combination of motor vehicles used in commerce to transport passengers or property if the vehicle-- (1) Has a gross combination weight rating of 11,794 or more kilograms (26,001 or more pounds) inclusive of a towed unit with a gross vehicle weight rating of more than 4,536 kilograms (10,000 pounds); or (2) Has a gross vehicle weight rating of 11,794 or more kilograms (26,001 or more pounds); or (3) Is designed to transport 16 or more passengers, including the driver; or (4) Is of any size and is used in the transportation of materials found to be hazardous for the purposes of the Hazardous Materials Transportation Act (49 U.S.C. 5103(b)) and which require the motor vehicle to be placarded under the Hazardous Materials

Regulations (49 CFR part 172, subpart F).

**Confirmatory drug test** - A second analytical procedure performed on a different aliquot of the original specimen to identify and quantify the presence of a specific drug or drug metabolite.

**Confirmation (or confirmatory) validity test** - A second test performed on a different aliquot of the original urine specimen to further support a validity test result.

**Confirmed drug test** - A confirmation test result received by an MRO from a laboratory.

**Consortium/Third-Party Administrator (C/TPA)** - A service agent that provides or coordinates the provision of a variety of drug and alcohol testing services to employers. C/TPAs typically perform administrative tasks concerning the operation of the employers' drug and alcohol testing programs. This term includes, but is not limited to, groups of employers who join together to administer, as a single entity, the DOT drug and alcohol testing programs of its members. C/TPAs are not "employers" for purposes of Part 40.

**Continuing education** - Training for substance abuse professionals (SAPs) who have completed qualification training and are performing SAP functions, designed to keep SAPs current on changes and developments in the DOT drug and alcohol testing program.

**Controlled substances** - Those substances identified in Part 40 and this plan as "drugs."

**DOT Procedures (or Part 40)** - The Procedures for Transportation Workplace Drug and Alcohol Testing Program published by the Office of the Secretary of Transportation in 49 CFR Part 40.

**Designated employer representative (DER)** - An employee authorized by the employer to take immediate action(s) to remove employees from safety-sensitive duties, or cause employees to be removed from these safety-sensitive duties, and to make required decisions in the testing and evaluation processes. The DER also receives test results and other communications for the employer, consistent with the requirements of Part 40. Service agents cannot act as DERs.

**Dilute specimen** - A urine specimen with creatinine and specific gravity values that are lower than expected for human urine.

**Disabling damage** - Damage which precludes departure of a motor vehicle from the scene of the accident in its usual manner in daylight after simple repairs. (1) Inclusions. Damage to motor vehicles that could have been driven, but would have been further damaged if so driven. (2) Exclusions. (i) Damage which can be remedied temporarily at the scene of the accident without special tools or parts. (ii) Tire disablement without other damage even if no spare tire is available. (iii) Headlight or taillight damage. (iv) Damage to turn signals, horn, or windshield wipers which make them inoperative.

**DOT, The Department, DOT agency** - These terms encompass all DOT agencies, including, but not limited to, the Federal Aviation Administration (FAA), the Federal Railroad Administration (FRA), the Federal Motor Carrier Safety Administration (FMCSA), the Federal Transit Administration (FTA), the National Highway Traffic Safety Administration (NHTSA), the Pipeline and Hazardous Materials Safety Administration (PHMSA), and the Office of the Secretary (OST). These terms include any designee of a DOT agency.

**Driver** - Any person who operates a commercial motor vehicle. This includes, but is not limited to: Full time, regularly employed drivers; casual, intermittent or occasional drivers; leased drivers and independent owner-operator contractors.

**Drugs** - The drugs for which tests are required under Part 40 and DOT agency regulations are marijuana, cocaine, amphetamines, phencyclidine (PCP), and opiates.

**Employee (safety-sensitive employee)** - Any person who is designated in a DOT agency regulation as subject to drug testing and/or alcohol testing. The term includes individuals currently performing safety-sensitive functions designated in DOT agency regulations and applicants for employment subject to pre-employment testing. For purposes of drug testing under Part 40, the term employee has the same meaning as the term "donor" as found on CCF and related guidance materials produced by the Department of Health and Human Services. For the purposes of regulation under Part 382, the

term employee means a person (i.e., driver) who performs a safety-sensitive function, including full-time, part-time and temporary employees.

**Employer** - A person or entity employing one or more employees (including an individual who is self-employed) subject to DOT agency regulations requiring compliance with Part 40. The term includes an employer's officers, representatives, and management personnel. Service agents are not employers for the purposes of Part 40.

**Error Correction Training** - Training provided to BATs, collectors, and screening test technicians (STTs) following an error that resulted in the cancellation of a drug or alcohol test. Error correction training must be provided in person or by a means that provides real-time observation and interaction between the instructor and trainee.

**Evidential Breath Testing Device (EBT)** - A device approved by NHTSA for the evidential testing of breath at the .02 and .04 alcohol concentrations, placed on NHTSA's Conforming Products List (CPL) for "Evidential Breath Measurement Devices" and identified on the CPL as conforming with the model specifications available from NHTSA's Traffic Safety Program.

**HHS, Department of Health and Human Services** - The Department of Health and Human Services or any designee of the Secretary, Department of Health and Human Services.

**Initial drug test (also known as a "Screening drug test")** - The test used to differentiate a negative specimen from one that requires further testing for drugs or drug metabolites.

**Initial specimen validity test** - The first test used to determine if a urine specimen is adulterated, diluted, substituted, or invalid.

**Invalid drug test** - The result reported by an HHS-certified laboratory in accordance with the criteria established by HHS Mandatory Guidelines when a positive, negative, adulterated, or substituted result cannot be established for a specific drug or specimen validity test.

**Laboratory** - Any U.S. laboratory certified by HHS under the National Laboratory Certification Program as meeting the minimum standards of Subpart C of the HHS Mandatory Guidelines for Federal Workplace Drug Testing Programs; or, in the case of foreign laboratories, a laboratory approved for participation by DOT under this part.

**Licensed medical practitioner** - A person who is licensed, certified, and/or registered, in accordance with applicable Federal, State, local, or foreign laws and regulations, to prescribe controlled substances and other drugs.

**Limit of Detection (LOD)** - The lowest concentration at which a measurand can be identified, but (for quantitative assays) the concentration cannot be accurately calculated.

**Limit of Quantitation** - For quantitative assays, the lowest concentration at which the identity and concentration of the measurand can be accurately established.

**Medical Review Officer (MRO)** - A person who is a licensed physician and who is responsible for receiving and reviewing laboratory results generated by an employer's drug testing program and evaluating medical explanations for certain drug test results.

**Negative result** - The result reported by an HHS-certified laboratory to an MRO when a specimen contains no drug or the concentration of the drug is less than the cutoff concentration for the drug or drug class and the specimen is a valid specimen.

**Non-negative specimen** - A urine specimen that is reported as adulterated, substituted, positive (for drug(s) or drug metabolite(s)), and/or invalid.

**Office of Drug and Alcohol Policy and Compliance (ODAPC)** - The office in the Office of the Secretary, DOT, that is responsible for coordinating drug and alcohol testing program matters within the Department and providing information concerning the implementation of Part 40.



**Oxidizing adulterant** - A substance that acts alone or in combination with other substances to oxidize drugs or drug metabolites to prevent the detection of the drug or drug metabolites, or affects the reagents in either the initial or confirmatory drug test.

**Performing (a safety-sensitive function)** - A driver is considered to be performing a safety-sensitive function during any period in which he or she is actually performing, ready to perform, or immediately available to perform any safety-sensitive functions.

**Positive rate for random drug testing** - The number of verified positive results for random drug tests conducted under Part 382, plus the number of refusals of random drug tests required by Part 382, divided by the total number of random drug tests results (i.e., positives, negatives, refusals) conducted under Part 382.

**Positive result** - The result reported by an HHS-certified laboratory when a specimen contains a drug or drug metabolite equal to or greater than the cutoff concentrations.

**Primary specimen** - In drug testing, the urine specimen bottle that is opened and tested by a first laboratory to determine whether the employee has a drug or drug metabolite in his or her system; and for the purpose of validity testing. The primary specimen is distinguished from the split specimen, defined in this section.

**Prohibited drug** - Any of the following substances specified in Schedule I or Schedule II of the Controlled Substances Act (21 U.S.C. 812): marijuana, cocaine, opiates, amphetamines, and phencyclidine (PCP).

**Qualification Training** - The training required in order for a collector, BAT, MRO, SAP, or STT to be qualified to perform their functions in the DOT drug and alcohol testing program. Qualification training may be provided by any appropriate means (e.g., classroom instruction, internet application, CD-ROM, video).

**Reconfirmed** - The result reported for a split specimen when the second laboratory is able to corroborate the original result reported for the primary specimen.

**Rejected for testing** - The result reported by an HHS-certified laboratory when no tests are performed for a specimen because of a fatal flaw or a correctable flaw that is not corrected.

**Refresher Training** - The training required periodically for qualified collectors, BATs, and STTs to review basic requirements and provide instruction concerning changes in technology (e.g., new testing methods that may be authorized) and amendments, interpretations, guidance, and issues concerning Part 40 and DOT agency drug and alcohol testing regulations (e.g., Part 382). Refresher training can be provided by any appropriate means (e.g., classroom instruction, internet application, CD-ROM, video).

**Refusal to submit, refuse, or refuse to take** - Behavior consistent with Part 40 concerning refusal to take a drug test or refusal to take an alcohol test.

**Safety-sensitive function** - All time from the time a driver begins to work or is required to be in readiness to work until the time he/she is relieved from work and all responsibility for performing work. Safety-sensitive functions shall include: (1) All time at an employer or shipper plant, terminal, facility, or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the employer; (2) All time inspecting equipment as required by Sections 392.7 and 392.8 or otherwise inspecting, servicing, or conditioning any commercial motor vehicle at any time; (3) All time spent at the driving controls of a commercial motor vehicle in operation; (4) All time, other than driving time, in or upon any commercial motor vehicle except time spent resting in a sleeper berth (a berth conforming to the requirements of Section 393.76); (5) All time loading or unloading a vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or in giving or receiving receipts for shipments loaded or unloaded; and (6) All time repairing, obtaining assistance, or remaining in attendance upon a disabled vehicle.

**Screening drug test** - See Initial drug test definition above.

**Screening Test Technician (STT)** - A person who instructs and assists employees in the alcohol testing process and operates an ASD.

**Secretary** - The Secretary of Transportation or the Secretary's designee.

**Service agent** - Any person or entity, other than an employee of the employer, who provides services specified under Part 40 to employers and/or employees in connection with DOT drug and alcohol testing requirements. This includes, but is not limited to, collectors, BATs and STTs, laboratories, MROs, substance abuse professionals, and C/TPAs. To act as service agents, persons and organizations must meet the qualifications set forth in applicable sections of Part 40. Service agents are not employers for purposes of Parts 382 and 40.

**Shipping container** - A container that is used for transporting and protecting urine specimen bottles and associated documents from the collection site to the laboratory.

**Specimen bottle** - The bottle that, after being sealed and labeled according to the procedures in Part 40, is used to hold the urine specimen during transportation to the laboratory.

**Split specimen** - In drug testing, a part of the urine specimen that is sent to a first laboratory and retained unopened, and which is transported to a second laboratory in the event that the employee requests that it be tested following a verified positive test of the primary specimen or a verified adulterated or substituted test result.

**Split specimen collection** - A collection in which the urine collected is divided into two separate specimen bottles, the primary specimen (Bottle A) and the split specimen (Bottle B).

**Stand-down** - The practice of temporarily removing an employee from the performance of safety-sensitive functions based only on a report from a laboratory to the MRO of a confirmed positive test for a drug or drug metabolite, an adulterated test, or a substituted test, before the MRO has completed verification of the test result.

**Substance Abuse Professional (SAP)** - A person who evaluates employees who have violated a DOT drug and alcohol regulation and makes recommendations concerning education, treatment, follow-up testing, and aftercare.

**Substituted specimen** - A specimen with creatinine and specific gravity values that are so diminished that they are not consistent with human urine.

**Verified test** - A drug test result or validity testing result from an HHS-certified laboratory that has undergone review and final determination by the MRO.

**Violation rate for random alcohol testing** - means the number of 0.04 and above random alcohol confirmation test results conducted under Part 382 plus the number of refusals of random alcohol tests required by Part 382, divided by the total number of random alcohol screening tests (including refusals) conducted under Part 382.

### **III. POLICY AND RESPONSIBILITIES**

#### **1. Company Policy**

**Policy Statement.** The Company has a long-standing commitment to maintain the highest standards for employee safety and health. The use of controlled substances and the misuse of alcohol are contrary to these high standards. The use or possession of illegal controlled substances or alcoholic beverages while on Company property, or in any Company vehicle, or on Company time, including breaks or lunch, paid or unpaid, on any shift, is strictly prohibited.

**DOT Compliance.** The Company is aware that it is ultimately responsible for meeting the requirements of Parts 40 and 382. The DOT authorizes transportation employers to use a service agent(s) to perform tasks necessary to comply with the Plan. The Company understands that, under the DOT regulations, it is responsible for the actions of its service agents. The Company is responsible for developing and implementing a successful and comprehensive DOT workplace drug and alcohol program. Components of the Company's program include clear policies, provisions for education and

training, drug and alcohol testing, and when needed, referral for evaluation, education, and treatment. The Company shall ensure that all drivers are aware of the provisions and coverage of the Plan.

## 2. Responsibilities of Key Personnel

The Company will convey to responsible individuals -- the Designated Employer Representative(s) and affected supervisors - that, to the best of their ability, the privacy and confidentiality of any driver subject to the Plan must be maintained at all times.

**Designated Employer Representative (DER).** Appendix B contains the name, address, and phone number of the DER(s). The DER is:

- a. the key employee for the Company's drug and alcohol program functions, and has the knowledge and authority to make decisions about the testing process and answer questions about it.
- b. not a service agent.
- c. one or more employees of the Company assigned to ensure adequate coverage on all shifts and at all locations.
- d. responsible for the preparation of the Plan, as well as providing oversight and evaluation on the Plan.
- e. responsible to review all adverse personnel action or discipline applied under the Plan for consistency and conformance to human resources policies and procedures.
- f. responsible for scheduling random, return-to-duty and follow-up testing, as applicable, and is authorized to receive and maintain, in a secure file system, all drug and alcohol testing results.
- g. responsible for providing answers to driver questions regarding the testing program, and information on the resources available for drug and alcohol counseling.
- h. responsible for overseeing the employee assistance program (EAP).

**Supervisor.** A Company individual(s) responsible for observing the performance and behavior of drivers that is suggestive enough to lead to reasonable suspicion/cause drug and/or alcohol testing. Supervisors who will determine whether a driver must be drug tested and/or alcohol tested based on reasonable suspicion/cause will be trained in the "signs and symptoms" of each substance. The supervisor is required to document a reasonable suspicion/cause event.

## 3. Responsibility of Drivers

**Compliance.** Each driver must comply with the requirements of the Plan, and the DOT drug and alcohol rules it pertains to, in order to remain eligible to drive commercial motor vehicles. Each driver has the responsibility to read, be knowledgeable of, and comply with, the requirements of the Plan, and Parts 40 and 382. Committing a DOT violation will result in the driver's immediate removal from the safety-sensitive function, and remain so until successfully completing the DOT return-to-duty conditions of Part 40. The Plan describes circumstances for being tested, violations, prohibited conduct, and their subsequent consequences. The Plan describes what is available to each driver as services (e.g., EAP) in such cases where the driver has a potential problem with drugs or alcohol prior to a drug or alcohol test. It is a condition of employment for all drivers to sign the Acknowledgement/Receipt Form (Appendix A). In doing so, the driver attests to comply with the drug and alcohol program requirements of the Company and the requirements of the Plan. Failure to comply with this condition may result in disciplinary action up to and including termination.

## 4. Use of Service Agents

**Compliance.** The Company will contract with service agents to accomplish many of the requirements of Parts 40 and 382. Appendix B (Designated Personnel and Service Agents) provides the names and addresses of service agents that are under contract. Contracts will contain a provision that the service agent will comply with Parts 40 and 382 in the services provided. The work of any service agent providing services to the Company will be open to inspection by the Company. The service agent must allow access to property and records by the Company, the Administrator, and if the Company is

subject to the jurisdiction of a state agency, a representative of the state agency for the purpose of monitoring the Company's compliance with the requirements of Part 382. No service agent will serve as DER for this Company.

**Public Interest Exclusion.** The Company will not use a service agent against whom a Public Interest Exclusion (PIE) has been issued. The Company will stop using the services of a service agent no later than 90 days after the Department has published the decision in the *Federal Register* or posted it on its web site that a PIE has been issued. The Company may apply to the ODAPC Director for an extension of 30 days if it is demonstrated that a substitute service agent cannot be found within 90 days.

**Consortium/Third Party Administrator.** The Company may employ the service of a Consortium/Third Party Administrator (C/TPA) to assist the DER with overall program management and consultation on any program issue. While the C/TPA will not serve as the DER, the C/TPA may support the DER by explaining the regulations and offering guidance on program-compliance issues.

#### **Employee Assistance Professional.**

- a) The Company may offer a program through their EAP allowing the admission of drug and alcohol use. Drivers who admit to drug use or alcohol misuse are not subject to the referral, evaluation and treatment requirements of Part 382, Part 40, and the Plan, provided that: (1) The admission is in accordance with a written Company-established voluntary self-identification program or policy that meets the requirements of paragraph (b) of this section; (2) The driver does not self-identify in order to avoid testing; (3) The driver makes the admission of drug use or alcohol misuse prior to performing a safety sensitive function (i.e., prior to reporting for duty); and (4) The driver does not perform a safety sensitive function until the Company is satisfied that the driver has been evaluated and has successfully completed education or treatment requirements in accordance with the self-identification program guidelines.
- b) A qualified voluntary self-identification program or policy will contain the following elements: (1) The Company will not take adverse action against a driver making a voluntary admission of drug use or alcohol misuse within the parameters of the program or policy and paragraph (a) of this section; (2) The Company will allow the driver sufficient opportunity to seek evaluation, education or treatment to establish control over the driver's drug or alcohol problem; (3) The Company will permit the driver to return to safety sensitive duties only upon successful completion of an educational or treatment program, as determined by a drug and alcohol abuse evaluation expert, i.e., employee assistance professional, substance abuse professional, or qualified drug and alcohol counselor; (4) The Company will ensure that: (i) Prior to the driver participating in a safety sensitive function, the driver shall undergo a return to duty test with a result indicating an alcohol concentration of less than 0.02; and/or (ii) Prior to the driver participating in a safety sensitive function, the driver shall undergo a return to duty drug test with a verified negative test result; and (5) The Company may incorporate driver monitoring and include non-DOT follow-up testing.

#### **5. "Non-DOT" Testing Program**

**Compliance.** The Company may implement an additional drug and/or alcohol testing program, referred to as a "Non-DOT program." Any additional testing program would be completely independent of the DOT testing program. Such a testing program would be developed under the Company's own authority and kept separate from the DOT program. All DOT testing would be accomplished first; the Company's non-DOT program would commence afterwards. The non-DOT program would use different forms and not use the Federal Custody and Control Form or the DOT Alcohol Testing Form. The non-DOT program could test different people, for different drugs, and different reasons-for-testing. If the Company implements its own non-DOT testing program, the Company will define the program

and notify all drivers through a Non-DOT Program Plan.

## **IV. DOT PROGRAM REQUIREMENTS**

### **1. Drivers Subject to Drug and Alcohol Testing**

**Compliance.** Any driver who operates a commercial motor vehicle in commerce in any State and is subject to:

- a) The commercial driver's license requirements of Part 383;
- b) The Licencia Federal de Conductor (Mexico) requirements; or
- c) The commercial drivers license requirements of the Canadian National Safety Code.

### **2. Acknowledgement/Receipt Form**

The "Acknowledgement/Receipt Form," (Appendix A), applies to all drug and/or alcohol tests, or related foregoing or subsequent DOT procedures, for drivers of commercial motor vehicles with the Company. The signed form will be maintained by the Company. For any test, the expectations placed on the driver by the Company are to "follow all instructions" in order to accomplish the test.

### **3. History-check Requirement**

**Compliance.** Prior to the first time that the Company uses a driver (i.e., a new hire or an employee transferring into the safety-sensitive position) the Company will require a "history check" of the driver. The history check will look back into the driver's past three years of DOT employment for DOT violations. History checks are conducted only after obtaining the driver's written authorization to do so. Any driver refusing to provide written consent will not be permitted to perform safety-sensitive functions. The Company will not allow the driver to perform their functions after 30 days from the date on which the driver first performed safety-sensitive functions, unless the Company has obtained or made and documented a good faith effort to obtain drug testing information from previous DOT-regulated employers.

**Information request.** The Company will request the following information about the driver.

- a) Alcohol tests with a result of 0.04 or higher alcohol concentration;
- b) Verified positive drug tests;
- c) Refusals to be tested (including verified adulterated or substituted drug test results);
- d) Other violations of DOT agency drug and alcohol testing regulations; and
- e) With respect to any driver who violated a DOT drug and alcohol regulation, documentation of the driver's successful completion (i.e., of DOT return-to-duty and follow-up testing requirements).

The Company will make at least one attempt by telephone, e-mail or fax, and maintain documentation associated with the attempt to obtain history-check information (e.g., date and time of the attempt, person contacted). If the Company finds evidence of past DOT violations, those violations may be used as the sole reason for not hiring the individual or for termination.

**Violation Consequences.** The Company will not use any driver who has had a past DOT violation and has not complied with DOT eligibility standards for returning to safety-sensitive work. The Company will also ask the driver if they had any pre-employment test that was positive for which the previous employer did not hire them. The driver's answer to this question will be maintained as part of the driver's history-check information.

### **4. Notification of Tests**

Drivers will be notified directly when a test must be conducted. While the circumstances for a test will differ by its reason-for-test, the Company will endeavor to conduct all tests with only a limited number of Company personnel having knowledge of the reason for the test.

All testing will be unannounced until the last possible moment. The timing will vary in conjunction with the reason-for-test. For example, a pre-employment test will be announced during the job application; a random test is announced within the test period, but just prior to the test, to maintain the element of surprise; and, announcements of post-accident or reasonable suspicion tests are controlled by the circumstances that come to light around the time of the event (e.g., accident). All alcohol test will be conducted just prior to, during, or just after the performance of safety-sensitive duties. Drug tests may be conducted anytime the driver is at work.

The DER and Company supervisors will be responsible for notifications and to help maintain the element of confidentiality. When a driver is notified for a test, the driver must proceed to the collection site immediately. Immediately means that after notification, all the driver's actions must lead to an immediate specimen collection (or test). The Company considers "travel time to the collection site, plus 30 minutes" as the maximum acceptable interval of time between notification and testing.

In test situations such as post-accident and reasonable suspicion/cause, where the driver's job performance is called into question, supervisors will use their discretion and training to minimize further confrontation. A reasonable attempt will be made by the supervisor to isolate and inform the driver of the decision to test, the steps that must be taken to accomplish the test, and the consequences of refusing the test. If possible, for post-accident and reasonable suspicion tests, the Company will have the DER or a supervisor accompany the driver to the collection site. In post-accident test situations occurring where the supervisor is not present, the Company will provide the driver with necessary post-accident information and instructions so that the driver will be able to comply with post-accident testing.

## 5. DOT Drug Violations

**Drug Violations.** The following provides a listing of DOT drug violations of drivers:

- a) A verified positive drug test result;
- b) A refusal to be tested, determined by:
  - (1) Having a verified adulterated or substituted drug test result;
  - (2) Failing to appear for any drug test (except a pre-employment test) within a reasonable time, as determined by the Company, after being directed to do so by the Company;
  - (3) Failing to remain at the drug testing site until the testing process is complete;
  - (4) Failing to provide a urine specimen for any drug test;
  - (5) Failing to allow a directly observed or monitored collection in a drug test that requires such a collection procedure;
  - (6) Failing to provide a sufficient amount of urine for a drug test when directed, and it has been determined, through a required medical evaluation, that there was no adequate medical explanation for the failure;
  - (7) Failing or declining to take an additional drug test the employer or collector has directed you to take;
  - (8) Failing to undergo a medical examination or evaluation, as directed by the MRO as part of the verification process, or as directed by the DER; or,
  - (9) Failing to cooperate with any part of the testing process (e.g., refuse to empty pockets or failure to wash hands when so directed by the collector, behave in a confrontational way that disrupts the collection process, tampering with a specimen).
  - (10) For an observed collection, fail to follow the observer's instructions to raise clothing above the waist, lower clothing and underpants, and to turn around to permit the observer to determine if there is any type of prosthetic or other device that could be used to interfere with the collection process.
  - (11) Possess or wear a prosthetic or other device that could interfere with the collection process.
  - (12) Admit to the collector or MRO that a specimen has been adulterated or substituted.

- c) On-duty use of any controlled substance, except when the use is pursuant to the instructions of a licensed medical practitioner, as defined in §382.107, and who has advised the driver that the substance will not adversely affect the driver's ability to safely operate a commercial motor vehicle.

## 6. DOT Alcohol Violations and Prohibited Conduct

**Alcohol Violations.** The following provides a listing of DOT alcohol violations of drivers:

- a) A test result of 0.04 or higher **alcohol** concentration;
- b) A refusal to be tested, determined by:
  - (1) Failing to appear for any alcohol test (except a pre-employment test) within a reasonable time, as determined by the Company, after being directed to do so by the Company;
  - (2) Failing to remain at the alcohol testing site until the testing process is complete;
  - (3) Failing to provide an adequate amount of saliva or breath for an alcohol test;
  - (4) Failing to provide a sufficient amount of breath for an alcohol test when directed, and it has been determined, through a required medical evaluation, that there was no adequate medical explanation for the failure;
  - (5) Failing to undergo a medical examination or evaluation, as directed by the DER;
  - (6) Failing to sign the certification statement on the Alcohol Testing Form; or,
  - (7) Failing to cooperate with any part of the testing process.
- c) On-duty use of alcohol while performing safety-sensitive functions.
- d) Pre-duty use of alcohol within four (4) hours prior to performing safety-sensitive functions.
- e) Use of alcohol within eight (8) hours following an accident unless the driver has already been given a post-accident alcohol test.

**Alcohol Prohibited Conduct.** The following is **prohibited conduct** of drivers:

- a) A test result of 0.02 or greater alcohol concentration, but less than 0.04.

## 7. Violation Consequences and Company Actions

**After DOT Rule Violations.** The Company will not allow any driver who has a DOT drug or alcohol violation to perform safety-sensitive functions for the Company. Immediately, upon learning of the violation, the DER shall assure the removal of the driver from all safety-sensitive duties. That driver will be ineligible to work in any DOT safety-sensitive function for the Company until the driver has successfully completed the DOT return-to-duty process. The Company will refer the driver to a Substance Abuse Professional (SAP) as soon as practicable after the verified violation report.

**After DOT Alcohol Prohibited Conduct.** The Company will not allow any driver to perform, or continue to perform, any safety-sensitive functions under Part 382 when the driver is found to have an alcohol concentration of 0.02, or higher, but less than 0.04. The Company may not use the driver in a safety-sensitive function until the start of the driver's next regularly scheduled shift, which must be not less than twenty-four (24) hours following the test that indicated "prohibited conduct."

## 8. Drug and Alcohol Tests

**Compliance.** The Company will ensure that each driver will be drug and/or alcohol tested for the following reasons when called for by Part 382. All drug and alcohol tests will be conducted following the procedures of Part 40.

**Pre-Employment.** A pre-employment drug test will be conducted before an individual is hired or used to perform safety-sensitive functions. Pre-employment tests are also required of drivers returning from a leave of absence greater than 30 days who have not been participating in the Company's drug and alcohol program and subsequently subject to the random selection process. A negative DOT urine drug test result is required prior to performing safety-sensitive functions. DOT does not allow the use of a "quick test" or any other methodology other than laboratory-based urine testing.

FMCSA does not mandate a pre-employment alcohol test for drivers. FMCSA does give motor carriers who wish to conduct a pre-employment alcohol test the authority to do so. If the Company decides to conduct pre-employment alcohol testing, all applicants will be advised of the test prior to the test occurring, and all tests will be conducted before the first performance of safety-sensitive functions by every driver. The Company will treat all drivers the same for the purpose of pre-employment alcohol testing; the Company will not test some drivers and not others. The Company will conduct the pre-employment tests after making a contingent offer of employment or transfer, subject to the driver passing the pre-employment alcohol test. A result of less than 0.02 alcohol concentration is required prior to performing safety-sensitive functions.

**Post-Accident Testing.** The Company will conduct both a drug test and an alcohol test after an accident. As soon as practicable following an occurrence involving a commercial motor vehicle operating on a public road in commerce, the Company shall test for drugs and alcohol for each of its surviving drivers: (1) Who was performing safety-sensitive functions with respect to the vehicle, if the accident involved the loss of human life; or (2) Who receives a citation within 8 hours of the occurrence under State or local law for a moving traffic violation arising from the accident, if the accident involved: (i) Bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or (ii) One or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle. Table 1 notes when a post-accident test is required.

A post-accident drug test shall be conducted on each driver as soon as possible but no later than 32 hours after the accident. A post-accident alcohol test shall be conducted on each driver as soon as possible but no later than 8 hours after the accident. The Company must take all reasonable steps to test the driver after an accident, but any injury should be treated first. The Company will not delay necessary medical attention for an injured driver following an accident, prohibit an driver from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident, or to obtain necessary emergency medical care.

A driver who is subject to post-accident testing who fails to remain readily available for such testing, including notifying the Company or Company's representative of their location if they leave the scene of the accident prior to submission to such test, may be deemed by the Company to have refused to submit to testing. Depending on the circumstances of the accident, and if feasible, the driver will not be allowed to perform safety-sensitive functions pending the results of the drug test.

In situations where an accident occurs away from the Company's principal place of business (e.g., "on the road") the responsibility of accomplishing the post-accident tests falls on the driver. The driver must immediately contact the Company, the DER, or other designated Company representation for information and instructions on how to get the test done.

**Exception.** All drug and alcohol testing under Part 382 and this Plan must conform to Part 40 standards, with one exception – that being post-accident testing. In only a post-accident situation, the results of a breath or blood test for the use of alcohol, conducted by Federal, State, or local officials having independent authority for the test, meet the requirements of acceptable alcohol testing, provided such tests conform to the applicable Federal, State or local alcohol testing requirements, and that the results of the tests are obtained by the Company. Likewise, in only a post-accident situation, the results of a urine test for the use of drugs, conducted by Federal, State, or local officials having independent authority for the test, meet the requirements of acceptable drug testing, provided such tests conform to the applicable Federal, State or local controlled substances testing requirements, and that the results of the tests are obtained by the employer.



## Post-accident Test Criteria

Type of accident involved	Citation issued to the CMV driver	Test must be performed by employer
Human fatality	YES	YES
	NO	YES
Bodily injury with immediate medical treatment away from the scene	YES	YES
	NO	NO
Disabling damage to any motor vehicle requiring tow away	YES	YES
	NO	NO

Table 1

**Random Drug Testing.** The Company will conduct a number of random drug and alcohol tests each calendar year that meets or exceeds the current minimum annual percentage random testing rate. The minimum rate for random drug testing, set by FMCSA regulations, is 50 percent of the Company's drivers. The minimum rate for random alcohol testing, set by FMCSA regulations, is 10 percent of the Company's drivers. The Company may use the services of the C/TPA to manage all aspects of the Company's random testing program. If the Company conducts random testing through a C/TPA, the number of drivers to be tested may be calculated for each individual Company or may be based on the total number of drivers covered by the C/TPA who are subject to random testing.

All drivers will be immediately placed in a drug and alcohol random pool after obtaining a negative result on their pre-employment test. Drivers will remain in the random selection pool at all times, regardless of whether or not they have been previously selected for testing. The selection of drivers shall be made by using a computer-based, scientifically valid method (e.g., random number generator or equivalent random selection method) that is matched with a driver's social security number or driver ID number. The DER will assure the pools contain driver social security numbers or driver identification numbers that are current, complete, and correct. Drivers will have an equal chance of being selected for testing. Drivers are subject to both random alcohol and drug testing.

Random testing will occur on a quarterly basis. Prior to selection, the DER shall ensure that the random testing pool has been updated to include all current drivers in the Company's workforce. The number of tests to be conducted will be based on the number of drivers at the beginning of each quarter's test cycle. The DER, or C/TPA, shall use the random selection procedures to compile lists of drivers selected for drug and alcohol testing in each testing cycle. The number of drivers selected on each list shall be sufficient to assure that the minimum number of required tests can be achieved for both drugs and alcohol. The list of drivers selected will be retained by the DER in a secure location until the time of testing when the list will then be provided to the appropriate division manager, department head, or supervisor who will, in turn, notify the driver(s) to report for testing.

Random testing is unannounced, with drivers being notified that they have been selected for testing after they have reported for duty on the day of collection. All testing will be conducted on different days of the week throughout each test cycle to prevent drivers from matching their substance use patterns to the schedule for testing.

Once notified by the appropriate Company official, drivers will be instructed to report immediately to the collection site.

**Reasonable Suspicion/Cause Testing.** The Company will conduct reasonable suspicion testing, also known as reasonable cause testing, based on the Company's observation of "signs and symptoms" of specific, contemporaneous, articulable observations concerning the appearance, behavior, speech, or body odors of the driver.

The supervisor making the determination to test shall document, in writing, the behavioral signs and symptoms that support the determination to conduct a reasonable suspicion/cause test. This documentation of the driver's conduct shall be prepared and signed within 24 hours of the observed behavior or before the results of the tests are released, whichever is earlier. Refer to the *Post Accident or Reasonable Cause/Suspicion Supervisor Written Record*. The driver will be tested for drugs if the supervisor believes the driver has violated the prohibitions of Part 382 and this Plan concerning drugs. The driver will be tested for alcohol if the supervisor believes the driver has violated the prohibitions of Part 382 and this Plan concerning alcohol. In situations where the supervisor is sure of the signs and symptoms but unsure of the substance, the driver will be tested for both drugs and alcohol. The potentially affected driver should not be allowed to proceed alone to or from the testing site. In addition to the safety concerns for the driver, accompanying the driver also assures that there is no opportunity en route to the testing site for the driver to compromise the test through any method of tampering that could affect the outcome of test result.

The driver shall not perform a safety-sensitive function pending the receipt of the drug test results. The driver should make arrangements to be transported home. The driver should be instructed not to drive any motor vehicle due to the reasonable belief that they may be under the influence of a drug. If the driver insists on driving, a supervisor should notify the proper local law enforcement authority that a driver believed to be under the influence of a drug or alcohol is leaving the Company premises driving a motor vehicle.

**Return-to-Duty Testing.** The Company will conduct a return-to-duty test prior to a driver returning to safety-sensitive duty following a DOT violation. When a driver has a DOT violation they cannot work again in any DOT safety-sensitive function until successfully completing the Substance Abuse Professional (SAP) return-to-duty requirements. Only after the SAP has reported to the Company that the driver is eligible to return to safety-sensitive duties is the Company authorized to return the driver to a safety-sensitive function. However, whether or not to do so is a business decision of the Company, not the DOT. When the Company makes the decision to return the driver to safety-sensitive duty, the Company will initiate the order for the return-to-duty test. All return-to-duty drug tests will be conducted using direct-observation collection procedures.

A return-to-duty test, as a minimum, will be for the substance associated with the violation. A return-to-duty test may, however, be for both drugs and alcohol. The decision belongs solely to the SAP from information gained during the SAP-evaluation/treatment processes. The results of a return-to-duty test must be negative for drugs and less than .02 for alcohol in order "to count" and allow the driver to return to work. A cancelled test must be recollected. A positive drug test, an alcohol test of .04 or higher, or a refusal-to-test will be considered as a new, separate violation. When the driver "passes" his return-to-duty test, their name is immediately placed into the Company's random testing pool.

**Follow-up Testing.** The Company will conduct follow-up testing, as a series of tests that occur after a driver returns to safety-sensitive work, following a negative result on the return-to-duty drug and/or alcohol tests. Follow-up testing, as a minimum, will be for the substance associated with the violation. In addition, follow-up testing may be for both drugs and alcohol, as directed by the SAP's written follow-up testing plan.

Follow-up testing is the Company's responsibility to conduct. Follow-up testing will run concurrently with random testing. All follow-up drug tests will be conducted using direct-observation collection procedures. The results of a follow-up must be negative for drugs and less than .02 for alcohol. A cancelled test must be recollected. A positive drug test, an alcohol test of .04 or higher, or a refusal-to-test will be considered as a new, separate violation.

The number and frequency of the follow-up tests will be determined by the SAP, but shall consist of at least six tests in the first 12 months following the driver's return to duty. The follow-up plan will give both the number of tests and their frequency; the Company will select the actual day and time of the test and the tests are unannounced. Follow-up testing shall not exceed 60 months from the date of the driver's return to duty. The SAP may terminate the requirement for follow-up testing at any time after

the first six tests have been administered, if the SAP determines that such testing is no longer necessary.

## **V. DRUG PROGRAM**

### **1. Drug Tests That Require Direct Observation Procedures**

**Compliance.** The Company will conduct all return-to-duty and follow-up drug tests using the direct observation collection procedures specified by Part 40. Pre-employment, post-accident, reasonable suspicion/cause, and random drug tests are normally conducted by giving the driver the privilege of privacy when providing the urine specimen. However, should it become required that these collections be conducted under direct observation procedures, the Company will convey instructions to the collector to ensure that this occurs. Direct observation procedures will also be used for collections when a specimen is provided and the temperature is out of range, when the specimen appears to have been tampered with or when a previous specimen has been reported as invalid, adulterated, substituted or negative-dilute with a creatinine concentration greater than or equal to 2 mg/dL but less than or equal to 5 mg/dL, as defined in Part 40.

### **2. Specimen Collection Procedures**

**Compliance.** The Company will follow the requirements of Part 40 for its DOT collections. A full description of DOT collection requirements that collectors will follow can be found in Part 40, Subpart C ("Urine Collection Personnel"), Subpart D ("Collection Sites, Forms, Equipment and Supplies Used in a DOT Urine Collection"), and Subpart E ("Urine Specimen Collections").

**Collection Site Personnel.** The Company will ensure that collection sites, utilized by its drivers, are aware of their responsibilities with regard to the DOT specimen collection process. These responsibilities are to collect urine specimens using Part 40 procedures, ship the specimens to a Department of Health and Human Services (HHS) certified laboratory for analysis, and distribute copies of the Federal Drug Testing Custody and Control Form (CCF) to the laboratory, Medical Review Officer, employer or employer's C/TPA, and driver in a confidential manner. All attempts are made to use collectors who have been trained in accordance with Part 40. The Company, or the Company's C/TPA, will ask the collection sites conducting DOT collections to attest to the fact that they comply with DOT standards of practice. Any collection site that fails to attest to this goal will not be used by the Company for a DOT collection. The direct supervisor of a driver shall not serve as a collector in conducting any required drug test unless it is otherwise impracticable.

**Collection Site, Forms, and Specimen.** The Company will provide the driver with the specific location of the collection site where the drug test will take place. In most cases, the Company will provide the driver with a drug testing kit, which includes the CCF, to present to the collector. The only specimen that will be collected for any DOT collection is urine; the only form that will be used is the Federal CCF.

**Collections.** The Company will inform every driver that they are required to carry and present a current valid photo ID, such as a driver's license, passport, or employer-issued picture ID to the collection site. The driver will be advised that the collector will ask them to empty their pockets, remove any unnecessary garments (the driver may retain their wallet), and wash and dry their hands prior to the collection. The driver will be instructed to follow the collector's instructions throughout the collection process. Normally, the driver will be afforded privacy to provide a urine specimen. Exceptions to the rule generally surround issues of attempted adulteration or substitution of a specimen or any situation where questions of specimen validity arise, like an unusual specimen temperature.

After the driver has provided the specimen (a minimum of 45 mL) of their urine into a collection container, the collector will check the temperature and color of the urine. All DOT collections are "split specimen collections." The collector will pour the urine into two separate bottles (bottle "A" as the primary specimen and bottle "B" as split specimen), seal them with tamper-evident tape, and then ask the driver to initial the seals after they have been placed on the bottles. (Remember: Neither the driver nor the collector should let the specimen out of their sight until it has been poured into two separate

bottles and sealed.) Next, the driver will write their name, date of birth, and daytime and evening phone numbers on the MRO Copy (Copy 2) of the CCF. This is so the MRO can contact the driver directly if any questions arise about their test.

Lastly, the collector will complete the necessary documentation on Copy 1 of the CCF and package the CCF and the two specimen bottles in the plastic bag and seal the bag for shipment to the laboratory. Copies of the CCF will be distributed: Copy 2 to the MRO and Copy 4 to the employer or the employer's C/TPA; the collector keeps Copy 3; and, the driver gets Copy 5. The driver may list any prescription and over-the-counter medications they may be taking on the back of their copy of the CCF (this may serve as a reminder for the driver in the event the MRO calls to discuss their test results).

**Possible collection issues.** If the driver is unable to provide 45 mL of urine on the first attempt, the time will be noted, and they will be required to remain in the testing area under the supervision of the collection site personnel, their supervisor, or a representative from their Company (e.g., supervisor accompanying the driver). Leaving the testing area without authorization may be considered a refusal to test. The driver will be urged to drink up to 40 oz. of fluid, distributed reasonably over a period of up to three hours, and asked to provide a new specimen (into a new collection container). If the DER is contacted, the DER should instruct the driver to remain at the collection site to complete the collection process. If the driver does not provide a sufficient specimen within three hours, the DER, in consultation with the MRO, will direct the driver to obtain a medical evaluation within five days to determine if there is an acceptable medical reason for not being able to provide a specimen. If it is determined that there is no acceptable physiological or pre-existing psychological reason for not providing a urine specimen, it will be considered a refusal to test.

**Directly observed collections.** If a direct observation collection is required of the driver, the Company will ensure that the DOT requirements (i.e., direct observation by same-sex collector, observation of body-to-bottle urination, and use of full turn-around observation) procedures are followed.

### 3. Drug Testing Laboratory

**Compliance.** The Company will employ a laboratory that will follow the requirements of Part 40 for the Company's DOT drug tests. A full explanation of DOT drug testing requirements that the laboratory will follow is found in Part 40, Subpart F ("Drug Testing Laboratories").

**Laboratory.** The Company shall ensure that all DOT testing is conducted only by a laboratory that is certified by the Department of Health and Human Services (HHS) under the National Laboratory Certification Program (NLCP). Doing so ensures that the Company complies with the requirements of Part 40 and with all applicable requirements of HHS in testing DOT specimens, whether or not those requirements are explicitly stated in the Plan. The laboratory used by this Company is specified in Appendix B. The laboratory will report the certified results to the MRO and only to the MRO, at the address provided on the Federal CCF. Results will not be reported directly to the Company or to or through another service agent, such as the C/TPA.

**Specimen.** Urine is the only specimen that is authorized for DOT drug testing. The Company will not use any other specimen (e.g., hair or saliva) for a DOT-required drug test. A "quick test" (e.g. a urine test that produces an immediate test result) is also prohibited by DOT.

**Drug Testing.** The laboratory will ensure that, on each DOT test, each specimen is tested for **marijuana, cocaine, amphetamines, opiates, and phencyclidine (PCP)**. (See Table 2, pg 23) The testing is a "two step" process: all presumptive positive results on the initial test must be confirmed by a confirmation test. The initial and the confirmation tests use different chemical principles, and separate portions of the original specimen, for testing. DOT specimens will not be tested for any other drugs. DOT specimens will not be subjected to DNA testing.

**Validity Testing.** The laboratory will ensure that, on each DOT test, each specimen is also subjected to "validity testing." The purpose of validity testing is to determine if the driver tampered with their specimen during the collection process. Validity testing measures the creatinine concentration and specific gravity to detect a diluted or substituted specimen; pH is measured as one criterion established to detect an adulterated specimen. Validity testing also incorporates HHS criteria (used by DOT) in testing for specific adulterants such as nitrites, chromates, surfactants, and other active chemical compounds.

**Laboratory specimen handling and reporting.** When the laboratory receives a DOT specimen they will unpack and enter it into the testing process. Part of that process is to examine the condition of the specimen bottles and accompanying CCF. The laboratory will look closely for any specific reason to stop the testing process (i.e., "fatal flaws"). If the laboratory determines a fatal flaw exists, the specimen is rejected for testing. If a fatal flaw does not exist, the specimen will be tested. DOT specimens are limited to four fatal flaws. They are:

- a) Specimen ID numbers on the CCF and the bottles do not match.
- b) Not enough urine and the bottles cannot be redesignated.
- c) Signs of tampering and the bottles cannot be redesignated.
- d) Collector's printed name and signature are missing.

The laboratory will open only the primary specimen ("A" bottle) to conduct the two tests (initial and confirmatory). If the specimen tests negative in either test and does not have any specimen validity issues, the result will be reported to the MRO as a negative. Only if the specimen test results are positive, adulterated, substituted, and/or invalid under both tests will the specimen be reported to the MRO as a positive, adulterated, substituted, and/or invalid, respectively. These results are also referred to as "non-negative" results.

### Required DOT Drug Tests & Cutoffs

TYPE OF DRUG Initial Test Analyte	INITIAL TEST Cutoff Concentration	CONFIRMATORY TEST Analyte	CONFIRMATORY TEST Cutoff Concentration
<b>Marijuana metabolites</b>	50 ng/mL	THCA <sup>6</sup>	15 ng/mL
<b>Cocaine metabolites</b>	150 ng/mL	Benzoyllecgonine	100 ng/mL
<b>Opiate metabolites: Codeine/Morphine</b>	2000 ng/mL	Codeine Morphine	2000 ng/mL 2000 ng/mL
<b>6-acetylmorphine (6-AM) Phencyclidine (PCP)</b>	10 ng/mL 25 ng/mL	6-acetylmorphine (6-AM) Phencyclidine	10 ng/mL 25 ng/mL
<b>Amphetamines:</b>			
AMP/MAMP	500 ng/mL	Amphetamine Methamphetamine	250 ng/mL 250 ng/mL <sup>10</sup>
MDMA	500 ng/mL	MDMA <sup>7</sup> MDA <sup>8</sup> MDEA <sup>9</sup>	250 ng/mL 250 ng/ml

Table 2

<sup>6</sup> Delta-9-tetrahydrocannabinol-9-carboxylic acid.

<sup>7</sup> Methylenedioxyamphetamine (MDMA).

<sup>8</sup> Methylenedioxyamphetamine (MDA).

<sup>9</sup> Methylenedioxyethylamphetamine (MDEA).

<sup>10</sup> Specimen must also contain amphetamine at a concentration of greater than or equal to 100 ng/mL.

#### 4. Laboratory Retention Periods and Reports

**Specimen retention.** Specimens that are confirmed by the laboratory to be positive, adulterated, substituted, or invalid will be retained by the laboratory in properly secured, long-term, frozen storage for at least 365 days. Within this 365 day period, the MRO, the driver, the Company, FMCSA or other state agencies with jurisdiction, may request in writing that the specimens be retained for an additional period. If the laboratory does not receive the request to retain the specimen within the 365-day period, the specimen will be discarded.

**Record retention.** All laboratory records pertaining to any test for this Company on its drivers will be retained for two years. The employer-specific data that is created by the laboratory for the laboratory statistical summary will be retained for two years.

**Semi-annual reports.** The laboratory will prepare and send to the Company the aggregate employer-specific summary on a semi-annual basis. The format for this report is found in Part 40, Appendix B.

#### 5. Laboratory Quality Control

**Inspections.** The laboratory shall permit inspections by the Company, the FMCSA Administrator, or if the Company is subject to the jurisdiction of a state agency, a representative of the state agency. Additionally, if the Company uses a C/TPA, that C/TPA may conduct a periodic inspection of the laboratory on the behalf of the companies that are clients of the C/TPA.

**Quality control.** If the Company, or any C/TPA employed by the Company, has 2000 or more safety-sensitive employees, the Company will submit quality control specimens to any laboratory where they have more than 100 specimens tested each year. The rate of quality control specimens is 1% with a cap at 50 per quarter. At any time that the Company, or any C/TPA employed by the Company, reaches the 2000-employee threshold, quality control specimens will be submitted following the specifications of Part 40. Quality control specimens, known as "blind" specimens to the laboratory, will appear to be real employee specimens. The MRO will be informed of each test result and expected outcome.

**Reporting discrepancies.** The MRO will inform the Company or its C/TPA of any discrepancy in the expected result of any blind specimen. The MRO and C/TPA will resolve any discrepancies in the expected outcomes with this testing. If the unexpected outcome is positive, adulterated, or substituted where the expected outcome was to be negative, the MRO will report this result directly to DOT/ODAPC, in accordance with Part 40.

#### 6. MRO Review of Drug Test Results

**Compliance.** The Company will have, on staff or contract for the services of, an MRO who is a licensed physician with knowledge of drug abuse and is qualified under Part 40. The MRO will follow the requirements of Part 40 in carrying out the functions of the "independent and impartial gatekeeper of the drug testing process." A full description of DOT MRO requirements can be found in Part 40, Subpart G ("Medical Review Officers and the Verification Process"), and Subpart H (Split Specimen Testing).

**Duties.** All confirmed drug test results for the Company are received by the MRO directly from the laboratory. The MRO is responsible for the review of both negative and non-negative test results, review of the CCFs associated with each test, and to conduct quality control reviews of the MRO staff. The MRO will review and interpret confirmed positive, adulterated, substituted, and invalid test results. In carrying out this responsibility, the MRO shall examine alternate medical explanations for any positive, adulterated, substituted, or invalid test result. This action would include conducting a medical interview with the driver and review of the driver's medical history, or review of any other relevant biomedical factors, such as the results of a physical examination following an opiate positive. The MRO shall review medical records made available by the tested driver when the source of the confirmed result could have been from legally prescribed medication. The MRO shall not, however, consider the results of urine or other specimens that are not obtained or processed in accordance with DOT regulations.

**Results.** The MRO will use staff under his direct supervision to handle administrative processes for negative test results including receiving the result from the laboratory, reviewing the paperwork for accuracy, and reporting of the result to the DER.

The MRO staff may make the initial contact with drivers having confirmed positive, adulterated, substituted, and invalid test results, for the purposes of setting up an interview for the MRO. The MRO will personally conduct the interview with the driver to determine whether there is a legitimate medical explanation for these results. This interview will be conducted, in most cases, before the Company is notified. If the result is confirmed positive, and a legitimate medical explanation is established, the MRO will report the result to the DER as negative. If not, the MRO will report the result to the DER as positive. If the confirmed result is adulterated or substituted, and a legitimate medical explanation is established, the MRO will report the result to the DER as cancelled and notify ODAPC, in accordance with Part 40 procedures. If not, the MRO will report the result to the DER as a refusal to test. If the result is invalid, and an acceptable reason is established, the MRO will report the result to the DER as cancelled and the process will stop, unless a negative test result is needed (e.g., pre-employment, return-to-duty). If an acceptable reason is not established, the MRO will report the result to the DER as cancelled and order an immediate recollection under direct observation.

**Reports.** All drug test results will be reported to the Company DER in a confidential and timely manner. Before reporting any results, the MRO will have received a copy of the CCF showing where the driver has signed the form. The time period from collecting the specimen to reporting the verified is generally shorter for negatives than for non-negatives. Non-negatives will not be reported to the DER until all information required for the driver interview is received and approved by the MRO. The Company may use a C/TPA as its intermediary in receiving drug test results. If so, those reports will be handled in accordance with Part 40 requirements. If the MRO does not use Copy 2 of the CCF for reporting results, the MRO will maintain a copy of the signed or stamped report in addition to the signed or stamped and dated Copy 2. If the MRO uses an electronic data file to report negatives, the MRO will maintain a retrievable copy of that report in a format suitable for inspection and auditing by a DOT representative.

## **7. Split Specimen Testing**

**Split Specimen.** When the MRO has verified a result as positive, adulterated, or substituted, the MRO will notify the driver of his right to have the split specimen tested. The driver must notify the MRO within 72 hours of the result being verified in order to have this testing conducted. If the driver requests that the split specimen be tested within the 72-hour period, the MRO will ensure that the split specimen is tested. Testing of the split specimen is only conducted at the request of the driver, and then only after using the MRO as the requesting agent for the driver.

The Company is responsible for making sure that the MRO, first laboratory, and second laboratory perform the functions noted in Part 40 in a timely manner, once the driver has made a timely request for a test of the split specimen (e.g., by establishing appropriate accounts with laboratories for testing split specimens).

The Company must not condition compliance with these requirements on the driver's direct payment to the MRO or laboratory or the driver's agreement for reimbursement of the costs of testing. For example, if the Company's asks the driver to pay for some or all of the cost of testing the split specimen, and the driver is unwilling or unable to do so, the Company must ensure that the test takes place in a timely manner, which means that the Company will pay for the split testing. The Company may seek payment or reimbursement of all or part of the cost of the split specimen from the driver. Part 40 takes no position on who ultimately pays the cost of the test, so long as the Company ensures that the testing is conducted as required and the results released appropriately.

**Laboratory.** The testing of the split specimen will be conducted at another HHS-certified laboratory, different from the original laboratory. The Company will select the second laboratory. The split specimen will be tested for the same substance or condition that was found in the primary specimen. The MRO will report back to the DER and the driver whether the split reconfirms the primary. If the



test of the split does not reconfirm the primary, both tests will be cancelled as if they never occurred.

## **8. Medical Marijuana**

The DOT and the Company do not accommodate the use of medical marijuana by DOT-safety-sensitive employees.

## **VI. ALCOHOL PROGRAM**

### **1. Alcohol Test**

**Compliance.** The Company will follow Part 40 procedures for alcohol testing. A full description of DOT alcohol testing requirements can be found in Part 40, Subpart J--Alcohol Testing Personnel; Subpart K--Testing Sites, Forms, Equipment and Supplies Used in Alcohol Subpart N--Problems in Alcohol Testing; Subpart L ("Alcohol Screening Tests"); Subpart M ("Alcohol Confirmation Tests"); and, Subpart N ("Problems in Alcohol Testing"). These procedures apply to all DOT alcohol tests regardless of the reason for the test.

**Personnel and Testing Devices.** The Company will only use qualified Screening Test Technicians (STT) or Breath Alcohol Technicians (BAT) for DOT alcohol tests. These technicians will only conduct the test using DOT-approved devices. Devices are approved by the National Highway Traffic Safety Administration (NHTSA), an agency of DOT, and placed on the Conforming Products List (CPL).<sup>11</sup> The devices used by the Company will be maintained according to the particular manufacturer's specifications in the Quality Assurance Plan (QAP). External calibration checks will be performed at the intervals specified in the manufacturer's instructions for any EBT used for DOT-required alcohol confirmation testing.

**Testing Site, Forms, and Specimen.** The Company will provide the driver with the specific location where the test will take place. Tests will be conducted in an area to prevent unauthorized people from hearing or seeing the driver's test result. The Company will remind the driver that failure to sign the DOT Alcohol Testing Form at the instruction of the testing technician will be viewed as a refusal to test. The alcohol screening test may be conducted with breath or saliva, as applicable for the device used by the testing technician. Only breath will be used for the confirmation test, which is conducted by a BAT using an EBT.

**Test.** The Company will inform the driver that they are required to carry and present a current valid picture ID, such as a driver's license, passport, or employer-issued picture ID to the testing site. The testing technician will perform a screening test and show the driver the test result. If the screening test result is an alcohol concentration of less than 0.02, no further testing is authorized, and there is no DOT action to be taken. The technician will document the result on the ATF, provide the driver a copy and also provide the Company and/or the Company's C/TPA a copy. If the screening test result is 0.02 or greater, the driver will be required to take a confirmation test, which can only be administered by a BAT using an EBT. The BAT will wait at least 15-minutes, but not more than 30 minutes, before conducting the confirmation test. During that time, the driver will not be allowed to eat, drink, smoke, belch, put anything in their mouth or leave the testing area. Leaving the testing area without authorization may be considered a refusal to test. The BAT will perform an "air blank" (which must read 0.00) on the EBT device to ensure that there is no residual alcohol in the EBT or in the air around it. The confirmation test result is the final result of the test, and the result will be shown to the driver and on the printout from the EBT. If the result is less than 0.02, no action is taken under Part 382. Any result of 0.02 or greater will be immediately reported to the Company.

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<sup>11</sup> National Highway Traffic Safety Administration, Conforming Products List for Evidential Breath Measurement Devices, March 11, 2010, and addendums.

## VII. PROGRAM ELEMENTS COMMON TO DRUG AND ALCOHOL

### **1. Substance Abuse Professional**

**Compliance.** The Company will follow the requirements of Part 40 for its Substance Abuse Professional (SAP) obligations. A full description of the SAP requirements is in Part 40, Subpart O ("Substance Abuse Professionals and the Return-to-Duty Process").

**Qualifications.** The Company will refer drivers only to SAP's who have the credentials, basic knowledge, and qualification training, including fulfilling obligations for continuing education courses, for DOT violations. The SAP will not be an advocate for the Company or the driver. The SAP's function is to protect the public interest in safety by professionally evaluating the driver and recommending appropriate education/treatment, follow-up tests, and aftercare.

**SAP Referral.** The Company will provide to each driver who violates a DOT drug and alcohol regulation a listing of SAP's readily available to the driver and acceptable to the Company. The list will include SAP names, addresses, and telephone numbers. There will not be a charge to the driver for compiling or providing this list. The Company may use its C/TPA or other service agent to provide this information. Any driver who has violated DOT drug and alcohol regulations cannot again perform any DOT safety-sensitive duties for this Company until and unless the driver successfully completes the SAP evaluation, referral, and education/treatment process.

**Payment.** The Company is not required to pay for a SAP evaluation or any subsequent recommended education or treatment for a driver who has violated a DOT drug and alcohol regulation.

**Company Responsibility.** The Company is only bound by DOT to ensure that if the driver is provided an opportunity to return to a DOT safety-sensitive duty following a violation, that the Company ensure that the driver receives an evaluation by a SAP meeting the requirements of Part 40 and that the driver successfully complies with the SAP's evaluation recommendations before returning to the safety-sensitive job. Even if a SAP believes that the driver is ready to return to safety-sensitive work, the Company is under no obligation to return the driver to work. Under the DOT regulations, hiring and reinstatement decisions are left to the employer. The DOT leaves all payment issues for SAP evaluations and services to the Company and the driver to resolve.

**SAP Process.** The SAP will make a face-to-face clinical assessment and evaluation to determine what assistance is needed by the driver to resolve problems associated with alcohol and/or drug use. The SAP will refer the driver to an appropriate education and/or treatment program. At the completion of the education and/or treatment, the SAP will conduct a face-to-face follow-up evaluation to determine if the driver actively participated in the education and/or treatment program and demonstrated successful compliance with the initial assessment and evaluation recommendations. Reports will be provided to the Company on both the initial requirements and the outcome of the follow-up evaluation. The report will be specific and will include all of the Part 40 requirements of a written SAP report. The SAP will provide the DER with a written follow-up drug and/or alcohol testing plan for the driver and, if deemed necessary, will also provide the driver and the Company with recommendations for continuing education and/or treatment.

### **2. Employee Assistance Program**

The Company may provide an Employee Assistance Program (EAP) for its drivers and supervisors. The EAP may be established "in house," as part of internal personnel service or may be contracted to an entity that provides EAP services at other locations. The function of the EAP will be to provide drivers with informational material on the awareness and danger of drug and alcohol use. General EAP-information material, such as the availability of brochures or videos, and community service "hotline" telephone numbers will be displayed in common areas and distributed to drivers. Drivers will be encouraged to call the hotline if needed. Additionally, this Plan will be displayed and made available to all drivers. The Plan contains the employer's policy regarding the use of prohibited drugs and alcohol misuse. The areas and places in which the above material will be displayed include employee bulletin boards, break rooms, locker rooms, or other areas designated by the Company.

### 3. Supervisor Training

Each supervisor who will determine whether an driver must be drug tested and/or alcohol tested based on reasonable suspicion/cause will be trained in the "signs and symptoms" of each substance. Each supervisor will receive one 60-minute period of training on the specific, contemporaneous physical, behavioral, and performance indicators of probable *drug* use and one 60-minute period of training on the specific, contemporaneous physical, behavioral, and performance indicators of probable *alcohol* use. The two 60-minute training periods may run concurrently.

### 4. Recordkeeping

**Compliance.** The Company will ensure that all records required by the DOT are maintained. The Company is not required to keep records related to a program requirement that does not apply to Part 40 or 382. The Company or its C/TPA will maintain the records in a locked file system and will be accessed only on a strict "need to know" basis. The Company or its C/TPA will not release a driver's drug and alcohol records to third parties without the driver's specific written consent. A "third party" is any person or organization to whom Parts 40 or 382 do not explicitly authorize or require the transmission of information in the course of the drug and alcohol testing process. "Specific written consent" means a statement signed by the driver that he or she agrees to the release of a particular piece of information to a particular, explicitly identified, person or organization at a particular time.

The Company or its C/TPA will release the driver's information without consent to DOT, FMCSA, or other government agency having regulatory authority over the Company or driver without consent. The Company or its C/TPA will release the driver's information without consent as a part of an accident investigation by the National Transportation Safety Board. The Company or its C/TPA will release the driver's information without consent in certain legal proceedings. These proceedings include a lawsuit, grievance, administrative proceeding (e.g., an unemployment compensation hearing brought by or on behalf of a driver resulting from a positive drug or alcohol test or refusal to test), a criminal or civil action resulting from a driver's performance of safety-sensitive duties, in which a court of competent jurisdiction determines that the drug or alcohol test information sought is relevant to the case and issues an order directing the Company to produce the information. In such a proceeding the information will be released to the decisionmaker in the proceeding with a binding stipulation that the decisionmaker to whom it is released will make it available only to parties to the proceeding. After releasing the information, the Company or its C/TPA will notify the driver.

If the Company uses a C/TPA to maintain the records, the Company will ensure that the C/TPA can produce these records at the Company's principal place of business in the time required by the DOT agency for an inspection. The records will be provided within two business days after receipt of the request. Most records will be stored electronically, where permitted by Part 40 and 382. The Company will ensure that the records are easily accessible, legible, and formatted and stored in an organized manner. If electronic records do not meet these criteria for the DOT inspector, the Company will convert them to printed documentation in a rapid and readily auditable manner, at the request of DOT agency personnel.

**Records and Retention Periods.** The Company or its C/TPA will maintain the following records for the noted time periods, as a minimum:

- a) Records kept for **five** years:
  - (1) Records of alcohol test results indicating an alcohol concentration of 0.02 or greater;
  - (2) Records of the inspection, maintenance, and calibration of EBTs;
  - (3) Records of verified positive drug test results;
  - (4) Documentation of refusals to take required alcohol and/or drug tests (including substituted or adulterated drug test results);
  - (5) SAP reports;
  - (6) Follow-up tests and schedules for follow-up tests; and,
  - (7) Statistical data related to the Company's testing program, entitled "Management Information System," will be available to a representative of DOT, FMCSA, or a state agency having regulatory authority over the Company upon request.

- b) Records kept for **three** years:
  - (1) Records of information obtained from previous employers under Part 40 concerning **drug** and alcohol test results of drivers;
- c) Records kept for **two** years:
  - (1) Records that demonstrate the drug-testing collection process; and,
  - (2) Records related to the alcohol collection process (i.e., calibration documentation for evidential breath testing devices, documentation of breath alcohol technician training, documents generated in connection with decisions to administer reasonable suspicion alcohol tests, documents generated in connection with decisions on post-accident tests, and documents verifying existence of a medical explanation of the inability of a driver to provide adequate breath for testing); and,
- d) Records kept for **one** year:
  - (1) Negative drug test results.
  - (2) Alcohol results less than 0.02.
- e) Records kept **indefinitely**:
 

Records related to the education and training of breath alcohol technicians, screening test technicians, supervisors, and drivers shall be maintained by the Company while the individual performs the functions which require the training and for two years after ceasing to perform those functions.
- f) Types of records to be maintained is outlined in 382.401(c)
- g) Location of records. All records required by Part 382 shall be maintained as required by §390.31 and shall be made available for inspection at the Company's principal place of business within two business days after a request has been made by an authorized representative of the FMCSA.

**Request for Records.** All drivers have the right to request and obtain copies of any records pertaining to the driver's use of alcohol and/or drugs, including records of the driver's DOT-mandated drug and/or alcohol tests, and copies of SAP reports. Requests for records must be made in writing to the DER. A laboratory must provide, within 10 business days of receiving a written request from a driver, and made through the MRO, the records relating to the results of the driver's drug test (i.e., laboratory report and data package). Service agents providing records may charge no more than the cost of preparation and reproduction for copies of these records. SAPs must redact follow-up testing information from the report before providing it to the driver.

## 5. Management Information System

**Compliance.** The Company will prepare and maintain the DOT Management Information System (MIS) report for its drug and alcohol testing program. This report will be submitted to FMCSA in accordance with annual submission requirements. If the Company uses a C/TPA then the C/TPA may prepare and maintain the MIS, reporting the MIS as the Company requires. The DER will certify each report submitted by a C/TPA for accuracy and completeness.

**VIII. Appendix A - Acknowledgement/Receipt Form**

I acknowledge, by signing this form, that my full compliance with the Drug and Alcohol Plan (the "Plan") and DOT drug and alcohol regulation requirements is a condition of my initial and continued employment with the Company. I understand and agree that I may be discharged or otherwise disciplined for any drug and/or alcohol violation, committed by me, as cited in the Plan and/or in the DOT drug and alcohol regulatory requirements.

I also acknowledge, by signing this form, that a copy of the Plan has been made available to me and that I have read and understand the requirements of the Company and DOT drug and alcohol program. I have also been provided with informational material on the dangers and problems of drug abuse and alcohol misuse.

Signed, this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Employee Name (Please Print)

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Company Representative Name (Please Print)

\_\_\_\_\_  
Company Representative Signature

## IX. Appendix B - Designated Personnel and Service Agents

### **CONSORTIUM/THIRD PARTY ADMINISTRATOR (C/TPA)**

Name: Mark Gorman

Address: City and Borough of Sitka, 100 Lincoln Street, Sitka AK 99835

Phone Number: (907) 747-1808

### **DESIGNATED EMPLOYER REPRESENTATIVE (DER)/ALCOHOL & DRUG PROGRAM MANAGER**

Name: Mark Danielson

Address: City and Borough of Sitka, 100 Lincoln Street, Sitka AK 99835

Phone Number: (907) 747-1816

### **MEDICAL REVIEW OFFICER (MRO)**

Name: David Nahin M.D.

Address: 800 Cordova Street, Anchorage AK 99501

Phone Number: (907) 375-4318

### **SUBSTANCE ABUSE & MENTAL HEALTH ADMINISTRATION (SAMHSA/HHS) LABORATORY**

Name: Beacon Occupational Health and Safety Services

Address: 800 Cordova Street, Anchorage AK 99501

Phone Number: (907) 375-4318

### **COLLECTION SITE(s) - DRUG AND BREATH ALCOHOL**

Name: Sitka Community Hospital

Address: 209 Moller Avenue, Sitka AK 99835

Phone Number: (907) 747-1726

### **LIST OF APPROVED EVIDENTIAL BREATH TESTING DEVICES (EBTS) UTILIZED:**

EBT Manufacture Name and EBT Model Name:

Lifelock      Model Phoenix 6.0 Version 2.04

### **SUBSTANCE ABUSE PROFESSIONAL (SAP)**

Name: Sitka Counseling and Preventive Services

Address: 113 Metlakatla Street, Sitka AK 99835

Phone Number: (907) 747-3636

### **EMPLOYEE ASSISTANCE PROGRAM (EAP)**

Name: List provided at <http://cityofsitka.com/government/departments/hr/index.html>, 3rd floor HR

Address: Bulletin Board and at the end of this FMCSA Drug/Alcohol Plan

Phone Number:

X. Appendix C - Covered Positions

**EMPLOYEE/SUPERVISOR POSITIONS SUBJECT TO ALCOHOL & DRUG TESTING  
(JOB CLASSIFICATIONS/TITLES)**

SUPERVISOR POSITIONS THAT HAVE RECEIVED ALCOHOL AND DRUG TRAINING (60 MINUTES DRUG, 60 MINUTES ALCOHOL)

Title	Employee Supervisor		Title	Employee Supervisor	
	Check applicable box.			Check applicable box.	
General Foreman	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Line Crew Supervisor	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Line Worker	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Line Worker	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Line Worker	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Sr Gen Facilities Mechanic	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Chief WW Facilities Operator	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
WW Facilities Operator/Maint	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
WW Facilities Operator/Lab	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
WW Facilities Operator I	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
SMC WW Facilities Operator	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Chief Water Facilities Operator	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Sr. Water Facilities Operator	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Water Operator I	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
PW Maintenance Supervisor	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Streets Foreman	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Heavy Equipment Operator	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Maintenance Worker	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Maintenance Worker	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Chief Heavy Equipment Mechanic	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Heavy Equipment Mechanic	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Parks and Grounds Maint. Supervisor	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Parks and Grounds Maint. Specialist	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
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	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

## XI. Appendix D - Company Disciplinary Actions and Additional Procedures

### 1. Company Discipline

Under the Drug and Alcohol Plan, the Company is committed to a drug and alcohol free workplace. Violations to this Plan include:

a) The presence in the body, possession, use, distribution, dispensing, and/or unlawful manufacture of prohibited drugs and the misuse of alcohol is not condoned while conducting Company business, or while in work areas or Company vehicles on or off Company premises. No employee will work under the influence of prohibited drugs and alcohol.

b) An employee or applicant who tests positive for drugs, has an alcohol concentration of 0.04 or higher, or refuses to take any drug or alcohol test as directed by the Company.

c) The prohibited use of alcohol with a test result of 0.02 or greater, but less than 0.04.

Employees violating this Plan will be subject to disciplinary actions up to and including termination. Disciplinary action may include, but is not limited to: removal from working in a covered position, suspension, loss of pay, and termination of employment.

### 2. Additional Company Procedures

Compliance with All Laws. This policy statement will be amended from time to time to comply with changes in Federal and State laws.

Providers of City and Borough EAP Services:

\_\_\_\_\_ Sitka Counseling 747-3636

\_\_\_\_\_ Neurobehavioral Consultants: 747-3743

\_\_\_\_\_ Jami-Guinn-Osborne 747-6000 www.jami-guinnosborne.com  
\_\_\_\_\_ email: jamikay@live.com

\_\_\_\_\_ Jeannie Jay 747-0576  
\_\_\_\_\_ jeanniejaymft@gmail.com





## Legislation Details

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File #: 14-213      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 10/22/2014      In control: City and Borough Assembly

On agenda: 10/28/2014      Final action:

Title: Approve the award of a professional services contract to PND Engineers, Inc. for the Sitka Transient Float Replacement project Tasks 1 and 2 on a time and materials basis for a not to exceed amount of \$183,190 and authorize the Administrator to approve a future contract amendment to complete final design, permitting and construction support services

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Sitka Transient Float](#)  
[Sitka Transient Float Replacement](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

**I MOVE TO** approve award of a Professional Services Contract to PND Engineers, Inc. for the Sitka Transient Float Replacement Project Tasks 1 and 2 on a time and materials basis for a not to exceed amount of \$183,190 and authorize the Administrator to approve a future contract amendment to complete final design, permitting and construction support services within the outlined budgetary constraints.

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## MEMORANDUM

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**To:** Mayor McConnell and Assembly Members  
Mark Gorman, Municipal Administrator

**From:** Michael Harmon, P.E., Public Works Director *MH*  
Dan Tadic, P.E., Municipal Engineer *DT*

**Reviewed:** Jay Sweeney, Chief Finance and Administrative Officer *MS*  
Stan Eliason, Harbormaster *SE*  
Tori Fleming, Contract Coordinator *TF*

**Date:** October 22, 2014

**Subject:** Sitka Transient Float Replacement  
Approval to Award Professional Services Contract

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### Background

The Sitka Transient Float (STF), formerly known as Thomsen Harbor Floating Breakwater, was designed and constructed by the State of Alaska, Department of Transportation and Public Facilities (ADOT&PF) in 1973. With the construction of the Channel Rock Breakwater and several state funded moorage expansion projects at Eliason Harbor in the 1990's the configuration and functional utility of the STF changed. Today, the STF serves to attenuate smaller waves and boat wakes propagating from the navigational channel and provides valuable transient moorage space in the harbor system. The facility is at the end of its safe and useable life and must be replaced in its entirety. A recent timeline for this facility follows:

- May 24, 2012 – Port & Harbor Commission unanimously approved the rate recommendations outlined in the Harbor Master Plan which included the STF project (under name "Thomsen Harbor Breakwater Float") with anticipated replacement in 2015 for an estimated cost of \$4,948,169.
- July 10, 2012 – Assembly approved a Municipal Harbor Facility Grant Application to the ADOT&PF in the amount of \$2,620,000 for the STF.
- July 24, 2012 – CBS Harbor Department updated Assembly about significant deterioration of STF structural components observed during a dive inspection and the need for STF emergency temporary repairs.
- August 14, 2012 – Assembly approved direct transfer and spending appropriation of \$70,000 from Harbor Fund working capital for STF emergency temporary repairs.
- July 9, 2013 – Assembly approved a Municipal Harbor Facility Grant Application to the ADOT&PF in the amount of \$2,700,000 for the STF.
- November 14, 2013 – Port & Harbor Commission unanimously approved a 6.15% rate increase for FY2014 based upon a Capital Project Plan which included the STF project (under name "Thomsen Harbor Breakwater Float") with anticipated replacement in 2015 for an estimated cost of \$5,400,000.
- July 7, 2014 – CBS received a Letter of Award of FY15 Harbor Facility Grant Funds for the STF.

The STF Replacement Project includes demolition of the existing facility and construction of a new pile supported float which will continue to provide side-tie transient moorage and serve as a wave attenuator for the adjacent Thomsen Harbor. The project includes replacement of lighting and potable water/fire suppression systems. The CBS Harbor Department is also interested in investigating the potential for inclusion of a trolling pole work float at the south end of the STF as well as providing power on the float; however both are contingent on the availability of sufficient funds.

### **Analysis**

PND Engineers, Inc. (PND) is a consulting engineering firm that was founded in 1979 with offices in Anchorage and Juneau, Alaska and Seattle, Washington. PND specializes in maritime planning and engineering and has an extensive resume of projects in Sitka which includes nearby Thomsen Harbor (2006). A selection committee, consisting of Harbor Department and Public Works Staff, selected PND as the most qualified firm to complete this project based on their proposal, strong technical expertise, and availability to complete this project within our desired timeframe.

PND has teamed with Morris Engineering Group, LLC of Juneau (electrical engineering) and O'Neill Surveying and Engineering of Sitka (surveying). The current scope of work includes Task 1 and Task 2 services consisting of project management, geotechnical investigation, surveying, wave analysis, conceptual design plans and cost estimate in order to establish a project scope that fits within the project budgetary constraints. The total estimated fee for the above described services is \$183,190. Upon completion of Tasks 1 and 2, a contract amendment will be authorized to complete final design, permitting, construction support services and public process for the project based on the final established scope. The public process will include presentations to the Port & Harbor Commission and Assembly. Bid documents are anticipated in spring 2015 with construction beginning in fall 2015.

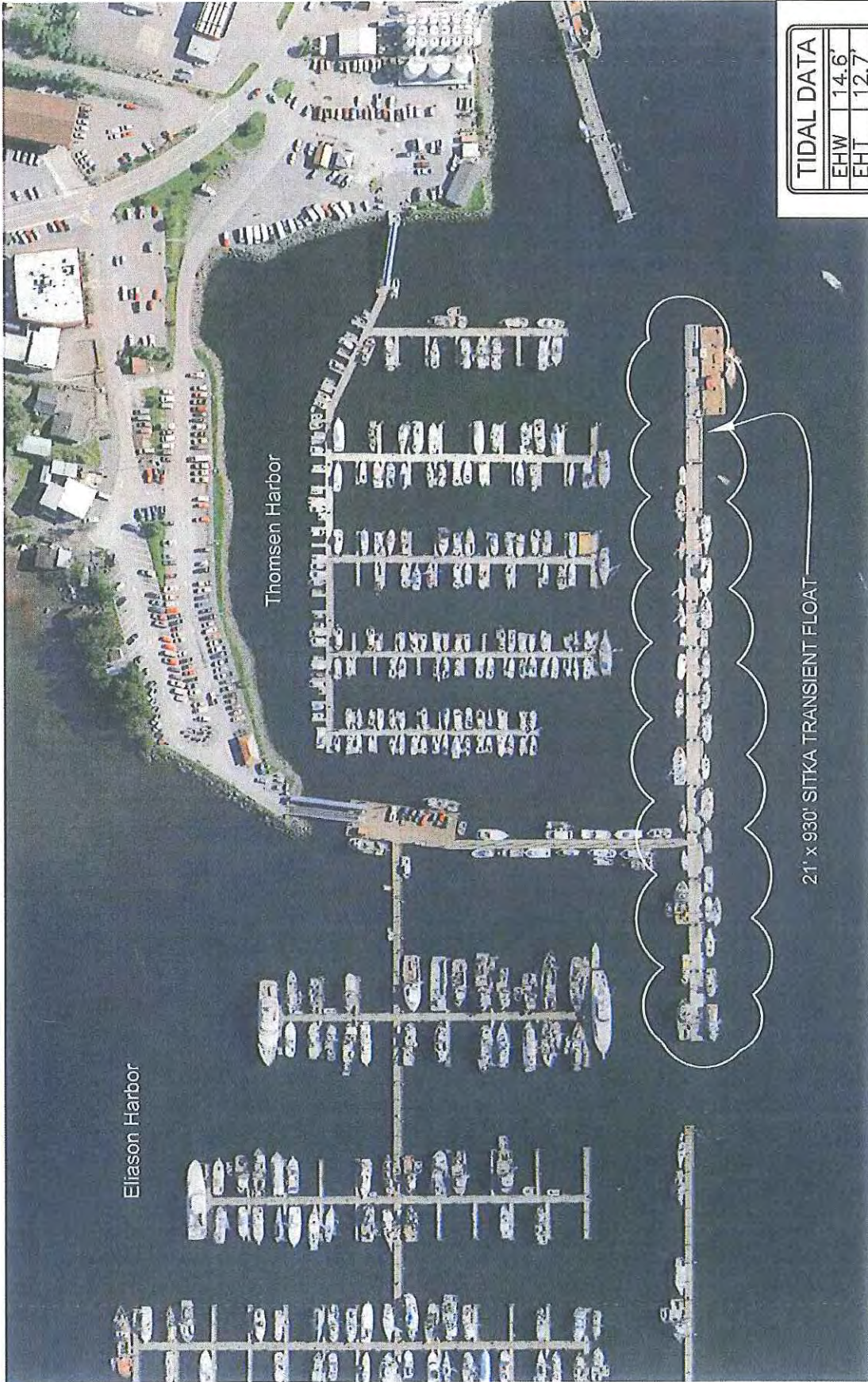
### **Fiscal Note**

CBS received a FY15 State of Alaska Municipal Harbor Facility Matching Grant for the Sitka Transient Float Replacement project. This grant will cover 50% of eligible construction costs not to exceed \$2,700,000 in match funding. Engineering, survey, geotechnical, permitting, and public involvement are not eligible for compensation under this grant requiring CBS to cover 100% of these costs. The Harbor Department has budgeted \$750,000 toward these tasks between the FY2014 and FY2015 budgets (CBS Project No. 90757) in addition to the \$2,700,000 construction match for a total local contribution of \$3,450,000 and total project budget of \$6,150,000.

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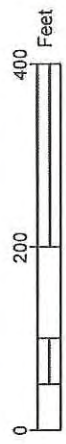
### **Recommendation**

- Approve award of a Professional Services Contract to PND Engineers, Inc. for the Sitka Transient Float Replacement project Tasks 1 and 2 on a time and materials basis for a not to exceed amount of \$183,190.
- Authorize the Administrator to approve a future contract amendment to complete final design, permitting and construction support services within the budgetary constraints outlined above.



TIDAL DATA	
EHW	14.6'
EHT	12.7'
MHHW	9.9'
MHW	9.1'
MLLW	0.0'
ELW	-4.0'

DRAWN: JUH SCALE: = 200'  
 CHECKED: D.TADIC DATE: 08.18.2014  
 DRAWING NAME: SITF.dwg  
 SHEET NO. 1 / 1



**SITKA TRANSIENT FLOAT  
 CURRENT CONFIGURATION**

21' x 930' SITKA TRANSIENT FLOAT

**City and Borough of Sitka**  
 DEPARTMENT OF PUBLIC WORKS  
 100 LINCOLN STREET • SITKA, ALASKA 99835  
 TEL (907) 747-1804 FAX (907) 747-3158



**CITY AND BOROUGH OF SITKA (CBS)  
SITKA TRANSIENT FLOAT REPLACEMENT**

**APPENDIX A- SCOPE OF SERVICES**

**A. INTRODUCTION**

The City and Borough of Sitka (CBS) is planning for the full replacement of the Sitka Transient Float (STF) at Thomsen Harbor to be completed by March 2016. The CBS desires a quality float and utility design package that is simple, stable, durable, easy to maintain, resistant to corrosion, efficient to fabricate, economical to install and can be competitively bid by several float manufacturers and contractors.

The Sitka Transient Float was originally designed in 1973 by the Alaska Department of Transportation & Public Facilities as a floating concrete wave attenuator to protect Thomsen Harbor from significant westerly sea swells. With the construction of the Channel Rock Breakwater by the USACE and several state funded moorage expansion projects at Eliason Harbor in the mid 90's, the floating breakwater configuration and operational utility for this float has changed over time. It has been reoriented on site, repaired on several occasions, utilities were added and it has been decked over with timber to serve as a moorage float while still attenuating smaller waves and boat wakes propagating from the navigational channel. The STF consists of 16 segmental concrete float modules with energy absorbing connections between each developing a total float footprint of 21' x 930'. The system is anchored to the seafloor using concrete gravity blocks, stake piles and cast steel anchors. The facility has served its useful life and its condition is now beyond economical repair.

The CBS has been awarded a FY 15 Tier 1 Grant in the amount of \$2.7 million by the State of Alaska. Total project budget under this RFP is \$6,150,000 including construction, contingency, engineering, contract administration and other indirect costs.

The STF Replacement Project includes, but may not be limited to, the following improvements:

- Demolition and disposal of existing facilities
- New ~12' x 930' pile supported transient float designed for vessel moorage and wave attenuation (final float width contingent upon results of wave climate study and attenuation requirements)
- Transition assembly to existing access float
- State of the art, glare shielded LED or HID lighting
- Combined potable water and fire suppression water system with heat traced riser assemblies
- Salvaged fish cleaning stations to be installed by Owner
- Safety equipment including ladders, life rings and fire extinguishers
- Cathodic protection for steel piles
- Potential trolling pole tending float at south end
- Potential single and three phase power service pedestals on float

The final scope of improvements is contingent on the availability of funds within the established \$6.15 million budget. Close interaction with the CBS, the Port and Harbor Commission, the Assembly, and the public is essential to the formulation of final scope elements and the ultimate success of this important waterfront project. Based on preliminary discussions with the CBS, it is understood that a conventional full design/bid/build (DBB) set of contract documents is preferred over a two stage contracting method using design/build (DB) with Owner procurement of materials followed by contractor installation.

PND Engineers, Inc. (PND) was selected as lead consultant to provide engineering services for the STF project. PND will manage all consultants, prepare permit applications and provide all civil, structural, coastal

and geotechnical engineering services from its Juneau office with some assistance from its Seattle office. **Morris Engineering Group (MEG)**, also from Juneau, will provide electrical engineering services. **O'Neill Surveying & Engineering (OSE)** will provide local survey control and vicinity boundary information for PND bathymetric and topographic site surveys. **Hart Crowser (HC)** from Anchorage will provide environmental scientists as needed to address potential mitigation or other substantive environmental issues.

## **B. SCOPE OF SERVICES**

Engineering services under this project will be provided in sequential phases allowing refinement of services as each phase is further developed with the CBS. Several distinct tasks will be performed under each phase. Phase 1 services will consist of overall project scoping and site investigations to define a preferred alternative within the available funds for carrying forward to construction. Phase 2 services will consist of permitting and final design tasks for the improvements selected under the preferred alternative. Phase 3 will consist of engineering services during construction including contract administration and inspection. Fee proposals will be provided in sequential phases as well. Phase 1 services will be included in the initial contract and Phases 2 and 3 will be added by contract amendment at a future date.

### **PHASE 1 SERVICES – PROJECT SCOPING & SITE INVESTIGATIONS (Phase 1 Price Included)**

#### **TASK 1: PROJECT SCOPING & CONCEPT DEVELOPMENT**

The scoping phase will set the stage for the entire design and is thus considered one of the most significant tasks to completing this project.

##### **Task 1.1 Phase 1 Project Management**

PND's project management philosophy emphasizes communication, coordination, efficiency and technical expertise. This will ensure schedules and budgets are met and that all concerns are addressed. Each member of the team believes in working closely with clients and utilizing proper communication channels so that all personnel involved are kept informed of progress and questions are addressed in a timely manner. This philosophy relies on clear lines of communication, well-defined lines of authority, commitment to a successful project, enthusiastic approach and respectful treatment of all persons involved in the project. With over 30 years of experience, Dick Somerville, P.E. will be PND's designated Project Manager. Project management duties will include:

- A. Subconsultant Management – prepare subconsultant agreements, coordinate and direct subs
- B. Owner Work Sessions – organize & conduct teleconference meetings with Owner and PND Team
- C. Team Management – organize and conduct internal Team meetings and direct staff
- D. Correspondence – prepare and respond to formal project communications & report progress
- E. Scheduling controls – prepare, update and monitor schedule for on time deliverables
- F. Budget controls – review and deliver monthly invoices and report completion progress
- G. Contract Management – monitor scope, schedule and budget routinely with CBS and prepare necessary change documentation

##### **Task 1.2 Initial Site Visit and Work Session**

The initial step will be a one day site visit and work session with the design team and various CBS department

staff to assess existing conditions and discuss in detail all development objectives and potential design options for the STF. We will address specific development criteria for all project elements and receive CBS input on critical operations and maintenance issues. We will assess the pros and cons of other recently constructed harbor improvements and together formulate recommendations and final design criteria for moving forward with the float replacement project.

The Team will inspect the existing floats and upland utility services at Eliason Harbor with key members of CBS staff to document capacity and access conditions for extending new water services (potable and fire) and potential electrical power services to the STF. CBS staff will need to open various utility enclosures and vaults on shore and on the floats to fully ascertain existing conditions. We will review temporary moorage requirements during construction of the new STF for vessels currently moored at the existing float in Thomsen Harbor. We will also review recently constructed improvements at ANB Harbor and suggest improvements where possible.

Upon completion of the site visit the PND Team will summarize our field notes and prepare a brief outline of the design issues discussed and any preliminary decisions reached. The document will be submitted to the CBS for review and we will follow up with a brief teleconference.

### **Task 1.3 Conceptual Design Plans**

The PND Team will prepare two concept design plans concurrently with the services outlined under Task 2 since information gained from the site investigations will be instrumental in determining final float geometry and material type. We will prepare concept level plans illustrating proposed features and additive alternate options for the STF based on the input we receive at our initial site visit and work session with the CBS. We will also prepare a preliminary cost estimate for all base bid improvements and alternative options considered under the plan along with a Draft Basis of Design (BOD) document to outline basic design criteria, standards and guidelines to be incorporated into the project. The documents will be submitted for CBS review and then updated to address CBS comments. Final concept plans, cost estimates and BOD documents will be prepared to incorporate the changes made.

#### **Task 1 Deliverables:**

1. Outline report summarizing issues from initial site visit
2. Initial Concept Plan, Cost Estimate & Draft Basis of Design
3. Final Concept Plan, Cost Estimate & Basis of Design

## **TASK 2: SITE INVESTIGATIONS – SURVEYING, GEOTECHNICAL & WAVE ANALYSIS**

### **Task 2.1 Site Survey**

PND survey crews will update and expand on our 2005 topographic and bathymetric survey of Thomsen Harbor to include the complete STF project vicinity area. We will incorporate adjacent moorage floats from both Thomsen and Eliason Harbors to assess proper siting of the new STF. O'Neill Surveying and Engineering will provide survey control monumentation and boundary information for tidelands, navigational channels and any other relevant properties or easements. We will collect topographic data along the shore and the drive down ramp at Eliason for siting of potential new utility service connections. Utility locates and as-built records provided by the CBS will be incorporated into the data collection. A basemap will be prepared to properly define the existing site conditions, allowing engineers to proceed with project designs.



## **Task 2.2 Geotechnical Investigation**

PND will first review the available geotechnical and geophysical information and pile driving records from Thomsen and Eliason Harbors with the CBS along with contracting methods to contain site condition construction risks to an acceptable level. We will then obtain required NWP permits and perform a limited borehole investigation at the STF. Results of the investigation will be used in concert with judicious contract pay items allowing field application flexibility. PND will contract with Denali Drilling to complete four boreholes at regular intervals along the existing float and will rely on the CBS to relocate vessels along the float during the investigation. We will collect Standard Penetration Test (STP) samples until bedrock is encountered at all four holes and will continuously log the holes using our in house geotechnical staff. Samples will be delivered to a third party lab for analysis. Bedrock will be cored to a depth of 15'-20' at two of the boreholes and rock quality will be designated on the drill logs.

PND will perform engineering analyses with lateral pile design recommendations for the STF float mooring piles. We will prepare a Draft Geotechnical Report for CBS review, followed by a Final Geotechnical Report. The Geotechnical Report will provide information on site geology, seismicity, investigation methods, borehole logs, borehole location plan, lab samples, analyses and pile design recommendations.

## **Task 2.3 Wave Analysis & Floating Breakwater Options**

Waves and sea swell propagating from the direction of Channel Rock Breakwater in Western Channel have been studied extensively by the USACE. As a result, rubble mound extensions have recently been constructed to close gaps in the breakwater in an effort to calm the long period wave conditions felt inside Eliason and Thomsen Harbors. Boat wakes are reportedly controlled by signage located on the breakwaters however the fetch within the channel contributes to wind generated short period wave activity at the site. PND Coastal Engineer, Nels Sultan, PhD, PE, will review the February 2008 USACE Report entitled *Physical Model Study of Wave Action at Thomsen Harbor, Sitka Alaska*. Dr. Sultan will prepare a brief technical memorandum summarizing the short period wave predictions for the STF location based on his review of available study data.

PND will also present float design criteria and options for attenuating short period waves to an acceptable design wave height within Thomsen Harbor. This task will evaluate floating breakwater wave transmission, with calculations for different widths, depths and types of float (including concrete, double pipe and timber poly-tub ballasted floats). The planned transient float is intended to also function as a floating breakwater for Thomsen Harbor, and would replace an existing 21 feet wide concrete ladder type floating breakwater with a new 12 feet wide float. The planned 12' wide float will allow more wave energy to pass underneath therefore PND will examine other options under this task. Floating breakwater wave transmissions are also sensitive to the type of mooring and pile design.

Dr. Sultan will apply the results of the wave analysis (described above), transmission calculations, PND judgment and experience and local knowledge to estimate the wave transmission for float alternatives. This task will help guide CBS through the selection of an effective float and pile system. It will help ensure that the final design meets expectations for harbor wave protection.

## **Task 2 Deliverables:**

1. Basemap of the site with upland topography and offshore bathymetry tied to COE and DOT control
2. Draft & Final Geotechnical Report
3. Wave Analysis & Floating Breakwater Options Technical Memorandum

**PHASE 2 SERVICES – PUBLIC INVOLVEMENT, PERMITTING, FINAL DESIGN &  
BIDDING ASSISTANCE**  
(Phase 2 Price TBD at later date)

**Phase 2 Project Management**

PND's project management functions as described under Phase 1 will continue throughout all tasks under Phase 2 to maintain contract communication channels with the CBS and to direct all engineering staff and subconsultants in the timely delivery of work products.

**TASK 3: PUBLIC INVOLVEMENT**

Community satisfaction with the development of this project can best be realized by involving the public in the process. This requires not only listening to the needs expressed at meetings but the experience and enthusiasm to present responsive solutions that stand the test of time. Our intent is to meet regularly with the public to present design information as it is developed and transmitted to the CBS for review. The PND team will make three public presentations on a coordinated schedule consistent with each of three design review submittals – at 35%, 65% and 95% levels of design completion. The first two public presentations will be made at Port and Harbor Commission meetings and the final presentation will be made at an Assembly meeting. We will confirm the schedules with the CBS well in advance.

PND will prepare a Power Point presentation for each public meeting and will bring sign in and handout materials for distribution. We will provide a project overview and discuss the status of the design at each successive meeting. Project illustrations, cost and scheduling information will be developed along with a description of the next steps to be developed at each stage of the design process. The CBS shall provide all media advertising and the meeting room for all public presentations.

We will debrief with the CBS following each meeting to confirm direction for addressing public issues and advancing the design

**Task 3 Deliverables:**

1. Public Power Point Presentation at PHC Meeting following 35% design completion.
2. Public Power Point Presentation at PHC Meeting following 65% design completion.
3. Public Power Point Presentation at Assembly Meeting following 95% design completion.

**TASK 4 PERMITTING & APPROVALS**

PND will perform environmental permitting services with our in house specialists who routinely interact with local, state and federal agencies. A pre-application meeting will be held with the agencies to address any significant environmental concerns before submitting the applications.

The COE is the lead federal agency regulating the use of federal waters of the United States. Section 10 of the Rivers and Harbors Act of 1899 is the regulatory consideration most frequently affecting harbor rebuild projects like this one. Section 10 requires authorization from the Secretary of the Army, through the COE, for placement of structures in or over navigable waters of the U.S. Because the transient float is currently serviceable, previously permitted and will maintain its present use, it is likely that the work associated with the STF will fall under the U.S. Army Corps of Engineers Nationwide Permit 3 - Maintenance.

PND is familiar with completing work under a Nationwide Permit (NWP) and will prepare the pre-construction notification (PCN) and other necessary application documents. We will coordinate the State

permit process by meeting individually with affected state departments and local coastal district officials. PND will act as permitting agent on behalf of the CBS to coordinate directly with the agencies as required in pre and post application meetings and will provide written responses to answer all project concerns in a timely and professional manner.

Should the regulatory process change from the NWP, PND will work with the CBS to obtain DA Authorization for all float replacement activities. This would be the case if the footprint, layout or use of the project changes significantly during the development process. In that case, the following major permits requiring local, state and federal authorizations may be required depending on the final scope of improvements

- U.S. Army Corps of Engineers – Section 10 of the Rivers and Harbors Act of 1899
- U.S. Army Corps of Engineers – Section 103 of the Marine Protection, Research and Sanctuaries Act of 1972
- Alaska Department of Environmental Conservation – Section 401 of the Clean Water Act; Alaska Water Quality Standards Certificate of Reasonable Assurance, Potable Water Plan Review

Hart Crowser (HC) is included on the PND Team in the event that the agencies require specialized environmental studies or compensatory mitigation measures. Should mitigation be required, Hart Crowser will assist in Agency/Mitigation Bank Negotiations. As part of the Sitka Airport Expansion, HC helped develop the overall mitigation package for the project which included the purchase of the Sheldon Jackson tidelands in-lieu of on-site mitigation. HC was able to demonstrate through analysis that there is likely a surplus of “credits” available from that action that should be available to the CBS for use on this project, should that need arise. HC is best suited for negotiating such a settlement given their specific experience with Sitka and its near shore resources, as well as with SEAL Trust, the administrator of the bank.

PND will submit the Water System Design to ADEC for Plan Review and Operational Authorization. We will submit the Fire Suppression Design to the local and/or state Fire Marshall for review and approval. We will submit the Electrical Design to the local Electrical and Building Departments for review and approval

#### **Task 4 Deliverables:**

1. NWP and PCN documents
2. ADEC Water System Plan Approval documents
3. Fire Marshall Fire Suppression Plan Approval documents
4. CBS Electrical System Plan Approval documents
5. Agency response documentation as needed
6. Other Permits and Mitigation Plan TBD at a later date.

#### **TASK 5: FINAL DESIGN**

Final design services will be provided as an iterative process starting with 35% design documents progressing to 65% then to 95% and ultimately to stamped bid ready documents with the goal of achieving a quality designed project reviewed by the CBS at each step. The American Society of Civil Engineers (ASCE) implies that quality is achieved when the expectations of the Owner and the requirements for the project have both been met. This requires dedication, effort, investigation, planning, innovation and responsibility. Quality results from a team effort that leads to the satisfaction of all parties involved. The PND Team will work closely with the CBS to address all review comments and to refine specific design elements for all civil, structural, mechanical and electrical systems incorporated into the work. The following project elements will be progressively developed with each design submittal.

## **Float and Pile Design**

The CBS desires an efficient, durable, low maintenance and cost effective float system for the STF. We recognize that large commercial vessels will moor and raft at the transient float and that short period waves within the channel must be addressed in the design. PND will guide the CBS through the selection of an appropriate float and pile system while remaining within the overall budget. We have recently completed full design development for three major moorage float projects in SE AK utilizing a heavy timber and steel component structural system with foam filled poly tubs and seawater ballast tanks to stabilize the float system in wave exposed locations. We will examine a similar design for the STF under a full design approach that can be competitively bid by numerous float manufacturers. We will also examine other float options such as high performance concrete or steel pipe pontoons in the event it is warranted due to the wave environment assessments performed under Task 2.3. Similarly, we will assess float design options for the Pole Tending Float, should that facility be included in the final scope of improvements selected by the CBS.

Pile designs will depend on the results of the geotechnical investigation however likely options will include individual steel pipe piles socketed into bedrock as well as socketed pile pairs with moment connecting struts to share service loads.

## **Heat Traced Combination Potable Water and Fire Line Design**

PND will review the combination water and fire line design for ANB Harbor with the CBS and determine whether any design modifications are warranted for the STF project. We will assess available water service capacity on the Eliason Harbor floats to determine whether a service line extension to the STF is possible or if a new service is required to meet pressure and flow requirements. If a new service is needed, PND will design water main connections and service equipment facilities on shore and new service pipe routing from shore, through existing floats to new potable water and fire pedestals on the STF.

## **Electrical Design**

The scope of electrical improvements carried forward to final design will be determined during the scoping phase. Electrical design scope may include the following:

- Pole mounted LED lighting for the transient float including routing cables from existing access float.
- Power pedestals for the transient float with associated power cables, panels and power centers. Depending upon the voltage configuration and quantity of pedestals selected, power feed may originate from the existing service for Eliason Harbor or from a new electrical service with main switchgear and panel boards/power center. The latter will likely be the case unless only a few dual 30 amp pedestals are desired. If the latter is selected, it is anticipated that we would not have to design the Ground Fault Protection for the existing harbor.
- Heat trace, power and controls for the water pedestals as part of the combination water system.
- Ground Fault Protection for the STF and other affected harbor electrical systems. MEG will provide public educational information on these recent code requirements.

## **Emphasis on Budget Controls & Cost Estimating during Final Design Tasks**

The design team is keenly aware of the need for maintaining control of project costs. We will prepare and submit construction cost information to the CBS on a regular basis as described below to assure that the design remains in conformity with the total \$6.15 million budget allocated for the project. We have assembled an extensive in house library of recent and similar project bid costs throughout Alaska and will use this information to confirm cost estimates at the various design completion phases. The design team will work closely with the CBS to develop strategies that fit within the allocated budget. We will prepare

recommendations for base bid and additive alternative bid schedules to allow the CBS some project award flexibility in the event that funding allocations fall short of any complete objective.

#### **Task 5.1: Preliminary Design and Cost Estimate (35% Completion Level)**

The PND Team will advance the final approved Concept Plan into more developed design drawings using the acquired survey and geotechnical information. Preliminary layout drawings and typical sections will be developed for the transient and pole floats, guide piles and transition assembly to the existing timber access float extending offshore from the drive down facility at Eliason. Schematic layout drawings and details will be developed for all utilities, including a combined potable water and fire line, lighting and power. 35% cost estimates will be prepared to reflect the improvements included in the preliminary design documents.

A layout of the new lighting system on an overall plan view will be provided. An elevation and light fixture description will be provided. The same will be done for the heat trace servicing the water pedestals. Design of the new power system single line diagram (service modifications if needed, main panel, feeder panels, feeder cables, and pedestals) for the transient float will be completed. A layout of the new power system will be provided for the transient float on an overall plan view. The preliminary design will provide the Owner an understanding of what the new electrical system will consist of, where equipment will be located, and what it will look like.

The 35% design documents will be presented to the public at a Port and Harbor Commission meeting as outlined under Task 3.

#### **Task 5.2: Design Development (65% Completion Level)**

The basic objectives of the design development (DD) phase are to prepare sufficient plans, details, material and installation specifications and refined cost estimates to thoroughly understand the character, quality, content and cost of the final scope of improvements. Design drawings will be developed to 65% completion for existing floating wave attenuator demolition, various float typical sections, specific structural weldments, floatation system, float to float connection details, piles, pile hoops, transition assemblies, potable water and fire system as well as safety equipment mounted on the floats.

An elevation and single line diagram of each electrical panel and pedestal type will be developed. Elevations of the existing drive down ramp/abutment, existing drive down ramp/ work float, existing float and new float sections at the pedestals and light poles will be provided showing cable routing. Routing through the existing work float will be a challenge and special details will be necessary. An enlarged plan at the uplands/abutment will be provided along with a detail of the conduit/cables routed under the existing drive down ramp with the method of supports to be used.

Many meetings will be held between PND and MEG to work out mounting locations of equipment, cable routing through the floats and across float modules. All equipment will be shown to scale and cable routing will be drafted to scale with the actual cable bending radius shown so final routing is verified.

Plans, specifications and cost estimates will be developed to approximately 65% design completion for all project elements during the DD phase. This will require regular input and coordination between the design team and the CBS to satisfy the specific needs and objectives for the project. The ideas envisioned and approved by the CBS during the scoping and preliminary design phase will ultimately be developed into a working set of documents that can be competitively bid by contractors. There are many important design and contract issues to cover during this period. PND will expand upon the preliminary design options and will prepare detailed drawings and specifications for all civil, structural, electrical and mechanical systems. We will update the cost estimates following completion of the 65% design documents.

We will conduct work sessions throughout the DD period to keep all parties informed of issues as they unfold. PND will maintain direct communication with the CBS's project manager at all times. We will always solicit the CBS's input and direction as needed to avoid surprises. The 65% design documents will be presented to the public at a Port and Harbor Commission meeting as outlined under Task 3.

### **Task 5.3: Construction Documents (95% Completion Level)**

The PND team will address all review comments to the 65% submittal during the construction document (CD) phase. We will prepare written responses with back up documentation to resolve all issues and make the necessary adjustment to the documents as we move forward in the design process.

All design and contract documents including plans, specifications, cost estimates and bid documents will be advanced to an approximate 95% completion level by registered engineers familiar with all applicable design and building codes. Highly detailed documents will be produced to fully ascertain the requirements of the construction contracts. Designs will be prepared in accordance with good design practice as required by the standard of professional care for engineers practicing in Alaska. The 95% contract documents will comply with all environmental permits; ADA and OSHA requirements; and all applicable local and state building, mechanical, electrical and fire codes. Our team will develop the contract documents in accordance with CBS technical and contracting standards. Supplemental technical specifications will be provided in Construction Specification Institute (CSI) format for all applicable Divisions 0 through 16.

PND will update the cost estimates following completion of the 95% construction documents based on the most current design work. MEG will prepare an estimate of electrical construction costs with line items for each type of equipment and cable.

The Design Team will present the 95% Construction Document submittal to the CBS in a face to face meeting and will address all issues and comments related to the project. We will also prepare a PowerPoint presentation and poster board materials with informative handout materials to facilitate a joint public presentation to the Assembly and members of the Port and Harbor Commission as outlined under Task 3.

### **Task 5.4: Bid Ready Contract Documents (100% Stamped Documents)**

Following the CBS's review and approval of the 95% Construction Documents and final cost estimate, PND and MEG will address all final comments and prepare bid ready Project Manuals and Drawings for public bid solicitation. We will coordinate with the CBS to incorporate the CBS's standard boiler plate documents. The completed project manuals will include all necessary contract documents for the project such as Bidding and Contract Requirements, Invitation to Bid, Bid Schedules, Contract Forms, Conditions of the Contract, Technical Specifications, etc. All final bid ready documents shall be stamped by Alaska registered engineers responsible for their disciplines of the project.

QA Audit: Senior level engineers will independently review all plans, specifications, costs estimates and calculations throughout the design period. Dick Somerville, PND Principal in Charge, will conduct a comprehensive Quality Assurance Audit of all final deliverables prior to stamping the documents ready for bid.

### **Task 5 Deliverables:**

1. 35% Design Review Submittal – plans and cost estimate
2. 65% Design Review Submittal – plans, technical specification outline & cost estimate
3. 95% Design Review Submittal – plans, complete technical specification & cost estimate
4. Stamped bid ready documents in reproduction-ready hard copy and electronic PDF file formats
5. CD-ROM: AutoCAD drawing files and MSWord technical specifications

## **TASK 6 BID PHASE ASSISTANCE**

We anticipate the CBS will distribute contract documents to prospective bidders. PND will assist the CBS during the bid advertising period. Services will include responding to bidder questions, attending the pre-bid conference, keeping meeting notes and preparing any supporting addenda documents that may result from bid phase interaction. We will provide any design clarifications found necessary during this period and will be proactive in our assistance to properly inform the bidders of the design intent and bidding requirements. With proper engineering attention and interaction during the bidding phase, contractors will be well informed of the contract requirements. Bidders will reduce bid costs when their questions are adequately addressed, when construction related risks are minimized and when design intent is clearly conveyed by the contract documents. PND will review the bid documents received and prepare a letter of award recommendation.

### **Task 6 Deliverables:**

1. Addenda preparation
2. Bid document review and letter of award recommendation

## **PHASE 3 SERVICES – CONSTRUCTION PHASE ENGINEERING (Phase 3 Price TBD at later date)**

### **TASK 7 CONSTRUCTION PHASE SERVICES**

**Phase 3 Project Management:** PND's project management functions as described under Phase 1 will continue throughout all tasks under Phase 3 to maintain contract communication channels with the CBS and to direct all engineering staff and subconsultants in the timely delivery of work products.

**Contract Administration (CA) and Project Management Standards:** We will utilize CBS Standard Project Management methods on this project. CA services will include preparing contract correspondence, evaluating contractor critical path schedules, evaluating claims, managing inspectors, coordinating with the CBS and performing other such duties as described below. We will utilize an extensive files and records system to track contract changes, RFI's, DCM's, submittal reviews, schedules, quality control and assurance issues closely.

**Preconstruction Conference & Progress Meetings:** We will participate in the preconstruction conference to introduce our team to the contractor, address the roles of all parties, discuss Contractor work plans and schedules and generally assist in responding to questions and contract issues. We will also attend regular progress meetings with the CBS Project Manager, Contractors, utility companies and others and will keep appropriate meeting notes.

**Submittal Reviews and Register:** PND's Team will promptly review all civil, structural, mechanical and electrical submittals. We will prepare a detailed submittal register and will maintain this document on a regular basis to track the status of all documents delivered, reviewed and returned. There are many critical scheduling items that must remain on track in order for the Contractor to deliver the project on time. PND will review these requirements with the Contractor at the preconstruction conference.

**Information and Clarification Requests:** Our team will respond to all Requests for Information (RFI's) and Design Clarification Memo (DCM's) promptly to avoid delays.

**Fabrication Inspections:** PND's Seattle office will provide float fabrication inspections in the Pacific Northwest to avoid the expense of traveling from our Juneau office. Our inspectors have experience with nearly all of the fabrication shops in that region and are very knowledgeable of critical inspection points.

Inspection reports will be prepared for each site visit complete with photos and narratives. Issues will be described and solutions will be presented when necessary. Our inspectors are certified in all areas of fabrication inspection.

**Substitutions and Modifications:** We will assist the CBS in evaluating any Contractor proposed substitutions, proposed design modifications and any value engineered alternatives presented during construction. As designers of this harbor project, we are intimately familiar with the design intent and quality of the facility. We will be able to offer our opinions on all substitutions and modifications in a timely manner.

**Field Design Assistance:** PND's engineering team will be available to provide design assistance during construction in the event that the CBS desires to increase or decrease the scope of work or make a design change.

**Change Orders:** PND will review proposals prepared by the Contractor in response to design modifications, extra work or differing site conditions. We will assist in preparing any subsequent change orders (CO) for CBS review and action before the contractor proceeds with additional work. Field orders (FO) will be prepared and issued when necessary to provide immediate contract direction.

**Payment Applications:** PND will review payment applications prepared by the Contractor and will verify all payment quantities for completed work and stockpiled materials.

**Public Notices:** PND will facilitate any desired public information meetings and prepare flyers or notices to mariners during construction. We will coordinate directly with the CBS to ensure interruptions to operations are minimized by the Contractor during construction.

**Construction Inspection Services:** The PND team will clarify design intent and answer any questions from the Contractor and Owner during the construction period. We can also provide site inspections on a regular or periodic basis at critical inspection points to assure that the project has been constructed in accordance with the contract documents. PND and MEG will provide qualified personnel to address all work activities underway at any given time. Mr. Somerville will coordinate with the CBS and will manage PND's inspection personnel. Our inspectors will provide daily inspection reports describing all activities with narrative and electronic photos. We will produce deficiency and non-compliance reports as needed and will follow up with corrective action oversight.

**Permit Conformance:** PND's inspectors will pay close attention to the environmental permit requirements to assure that the contractor remains in conformance at all times with the permit stipulations.

**Special Inspections:** PND provides special inspections as required by code for the installation of piles, special structural systems, welding and electrical systems. Our inspectors are ICBO and AWS certified for these types of inspections.

**Substantial Completion & Punch Lists:** Key engineers will prepare punch lists for all aspects of the work upon notification of substantial completion by the Contractor or upon the Owner's early utilization of any part of the work. We will perform punch list inspections until the work is 100% complete and final completion certificates, final payments and contract releases have been received if desired by the CBS.

**Asbuilt Record Documents:** PND CAD staff will prepare electronic asbuilt drawings of the completed work from red lined information collected during construction.

**Warranty Inspections:** The PND Team will return to Sitka to inspect the facility prior to expiration of the warranty period. We will document any discovered deficiencies in a formal report to the CBS.



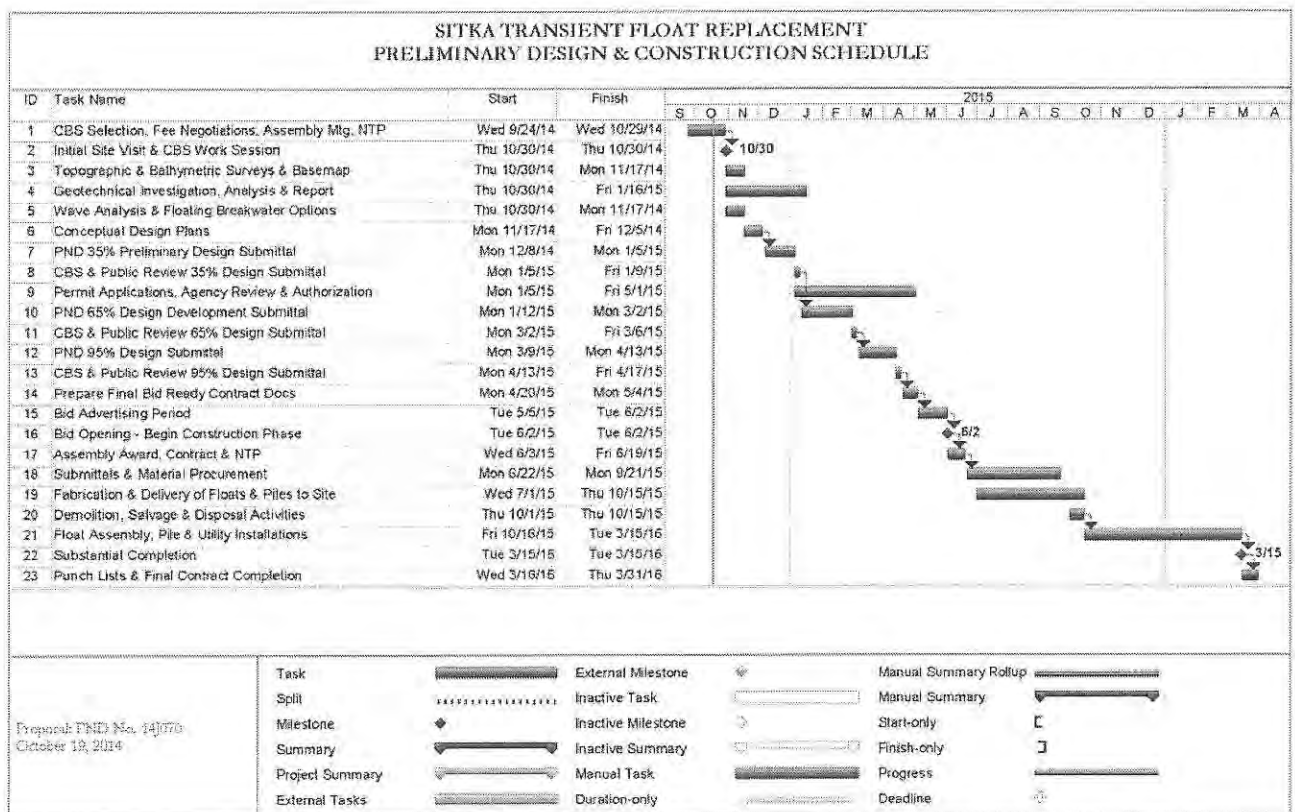
PND will be responsive to Owner and Contractor requests for information to avoid contract delays and will provide the necessary contract administration and inspection services to certify that the Contractor constructs the project in accordance with the plans and specifications.

**Task 7 Deliverables:**

1. Contract documentation listed above
2. Submittal and shop drawing reviews
3. Fabrication inspection reports
4. Onsite daily inspection reports
5. Punch lists
6. Electronic asbuilts
7. Contract closeout documentation
8. Warranty inspection report

**C. SCHEDULE**

Professional services under this project are anticipated to be completed by March 31, 2016. A preliminary design and construction schedule illustrating significant milestone activities is provided below.



**D. ITEMS TO BE FURNISHED BY CBS**

1. Background project information including design and asbuilts plans of related projects
2. Alaska Tideland Survey, ATS 15 for Thomsen and Eliason Harbor Vicinity
3. High resolution aerial photography in electronic format of project vicinity
4. Front end boiler plate bidding and contract documents for bid package – MSWord format
5. CBS Assembly & Port and Harbor Commission meeting coordination and advertising
6. Bid advertising, solicitation and distribution of bid documents & addenda
7. One coordinated set of review comments for each design review submittal delivered within 5 days of review submittal date.
8. Permitting fees



**PND Engineers, Inc.**  
**Sitka Transient Float Replacement**  
**Engineering Services Fee Proposal - October 17, 2014**  
**PND Proposal No. 14J070**

**Scope of Services**

	PND Senior Engineer VII	PND Senior Engineer VI	PND Senior Engineer V	PND Senior Engineer II	PND Senior Engineer III	PND Snr Land Surveyor II	PND Snr Land Surveyor III	PND Snr Land Surveyor II	PND Staff Engineer V	PND Tech VI	PND Tech IV	PND CAD Designer V	Line Item Costs	Task Subtotal Costs	
	\$180.00	\$165.00	\$155.00	\$125.00	\$125.00	\$110.00	\$125.00	\$110.00	\$105.00	\$90.00	\$95.00				
<b>Task 1: Project Scoping &amp; Concept Development</b>															
1.1 Project Management: Subconsultant agreements, Owner work sessions, Team meetings, Correspondence, Scheduling, Budget Controls, Contract management	48										12		\$9,720		
1.2 Initial Site Visit: Document research, preparation, travel, one day site visit, work session & trip report	12	12		20									\$6,240		
1.3.1 Initial Conceptual Design: Plans, Cost Estimate, Draft Basis of Design	8	16		32						16		8	\$10,200		
1.3.2 Final Conceptual Design: Plans, Cost Estimate, Final Basis of Design	8	12		24						8		8	\$7,700		
<b>Total Estimated Manhours</b>	<b>76</b>	<b>40</b>		<b>76</b>					<b>76</b>	<b>24</b>	<b>12</b>	<b>16</b>		<b>\$33,860</b>	
<b>Estimated Third Party Expenses</b>															
Travel Expenses	3 RT airfares @ \$326 + 3 EA 1/2 day per diem \$30 + vehicle rental & fuel @ \$100													\$1,168	
Morris Engineering Group Admin Fee	Electrical site visit, scoping options, cost estimates, summary report per MEG 101214 proposal attached													\$11,430	
	10% Third party markup													\$1,260	
<b>TOTAL ESTIMATED FEE TASK 1 (T&amp;E)</b>														<b>\$13,858</b>	
														<b>\$47,718</b>	



**PND Engineers, Inc.**  
**Sitka Transient Float Replacement**  
**Engineering Services Fee Proposal - October 17, 2014**  
**PND Proposal No. 14J070**

**Scope of Services**

Scope of Services	PND Senior Engineer VII	PND Senior Engineer VI	PND Senior Engineer V	PND Senior Engineer II	PND Sr Land Surveyor III	PND Sr Land Surveyor II	PND Sr Land Surveyor II	PND Staff Engineer V	PND Tech VI	PND Tech IV	PND C.A.D. Designer V	Line Item Costs	Task Subtotal Costs
<b>Task 2: Site Investigations - Surveying, Geotechnical Investigation and Wave Analysis</b>													
2.1.1 Site Surveys - research, moke and demobe crew & equipment	2				12	16						\$3,620	
2.1.2 Site Surveys - control traverse, topography & bathymetry					30	30						\$7,050	
2.1.3 Site Surveys - data download, interpretation and mapping					24	16						\$4,760	\$15,430
2.2.1 Geotechnical Investigation - research background data, prepare drilling and sampling plan, obtain NWP, moke and demobe geologist & sampling equipment	4						16	16	4			\$4,760	
2.2.2 Geotechnical Investigation - field drilling, log boreholes, collect and tag samples, lab coordination & shipping	8							48				\$7,440	
2.2.3 Geotechnical Investigation - Engineering analyses	4	8		24								\$5,040	
2.2.4 Geotechnical Investigation - Draft report	16			16					40	8		\$10,600	
2.2.5 Geotechnical Investigation - Final report	8			12					24	4		\$6,300	\$34,140
2.3.1 Wave Analysis: Research and review background wave studies	2		4				16					\$2,660	
2.3.2 Wave Analysis: Desktop calculations - wave transmission	2		16				16					\$4,520	
2.3.3 Wave Analysis: float alternatives analyses	4		16				16				8	\$5,640	
2.3.4 Wave Analysis: Draft & Final Technical Memorandum w/ Float Recommendations	4		16				40			8		\$8,120	
<b>Total Estimated Manhours</b>	<b>54</b>	<b>8</b>	<b>52</b>	<b>52</b>	<b>66</b>	<b>62</b>	<b>104</b>	<b>128</b>	<b>24</b>	<b>8</b>			<b>\$20,940</b>
<b>Estimated Third Party Expenses</b>													
PND Survey - Travel Expenses													\$3,968
PND Geotech - Travel Expenses													\$1,168
ONCELL Surveying and Engineering													\$4,000
Denali Drilling - Mobe & Demobe													\$14,340
Denali Drilling - 12 Hr Shifts Offshore Drilling													\$32,580
Lab Samples													\$2,500
Consumables													\$500
Admin Fee													\$5,906
													\$64,962
													\$135,472
<b>TOTAL ESTIMATED FEE TASK 2 (T&amp;E)</b>													



PO Box 210049 Auke Bay, Alaska, 99821, 907-789-3350, 907-789-3360 fax

## Fee Estimate

10/12/2014

### Sitka Transient Float Pre-Design

Scope: Trip to site for planning harbor renovation with client to be followed by a scoping summary report outlining power and lighting options and recommendations and preliminary construction cost estimate.

Task	Engineer (Hrs)	Drafting (Hrs)	Expenses
<b>Pre-Design</b>			
<b>Site Visits</b>			
Site Investigation & meeting with client	16		\$ 550
Coordination with local utility			
Development of Power and lighting options	24		
<b>Documents</b>			
<b>Report</b>			
Narrative with power service options, pedestal options, lighting options and recommendations	16	4	
<b>Preliminary Construction Cost Estimate</b>	8	0	
<b>Totals</b>	64	4	
Hourly Rate	\$165	\$80	
Fees	\$ 10,560	\$ 320	\$ 550
<b>Total Pre-Design Electrical Fee</b>	<b>\$ 11,430.00</b>		



## Denali Drilling

October 13, 2014

PND Engineers, Inc.  
Attn: Dick Somerville  
9360 Glacier Highway, Suite 100  
Juneau, AK 99801

Ref: Sitka Offshore Drilling Program

Dear Dick,

Denali Drilling, Inc. is pleased to have this opportunity to offer the following pricing for providing labor, drilling equipment and an LCM for offshore drilling of four boreholes at the outboard side of the floating breakwater at the Sitka Transient Float location. Two holes will have 20 rock cores. We understand the water depth is 35' - 40' and overburden is around 20'.

Mob/demob - Lump Sum	\$14,340.00
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Includes all transportation for Denali crew, equipment & tooling and LCM & crew to/from Sitka.

Drilling, single shift offshore - per 12 hour day	\$10,860.00
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Includes LCM, boat crew, three-man drill crew, truck drill, tooling, coring equipment, support pickup, fuel and room & board.

Client is to provide clear access to all hole locations, utility locates, and all permits required to complete the project. Pricing is based on our in-house wage rates with no provisions for Davis Bacon wages. If standby is required for weather, the day rate will be \$4,900.00.

If you have any questions concerning this proposal, or if we can be of service in any other regard, please do not hesitate to contact our office.

Sincerely,  
DENALI DRILLING, INC.

  
Hal Ingalls  
CEO

HI:kh



**PND ENGINEERS, INC.  
STANDARD RATE SCHEDULE  
EFFECTIVE MAY 2014**

		<i>Regular Rate</i>
<u>Professional:</u>	Senior Engineer VII	\$180.00
	Senior Engineer VI	\$165.00
	Senior Engineer V	\$155.00
	Senior Engineer IV	\$145.00
	Senior Engineer III	\$135.00
	Senior Engineer II	\$125.00
	Senior Engineer I	\$115.00
	Staff Engineer V	\$105.00
	Staff Engineer IV	\$100.00
	Staff Engineer III	\$95.00
	Staff Engineer II	\$90.00
	Staff Engineer I	\$85.00
	Senior Scientist	\$110.00
	Environmental Scientist III	\$120.00
	Environmental Scientist II	\$105.00
	Environmental Scientist I	\$90.00
GIS Specialist	\$90.00	
<u>Surveyors:</u>	Senior Land Surveyor III	\$120.00
	Senior Land Surveyor II	\$110.00
	Senior Land Surveyor I	\$100.00
<u>Technicians:</u>	Technician VI	\$125.00
	Technician V	\$110.00
	Technician IV	\$90.00
	Technician III	\$80.00
	Technician II	\$70.00
	Technician I	\$45.00
	CAD Designer V	\$95.00
	CAD Designer IV	\$85.00
	CAD Designer III	\$70.00



## Legislation Details

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File #: 14-210      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 10/21/2014      In control: City and Borough Assembly

On agenda: 10/28/2014      Final action:

Title: Assignments: Deputy Mayor, Vice-Deputy Mayor and Assembly Liaisons

Sponsors:

Indexes:

Code sections:

Attachments: [Appoint Deputy and Vice Deputy Mayor 2014  
LIAISONS 2014-2015](#)

Date	Ver.	Action By	Action	Result
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## Appoint Deputy and Vice-Deputy Mayor

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I nominate \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ for Deputy Mayor

I nominate \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ for Vice-Deputy Mayor

DEPUTY				
EISENBEISZ				
HUNTER				
HACKETT				
MCCONNELL				
MIYASATO				
SWANSON				
GUEVIN				

VICE DEPUTY				
EISENBEISZ				
HUNTER				
HACKETT				
MCCONNELL				
MIYASATO				
SWANSON				
GUEVIN				

## Municipal Boards/Commissions/Committees Monthly Meeting Schedule 2014-2015

ENTITY	CHAIR	Day of Month	Time	Location	Liaisons
Animal Hearing	Susan Royce	Meets as needed			*NA
Building Department Appeals	Gary Smith	Meets as needed			*NA
Convention & Visitors Bureau Board	Mary Stensvold	last Tuesday of month	1:00 PM	Harrigan Hall	/Alt.
Employment Relations Board	Leigh Kainulainen	Meets as needed	Varies	Harrigan Hall	*NA
Gary Paxton Industrial Park Board	Grant Miller	Varies	3:00 PM	Sawmill Cove or SEDA	
Health Needs/Community Services	Willow Moore	2nd Tuesday	Noon	Harrigan Hall	
<b>Historic Preservation</b>	James Kinsman	2nd Wednesday	6:00 PM	Harrigan Hall	
<b>Sitka Community Hospital Board</b>	Celeste Tydingco	4th Thursday	6:30 PM	Hospital Classroom	/Alt.
Investment Committee	Bert Stedman	Meets as needed			
Library	Curt Ledford	First Wednesday	7:00 PM	Library Office	
<b>Local Emergency Planning</b>	Dave Miller	2nd Thursday	Noon	Fire Hall	<b>Mayor</b>
Parks & Recreation	Hans von Rekowski	2nd Thursday	Noon	City Hall 3rd Floor	
Planning & Zoning	Richard Parmelee	1st & 3rd Tuesday	7:00 PM	Harrigan Hall	
Police & Fire	Joseph Reeves	1st Wednesday	6:00 PM	Harrigan Hall	
Port & Harbors *	Stan Johnson	2nd Wednesday	6:00 PM	Harrigan Hall	
Strategic Planning Commission	TBD	TBD			
Tourism Commission	Jennifer Robinson	3rd Monday	Noon	Harrigan Hall	
Tree & Landscape	Joe D'Arienzo	3rd Tuesday	Noon	Harrigan Hall	
* No Summer Meetings					
<b>Informational</b>					
SEDA	<i>Steve Reifentstahl</i>	<i>1st Thursday</i>	<i>Noon</i>	<i>329 Harbor Drive</i>	
<i>Sitka Tribe of Alaska (STA)</i>	<i>Michael Baines</i>	<i>3rd Wednesday</i>	<i>6:30 PM</i>	<i>Community House</i>	
<i>School Board</i>	<i>Lon Garrison</i>	<i>1st Tuesday</i>	<i>6:00 PM</i>	<i>SHS Library</i>	
		<i>3rd Tuesday - worksession</i>	<i>6:00 PM</i>	<i>District Office Board Room</i>	
<b>Bolded Boards/Commissions/Committees Liaison Required by Ordinance.</b>					
*Don't meet often enough to need a liaison					Revised: