



Tuesday, February 5, 2019

MEMORANDUM

To: Keith Brady – CBS Administrator  
From: Garry White, Director  
Subject: NSRAA Water Request

**Introduction**

Northern Southeast Regional Aquaculture Association (NSRAA) is requesting to have its water delivery agreement amended.

The GPIP Board of Directors met on January 29<sup>th</sup>, 2018 and approved the following motion:

**MOTION:** M/S Finkenbinder/Unger moved to:

- Allow NSRAA to utilize water from ADL 43286 at an **annual average of 14cfs** (currently 6.4MGD/10cfs) with a maximum flow of 20cfs.
- Allow NSRAA to install necessary infrastructure and PRV upgrades (as per submitted drawing) (*Submitted to CBS Administration*) to the Raw Water Shed to allow for flows up to 20cfs.
- Approve updated water use agreement draft as submitted to GPIP board.
- Request Assembly direct Administrator to finalize Letter of Intent on technical issues of water delivery.

**Background**

The City and Borough of Sitka (CBS) and NSRAA entered into a lease agreement for Lot 2 of the GPIP in 2006. NSRAA developed the raw property and constructed a multi-million dollar fish hatchery on the property, including an outfall pipe that extends into the bay. The hatchery provides millions of Coho and Chum Salmon to the common property fishery in the Sitka area.

The initial lease in 2006 provided NSRAA with a water allocation for raising fish and required NSRAA to install water lines needed for operations. A Water Delivery Agreement was established in 2012 to more define water allocations and delivery methods. (Attached)

NSRAA approached the GPIP Board at its December 2017 meeting to request a lease of Lot 3 to expand hatchery operations and to amend its water delivery agreement with the CBS for additional water allocations to increase salmon production at its GPIP Hatchery. The GPIP

Board recommended and the CBS Assembly approved a lease for Lot 3, but the water delivery agreement was postponed at the request of CBS Electric Department staff.

The Board requested that the amendment of the water delivery agreement be brought back for discussion at some time in the future. NSRAA attended multiple meetings over the summer to request resolution to its amendment request. The GPIB Board discussed the delivery agreement at its January 2019 meeting and made recommendation to the Assembly.

#### **Additional Information**

- Attached is the current Water Delivery Agreement between the CBS and NSRAA executed in 2012.
- Attached is the proposed amended Water Delivery Agreement requested by NSRAA.

#### **Action**

- Assembly discussion and approval of NSRAA's amended Water Delivery Agreement.

## **Water Delivery Agreement**

**Between  
City and Borough of Sitka (CBS) and Northern Southeast  
Regional Aquaculture Association (NSRAA)**

### **CBS Shall:**

1. Provide up to 6.4 million gallons per day of raw water to NSRAA at no charge.
2. Have the right to determine which method or water line is used to deliver raw water to NSRAA based on Blue Lake water levels.
3. Provide and maintain afterbay pumps to move up to 10 cfs of water via a water line from the afterbay to the bulk water pipeline.
4. Permit NSRAA to install a tap and isolation valve in the 42" bulk water line pending CBS approval.
5. Allow NSRAA to install a root valve, PRV, and controls after existing shut off valve on the 16" former filter plant backwash water line located in the plywood shed housing the 2 pulp mill 16" water lines pending CBS approval.
6. Allow NSRAA, at their own expense, to replace the existing shut off valve with their own shut off valve pending CBS approval.
7. Allow NSRAA access to the plywood shed housing the 2 pulp mill 16" water lines and control of valves and controls between the Industrial water penstock valve and the NSRAA



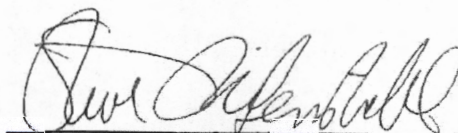
root valve controlling flow through the 16" former filter back flush water line.

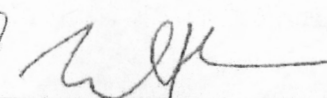
8. Notify NSRAA as soon as planned temporary suspension is known to CBS but at least 30 day prior to any planned temporary suspension of the supply of water.
9. Perform necessary actions to allow Sawmill Creek water to fill the afterbay in the event of a loss of supply of water via the penstock or hydro turbine outage. Note: This action could take up to a week depending on the state of Sawmill Creek and the tailrace bypass gate allowing water to back fill into the afterbay.
10. Maintain the 42" bulk water valve at the intake end of the bulk water line in the open position.
11. Maintain the two 36" bulk water loading valves at the discharge end of the bulk water line in the closed position under normal operation and will coordinate with NSRAA before these valves are to be opened for flushing, filling a ship or other activities.
12. Allow NSRAA's pumps to be connected to city back up power generation for hydro building.

**NSRAA Shall:**

1. Be responsible for all costs associated with construction of a 16" NSRAA Emergency water line and isolation valve.
2. Install NSRAA controls between the 16" industrial water penstock valve and the NSRAA root valve.
3. Provide and maintain NSRAA controls.

4. Provide and maintain all equipment at the NSRAA facilities.
5. Be responsible for purchase and maintenance of supplies e.g. batteries for valve controls.
6. During emergency penstock or electrical outages, NSRAA shall request CBS approval and perform necessary actions to allow Sawmill Creek to fill the afterbay.

  
Steve Reifensstuhl  
NSRAA

 <sup>-ACTING</sup>  
James Dinley  
City and Borough of Sitka

10/15/12

Agreed Upon: October 11, 2012