



**Paleo Logics**  
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8.9.2010

Christopher Brewton, Utility Director  
City and Borough of Sitka, Electric Department  
105 Jarvis Street  
Sitka, AK 99835

Re: Archaeological Investigations for the Takatz Lake Hydroelectric Project (FERC No. 13234-000).

Dear Mr. Brewton,

As per your request the following cost proposal reflects two approaches for conducting archaeology on the Takatz Lake Hydroelectric Project. *Proposal A*: expected costs for ONLY the 2010 archaeological survey. *Proposal B*: expected costs for conducting simultaneously the archaeological survey AND a preliminary wetlands feasibility study conducted by Greg Scheff, R&M Engineering, Wrangell. The archaeological survey will be conducted according to the guidelines presented in the Cultural Resources Study Plan (Sitka 2010).

The wetlands analysis will be conducted according to the 1987 Corp of Engineers Wetlands Delineation Manual, and the Alaskan supplement. Greg's crew will work concurrently with the archaeologists and share logistics. This investigation is for project planning purposes, a jurisdictional determination from the Corp will not be requested at this time. The final product from Greg will be a survey report that will include maps delineating potential wetland areas. The maps will be based on the survey maps provided by Aero-Metric, Inc.

The following cost proposal is based on Time and Material, as best as we can predict with the project information to-date. The fieldwork is designed with safety first and will operate completely autonomous of other project activities regarding logistics, though we will always be glad to assist if necessary.

Emphasis during the 2010 season will be on the following study areas:

- 1) The proposed Takatz Lake inundation area (the area defined by raising the existing lake level by 200 feet);
- 2) The proposed construction and staging areas for the dam site(s) on Takatz Lake;
- 3) The tunnel, powerhouse, and staging access areas, as well as the transmission line corridor along the Takatz Bay shoreline;
- 4) The transmission route from tide-line, south across a ridge of mountains, past Sadie Lake to the point at which the route meets the shoreline of Baranof Lake.

***Proposal A***

Costs are based on Time and Material for a crew of 3 (possibly 4), for 14 field days.

Expected costs for ONLY the 2010 archaeological survey:

Payroll.....	\$25120.00
Logistics.....	\$22500.00
Reports, crew r/t travel to Wrangell, etc.....	\$7500.00
<b>Total.....</b>	<b>\$55120.00</b>

**Request Not To Exceed \$60000.00**

***Proposal B***

Expected costs for conducting simultaneously the archaeological survey AND a preliminary wetlands feasibility study.

Archaeological Survey

Payroll.....	\$25120.00
Logistics.....	\$11250.00
Reports, crew r/t travel to Wrangell, etc.....	\$7500.00
<b>Total.....</b>	<b>\$43870.00</b>

**Request Not To Exceed \$50000.00**

Preliminary Wetlands Feasibility Study

Payroll.....	\$30160.00
Logistics.....	\$11250.00
Report, CADD operator.....	\$6000.00
<b>Total.....</b>	<b>\$47410.00</b>

**Request Not To Exceed \$50000.00**

## Payment Schedule

I would like to invoice twice; 1) once when the fieldwork is completed, and 2) once the final report is submitted.

If you have any questions or comments regarding this submittal please give me a call at 907.874.2842 or email [paleo@gci.net](mailto:paleo@gci.net). Thank you for the opportunity to work on your project. I look forward to hearing from you.

Sincerely,

Paul Rushmore, Paleo Logics  
Greg Scheff, R&M Engineering