



# City of Bethel Port Commission Agenda

Regular Meeting  
Monday February 18, 2019 - 7 pm  
City Council Chambers, City Hall, Bethel, AK



## Commissioners

Alan Murphy  
Chair  
Term Expires 2021  
(907)543-2805

Richard Pope  
Port Commissioner  
Term Expires 2020  
(907)543-1900  
[bethelalaskapcc@gci.net](mailto:bethelalaskapcc@gci.net)

Thomas Oosterman  
Port Commissioner  
Term Expires 2019  
(907)545-6420

Fred Watson  
Council Rep.  
Term Expires 2019  
(907)545-3755  
[fwatson@cityofbethel.net](mailto:fwatson@cityofbethel.net)

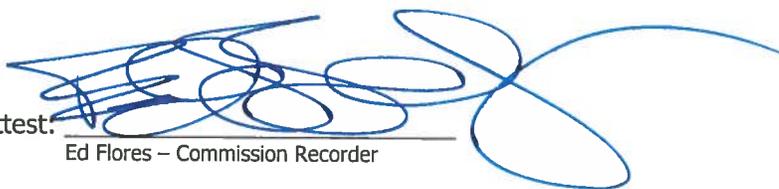
## Ex-Officio

Allen Wold  
Port Director  
(907)543-2310  
[awold@cityofbethel.net](mailto:awold@cityofbethel.net)

Ed Flores  
Port Admin  
(907)543-2310  
[eflores@cityofbethel.net](mailto:eflores@cityofbethel.net)

- i. **CALL TO ORDER**
- ii. **ROLL CALL**
- iii. **PEOPLE TO BE HEARD**
- iv. **APPROVAL OF AGENDA**
- v. **APPROVAL OF MINUTES FROM THE REGULAR MEETINGS**  
-APPROVAL OF MINUTES FROM April 2018, May 2018, July 2018, & September 2018, November 2018, December 2018, & January 2019
- vi. **SPECIAL ORDER OF BUSINESS**  
-Election of Vice Chair
- vii. **DEPARTMENT HEAD COMMENTS**
- viii. **UNFINISHED BUSINESS**
- ix. **NEW BUSINESS**  
-East Addition Update  
-North Harbor Land Expansion  
-Market Rent Appraisal Warehouse  
-Seawall Fencing/Wire Safety
- x. **COMMISSION MEMBER'S COMMENTS**
- xi. **ADJOURNMENT**

Attest:

  
Ed Flores – Commission Recorder

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# City of Bethel Port Commission Meeting Minutes

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January 21, 2019

Regular Meeting 7 p.m.

Bethel, Alaska

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**I. CALL TO ORDER**

MEETING CALLED TO ORDER AT 1917 (7:17 P.M.)

**NO QUORUM**

**II. ROLL CALL**

<b>COMMISSIONERS PRESENT:</b>	
Comm. Oosterman	
<b>COMMISSIONERS ABSENT:</b>	
Comm. Murphy	Comm. Pope
Comm. Watson	
<b>ALSO IN ATTENDANCE WERE THE FOLLOWING:</b>	
Allen Wold	Ed Flores

**III. PEOPLE TO BE HEARD**

**IV. APPROVAL OF AGENDA**

**V. APPROVAL OF MINUTES**

**VI. SPECIAL ORDER OF BUSINESS**

**VII. PORT DIRECTOR'S REPORT**

**VIII. UNFINISHED BUSINESS**

**IX. NEW BUSINESS**

**X. COMMISSION REPRESENTATIVES COMMENTS**

**XI. ADJOURNMENT**

Respectfully Submitted:

\_\_\_\_\_  
Alan Murphy, Chairman

APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_ 2019

ATTEST: \_\_\_\_\_

# City of Bethel Port Commission Meeting Minutes

April 16, 2018

Regular Meeting 7 p.m.

Bethel, Alaska

**I. CALL TO ORDER**

MEETING CALLED TO ORDER AT 1913 (7:13 P.M.)  
**NO QUORUM**

**II. ROLL CALL**

<b>COMMISSIONERS PRESENT:</b>	
Comm. Murphy	Comm. Robb
Comm. Oosterman	Comm. Pope
<b>COMMISSIONERS ABSENT:</b>	
<b>ALSO IN ATTENDANCE WERE THE FOLLOWING:</b>	
Allen Wold	

**III. PEOPLE TO BE HEARD**

None

**IV. APPROVAL OF AGENDA**

<b>MOVED:</b>	Comm. Pope	Approval of agenda
<b>SECONDED:</b>	Comm. Robb	
<b>VOTE ON MAIN MOTION</b>	4-0 All in favor	

**V. APPROVAL OF MINUTES**

<b>MOVED:</b>	Comm. Robb	Approval of Minutes
<b>SECONDED:</b>	Comm. Pope	
<b>VOTE ON MAIN MOTION</b>	4-0 All in favor	

**VI. SPECIAL ORDER OF BUSINESS**

<b>MOVED:</b>	Comm. Oosterman	Motion to make Recommendation to City Council to hold Port Commission Meetings at the Port Office.
<b>SECONDED:</b>	Comm. Pope	
<b>VOTE ON MAIN MOTION</b>	4-0 All in favor	

**VII. PORT DIRECTOR'S REPORT**

**VIII. UNFINISHED BUSINESS**

FY-19 Draft Budget

# City of Bethel Port Commission Meeting Minutes

April 16, 2018

Regular Meeting 7 p.m.

Bethel, Alaska

**IX. NEW BUSINESS**

**X. COMMISSION REPRESENTATIVES COMMENTS**

**XI. ADJOURNMENT**

<b>MOVED:</b>	Comm. Murphy	Motion to Adjourn
<b>SECONDED:</b>	Comm. Pope	
<b>VOTE ON MAIN MOTION</b>	4-0 All in favor	

Respectfully Submitted:

\_\_\_\_\_  
Alan Murphy, Chairman

APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_ 2018.

ATTEST: \_\_\_\_\_

# City of Bethel Port Commission Meeting Minutes

May 21, 2018

Regular Meeting 7 p.m.

Bethel, Alaska

**I. CALL TO ORDER**

MEETING CALLED TO ORDER AT 1900 (7:00 P.M.)

**NO QUORUM**

**II. ROLL CALL**

<b>COMMISSIONERS PRESENT:</b>	
Comm. Murphy	Comm. Pope
Comm. Oosterman	
<b>COMMISSIONERS ABSENT:</b>	
Comm. Springer	
<b>ALSO IN ATTENDANCE WERE THE FOLLOWING:</b>	
Allen Wold	Edward Flores

**III. PEOPLE TO BE HEARD**

**IV. APPROVAL OF AGENDA**

**V. APPROVAL OF MINUTES**

**VI. SPECIAL ORDER OF BUSINESS**

**VII. PORT DIRECTOR'S REPORT**

**VIII. UNFINISHED BUSINESS**

**IX. NEW BUSINESS**

**X. COMMISSION REPRESENTATIVES COMMENTS**

**XI. ADJOURNMENT**

Respectfully Submitted:

\_\_\_\_\_  
Alan Murphy, Chairman

APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_ 2018.

ATTEST: \_\_\_\_\_

# City of Bethel Port Commission Meeting Minutes

July 16, 2018

Regular Meeting 7 p.m.

Bethel, Alaska

- I. CALL TO ORDER**  
MEETING CALLED TO ORDER AT 1922 (7:22 P.M.)  
**NO QUORUM**

**II. ROLL CALL**

<b>COMMISSIONERS PRESENT:</b>	
Comm. Murphy	Comm. Pope
Comm. Oosterman	
<b>COMMISSIONERS ABSENT:</b>	
Comm. Springer	
<b>ALSO IN ATTENDANCE WERE THE FOLLOWING:</b>	
Allen Wold	Edward Flores

- III. PEOPLE TO BE HEARD**
- IV. APPROVAL OF AGENDA**
- V. APPROVAL OF MINUTES**
- VI. SPECIAL ORDER OF BUISNESS**
- VII. PORT DIRECTOR'S REPORT**
- VIII. UNFINISHED BUISNESS**
- IX. NEW BUSINESS**
- X. COMMISSION REPRESENTATIVES COMMENTS**
- XI. ADJOURNMENT**

Respectfully Submitted:

\_\_\_\_\_  
Alan Murphy, Chairman

APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_ 2018.

ATTEST: \_\_\_\_\_

# City of Bethel Port Commission Meeting Minutes

September 17, 2018

Regular Meeting 7 p.m.

Bethel, Alaska

**I. CALL TO ORDER**

MEETING CALLED TO ORDER AT 1910 (7:10 P.M.)

**NO QUORUM**

**II. ROLL CALL**

<b>COMMISSIONERS PRESENT:</b>	
Comm. Murphy	
Comm. Oosterman	
<b>COMMISSIONERS ABSENT:</b>	
Comm. Springer	
Comm. Pope	
<b>ALSO IN ATTENDANCE WERE THE FOLLOWING:</b>	
Allen Wold	Edward Flores

**III. PEOPLE TO BE HEARD**

**IV. APPROVAL OF AGENDA**

**V. APPROVAL OF MINUTES**

**VI. SPECIAL ORDER OF BUSINESS**

**VII. PORT DIRECTOR'S REPORT**

**VIII. UNFINISHED BUSINESS**

**IX. NEW BUSINESS**

**X. COMMISSION REPRESENTATIVES COMMENTS**

**XI. ADJOURNMENT**

Respectfully Submitted:

\_\_\_\_\_  
Alan Murphy, Chairman

APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_ 2018.

ATTEST: \_\_\_\_\_

# City of Bethel Port Commission Meeting Minutes

November 19, 2018

Regular Meeting 7 p.m.

Bethel, Alaska

**I. CALL TO ORDER**

**NO QUORUM**

**II. ROLL CALL**

<b>COMMISSIONERS PRESENT:</b>	
<b>COMMISSIONERS ABSENT:</b>	
Comm. Murphy	Comm. Watson
Comm. Oosterman	Comm. Pope
<b>ALSO IN ATTENDANCE WERE THE FOLLOWING:</b>	

**III. PEOPLE TO BE HEARD**

**IV. APPROVAL OF AGENDA**

**V. APPROVAL OF MINUTES**

**VI. SPECIAL ORDER OF BUSINESS**

**VII. PORT DIRECTOR'S REPORT**

**VIII. UNFINISHED BUSINESS**

**IX. NEW BUSINESS**

**X. COMMISSION REPRESENTATIVES COMMENTS**

**XI. ADJOURNMENT**

Respectfully Submitted:

\_\_\_\_\_  
Alan Murphy, Chairman

APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_ 2018.

ATTEST: \_\_\_\_\_

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# City of Bethel Port Commission Meeting Minutes

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December 17, 2018

Regular Meeting 7 p.m.

Bethel, Alaska

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**I. CALL TO ORDER**

MEETING CALLED TO ORDER AT 1915 (7:15 P.M.)

**NO QUORUM**

**II. ROLL CALL**

<b>COMMISSIONERS PRESENT:</b>	
Comm. Oosterman	Comm. Pope
COmm. Watson	
<b>COMMISSIONERS ABSENT:</b>	
Comm. Murphy	
<b>ALSO IN ATTENDANCE WERE THE FOLLOWING:</b>	
Allen Wold	Ed Flores

**III. PEOPLE TO BE HEARD**

**IV. APPROVAL OF AGENDA**

**V. APPROVAL OF MINUTES**

**VI. SPECIAL ORDER OF BUISNESS**

**VII. PORT DIRECTOR'S REPORT**

**VIII. UNFINISHED BUISNESS**

**IX. NEW BUSINESS**

**X. COMMISSION REPRESENTATIVES COMMENTS**

**XI. ADJOURNMENT**

Respectfully Submitted:

\_\_\_\_\_  
Alan Murphy, Chairman

APPROVED THIS \_\_\_\_\_ day of \_\_\_\_\_ 2019

ATTEST: \_\_\_\_\_



CITY OF BETHEL  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 7 MONTHS ENDING JANUARY 31, 2019

MUNICIPAL DOCK

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>INTEREST &amp; PENALTIES</u>					
52-40-403 CITY DOCK-PENALTIES & INT	.00	.00	5,000.00	5,000.00	.0
TOTAL INTEREST & PENALTIES	.00	.00	5,000.00	5,000.00	.0
<u>CHARGES FOR SERVICES</u>					
52-43-402 CITY DOCK-STORAGE	26,829.78	26,829.78	70,000.00	43,170.22	38.3
52-43-404 CITY DOCK-PERMITS	.00	.00	3,000.00	3,000.00	.0
52-43-405 CITY DOCK-WHARFAGE	140,809.69	140,809.69	160,000.00	19,190.31	88.0
52-43-407 CITY DOCK-DOCKAGE	34,611.81	34,611.81	25,000.00	( 9,611.81)	138.5
52-43-418 SBH PETRO PORT-FUEL THRU-PUT	149,214.78	149,214.78	220,000.00	70,785.22	67.8
52-43-424 PETRO YARD - STORAGE	2,483.20	2,483.20	2,000.00	( 483.20)	124.2
52-43-426 PETRO PORT-FUEL THRU-PUT	298,429.56	298,429.56	440,000.00	141,570.44	67.8
52-43-427 PETRO PORT-DOCKAGE	20,775.59	20,775.59	20,000.00	( 775.59)	103.9
52-43-433 SEAWALL MOORAGE	.00	.00	25,000.00	25,000.00	.0
52-43-434 SEAWALL DOCKAGE	15,696.97	15,696.97	10,000.00	( 5,696.97)	157.0
52-43-435 SEAWALL-WHARFAGE	.00	.00	1,000.00	1,000.00	.0
52-43-454 BEACH-STORAGE	13,652.56	13,652.56	10,000.00	( 3,652.56)	136.5
52-43-455 BEACH-WHARFAGE	69,096.67	69,096.67	70,000.00	903.33	98.7
52-43-457 BEACH-DOCKAGE	12,866.36	12,866.36	17,000.00	4,133.64	75.7
52-43-462 BOAT HARBOR-STORAGE	.00	.00	3,500.00	3,500.00	.0
52-43-463 BOAT HARBOR-MOORAGE	2,528.40	2,528.40	24,000.00	21,471.60	10.5
TOTAL CHARGES FOR SERVICES	786,995.37	786,995.37	1,100,500.00	313,504.63	71.5
<u>LEASE REVENUE</u>					
52-44-467 LEASE REVENUE	12,180.00	12,180.00	24,000.00	11,820.00	50.8
TOTAL LEASE REVENUE	12,180.00	12,180.00	24,000.00	11,820.00	50.8
<u>MISCELLANEOUS</u>					
52-45-462 SMALL BOAT HARBOR STORAGE	1,500.00	1,500.00	.00	( 1,500.00)	.0
52-45-464 SMALL BOAT HARBOR PERMITS	5,850.00	5,850.00	24,000.00	18,150.00	24.4
52-45-467 EXTRA WATER CALLS	25,090.50	25,090.50	25,000.00	( 90.50)	100.4
TOTAL MISCELLANEOUS	32,440.50	32,440.50	49,000.00	16,559.50	66.2
<u>MISCELLANEOUS</u>					
52-49-487 INVESTMENT INCOME	.00	.00	2,000.00	2,000.00	.0
52-49-495 MISCELLANEOUS REVENUE	7,325.00	7,325.00	5,000.00	( 2,325.00)	146.5
TOTAL MISCELLANEOUS	7,325.00	7,325.00	7,000.00	( 325.00)	104.6
TOTAL FUND REVENUE	838,940.87	838,940.87	1,185,500.00	346,559.13	70.8

CITY OF BETHEL  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 7 MONTHS ENDING JANUARY 31, 2019

MUNICIPAL DOCK

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>DOCK EXPENDITURES</u>					
52-50-501 SALARIES	94,384.58	94,384.58	178,152.00	83,767.42	53.0
52-50-502 OVERTIME	1,788.76	1,788.76	.00	( 1,788.76)	.0
52-50-508 LEAVE CASHOUT	1,166.13	1,166.13	7,865.00	6,698.87	14.8
52-50-510 SOCIAL SECURITY EXPENSE	511.31	511.31	1,293.00	781.69	39.5
52-50-511 MEDICARE FICA	1,493.84	1,493.84	2,583.00	1,089.16	57.8
52-50-512 EMPLOYEE GROUP BENEFITS	19,945.15	19,945.15	55,974.00	36,028.85	35.6
52-50-515 UNEMPLOYMENT	.00	.00	2,496.00	2,496.00	.0
52-50-516 WORKERS' COMPENSATION	.00	.00	7,528.00	7,528.00	.0
52-50-518 PERS	19,343.80	19,343.80	39,193.00	19,849.20	49.4
52-50-519 UTILITY BENEFIT	2,936.59	2,936.59	11,491.00	8,554.41	25.6
52-50-545 TRAINING/TRAVEL	115.00	115.00	5,000.00	4,885.00	2.3
52-50-561 SUPPLIES	1,467.24	1,467.24	5,500.00	4,032.76	26.7
52-50-563 WEARING APPAREL	.00	.00	1,300.00	1,300.00	.0
52-50-600 TIRES	.00	.00	9,000.00	9,000.00	.0
52-50-601 VEHICLE MT. (PARTS & TOOLS)	5,266.93	5,266.93	12,000.00	6,733.07	43.9
52-50-602 GASOLINE/DIESEL/OIL	9,302.05	9,302.05	18,000.00	8,697.95	51.7
52-50-621 ELECTRICITY	6,797.89	6,797.89	12,000.00	5,202.11	56.7
52-50-622 TELEPHONE	1,135.75	1,135.75	1,000.00	( 135.75)	113.6
52-50-623 HEATING FUEL	1,371.62	1,371.62	2,400.00	1,028.38	57.2
52-50-624 WATER, SEWER, GARBAGE	1,771.14	1,771.14	12,000.00	10,228.86	14.8
52-50-626 WATER FOR BARGES	5,451.99	5,451.99	12,000.00	6,548.01	45.4
52-50-627 STAFF CELLULAR PHONES	409.06	409.06	1,320.00	910.94	31.0
52-50-642 LEGAL FEES	532.90	532.90	5,000.00	4,467.10	10.7
52-50-643 PLANNING/ENGINEERING FEES	.00	.00	5,000.00	5,000.00	.0
52-50-661 VEHICLE MAINT/REPAIR	485.29	485.29	2,782.00	2,296.71	17.4
52-50-666 MUNICIPAL DOCK MAINT.	49.99	49.99	5,000.00	4,950.01	1.0
52-50-667 MAINT-SEAWALL	119.97	119.97	7,000.00	6,880.03	1.7
52-50-669 OTHER PURCHASED SERVICES	1,989.21	1,989.21	25,000.00	23,010.79	8.0
52-50-683 MINOR EQUIPMENT	3,595.76	3,595.76	6,175.00	2,579.24	58.2
52-50-687 LAND/EASEMENT ACQUISITION	6,705.00	6,705.00	50,000.00	43,295.00	13.4
52-50-696 WATERFRONT FACILITIES IMPROV	.00	.00	25,000.00	25,000.00	.0
52-50-697 HIGHLIFT FORKLIFT	.00	.00	85,000.00	85,000.00	.0
52-50-721 INSURANCE	.00	.00	16,000.00	16,000.00	.0
52-50-724 DUES	25.98	25.98	1,000.00	974.02	2.6
52-50-727 ADVERTISING	.00	.00	1,000.00	1,000.00	.0
52-50-736 BANK CHARGES	533.38	533.38	.00	( 533.38)	.0
52-50-775 MUNICIPAL DOCK GRAVEL	55,020.00	55,020.00	55,000.00	( 20.00)	100.0
52-50-777 CONTAMINATED SOIL PROCESSING	439.08	439.08	1,000.00	560.92	43.9
52-50-990 XFER OUT	.00	.00	50,000.00	50,000.00	.0
52-50-996 ADMIN OVERHEAD-IT SVCS	6,022.22	6,022.22	18,238.00	12,215.78	33.0
52-50-997 ICR-PROPERTY MAINTENANCE 5%	.00	.00	24,751.00	24,751.00	.0
52-50-998 ADMINISTRATIVE OVERHEAD-GF	15,799.00	15,799.00	59,436.00	43,637.00	26.6
<b>TOTAL DOCK EXPENDITURES</b>	<b>265,976.61</b>	<b>265,976.61</b>	<b>840,477.00</b>	<b>574,500.39</b>	<b>31.7</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>265,976.61</b>	<b>265,976.61</b>	<b>840,477.00</b>	<b>574,500.39</b>	<b>31.7</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>572,964.26</b>	<b>572,964.26</b>	<b>345,023.00</b>	<b>( 227,941.26)</b>	<b>166.1</b>



**CITY OF BETHEL**  
P.O. Box 388  
Bethel, Alaska 99559  
Ph. (907) 543-4150  
Fax (907) 543-3817

## **MEMORANDUM**

DATE: January 14- Feb.-5

TO: City Council

FROM: Peter Williams, City Manager

RE: Managers' Report

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Courthouse – Another break in the waterline at the courthouse. I'm working on a budget modification for project regarding the water service in the courthouse. May not resolve all the problems. It appears the last break was from a faulty heater, there is some evidence that the building shifted in the area of the break.

Endowment Fund – Started reserch regarding the auditors finding and requested a legal opinion regarding BMC 4.18.

Finance Dept.- On January 8<sup>th</sup>,2019 adminerstration requested funding to complete the FY18 Audit and funding to provide for accounting seVICES. The requested funding was turned down due too the funds being withdrawn from the central tresuray. Adminerstration was requested to withdraw the funds from the saleraries in the finance department. On January 22<sup>nd</sup> those changes were persented to council and again denied. One reason mentioned was that to many budget modifications were being requested. In FY09 there were 11 budget modofications; FY 2008-09 their were seven budget modifications totaling 43 pages; FY 10 =1 ( The audit states that they was a excess of expenditures over appropriations and deficats in sevral funds) ; FY11=1( The audit reported that sevral departments went over budget that pertained the genral fund) ; FY12-1( audit shows 5 departments were over budget). FY13-1 ( Genral Fund expenduurtures exceed the budget) FY14-1 ( the genral ledger becomes a finding) FY15-7; FY16-6; FY 18-11; FY-19-4.

The reason for budget modifications is that when the budget is created we do are best to estimate (BMC 4.04.050) what will be needed throughout the year. We do not build any contingcies into our budgets. Another issue has been we have not been allowed to use "other funds" as defined in the BMC 4.04.055. Traditionally capital projects have been part of the operating budget. This is not the correct way to account for capital projects. Alaska

## MEMORANDUM

**DATE:** 01.31.2019  
**TO:** Peter Williams, City Manager  
**FROM:** Bill Arnold, Public Works Director  
**SUBJECT:** Manager's Report –

### Programs/Divisions

#### **Public Works Director:**

##### **Hauled Utilities:**

Hauled Utility Dept. has been trying to keep up with all the water delivery services this whole month of December with only four trucks running route sheets all day until a vehicle is available from maintenance. Then there's another vehicle down on maintenance until further notice.

The Hauled Utility Dept. has been going through a lot of coffee with everyone from the other departments stopping by for coffee even the CWS crews in our Dept. and V&E. There are also other departments getting coffee cups from our department.

We really need tires stored away with departments in their own connex. Some of the tires for the garbage truck have been used and we don't know where the tires are on the trucks.

We will have the drivers get their new Drivers Licenses now until June 1, 2019. One driver is waiting on papers for his Driver's License and is helping out in the shop until he gets his Driver's License.

The extra call charge sheets are just about caught up since I had to drive with the shortage of drivers in which we had more than once. All the paper work starts piling up with all the incidents, inspections, extra calls, information for the billing department and anything that goes on outside of the office until they get done. I'll be starting up on the weekly reports that have to be calculated daily with all the routes that are turned in.

All the drivers have been doing a great job, working hard, even with the absence of co-workers. We still need more trucks on the road to keep up with the services provided daily.

We need more summer tires for the fleet as our inventory is getting low. We are making progress on the services provided with our new workers getting used to the services provided for the community both water and sewer.

- **Cause of Issue #1:** A build-up of condensation that collected in a low point on the line located outside of the building froze (during an extreme cold weather spell) causing the line to break at the joint near the front left sprinkler head.
  - **Solution Issue #1:** Break was isolated and the system was placed back into NORMAL operation minus the ONE isolated sprinkler head. Spring 2019, replace the line to the isolated sprinkler head by contractor Frontier Fire along with upgrade to routing of the pipe itself in the ceiling. This will allow the pipe to remain heated and drain any condensation to the appropriate low point for schedule service draining. This is on our (COB – Maint.) and Frontier Fire Protections To-Do list.
- **Summary of Issue #2:** The dry system was, once again, charged with water when static air pressure was lost in the entire dry system.
  - **Cause of Issue #2:** Pressure loss was caused by a small pinhole leak in a pipe located in the crawl space above courtroom #2. This pinhole leak allowed the air system to slowly and continually bleed down, thus, causing the air compressor to run an abnormal amount (to keep the pressure up). This increase in air compressor run time resulted in the failure of the compressor pump AC motor. Once the motor failed, the air compressor system could not recharge the dry system to the adequate static air pressure.
  - **Solution Issue #2:** System was isolated completely and leak detection action initiated. A small amount of peppermint extract (essential oil) was added to the air supply line of the dry system while water was isolated. Employees were directed to spread out around the building and smell for the essential oil. The leak was found in the crawl space above Court Room #2. Temporary pipe patching and clamping was installed to stop the pinhole air leak. A new Air compressor was ordered from Frontier Fire Protection and installed. Continued leak detection and pressure observation twice daily. NO pressure drops indicated, system maintains static pressure. Quotation for replacing the section of pipe (with the pinhole leak) as well as full dry system piping inspection has been requested by COB to Frontier Fire Protection. The dry system is getting old and I would anticipate there are other areas within the pipe that could have pipe wall failure indications. This is on my capital projects list and I expect to submit for funding in the upcoming budget session or request modification of funds from City Council. In the meantime, the system is maintaining correct static pressures as normal.
- **Wet Sprinkler System:**
  - **Current Status:** Wet system is in NORMAL operation. NO FAULTS.
  - **Summary of Issue:** N/A
- **Holding Cell Area Door:**

- **Cracks in Dry Wall near holding cell entry door:**
  - **Current Status:** Cracks have been noted near and around the holding Cell entry door (Same door that is not properly operating)
  - **Summary of Issue:** Initially, it was thought that the cracks were developed due to shifting of the building. This has since been ruled out. No other evidence in adjacent spaces, door closure or floor contour show sign of building shift. Reason for cracks are undetermined at this time, but are repairable.
  - **Solution to Issue:** COB building maintenance staff made an evaluation of the damage and have begun making repairs to the dry wall and repainting.
  
- **Dirty sprinkler heads and escutcheon plates:**
  - **Current Status:** Dusty, dirty in various locations
  - **Summary of Issue:** We have made note of this discrepancy and truthfully it simply is a task that fails to get done. I am not confident that this duty is assigned to a Janitor. I would rather have my staff deal with the issue than an untrained janitorial service.
  - **Solution to Issue:** I can assign the work to be completed this coming week. Plain and simple, I hold ourselves accountable for this issue. It needs to get done and we will see how it goes.
  
- Public Works Building
  - South Side
    - Ramp door temporarily fixed and operational. Service with Pioneer door, from Anchorage, is scheduled for mid-Feb.
    - Fire sprinkler system deep look, providing info to contractor.
  
- Dog Pound
  - NEW boiler/furnace installation is complete and operating normally. Rounds performed daily to ensure continued operation.
  - Bethel Friends of Canines beginning their transition to conduct more services out of the building. Building maintenance has been in close contact and assisting in the cleanup and minor repairs needed for BFOC.
  
- Log Cabin
  - Temporarily closed to resident use of the building due to a sewer line freeze and boiler reliability issues. Common renters of the space were made aware in a timely manner. Building needs to be raised and sewer lines set to correct slope for freeze ups to be eliminated. Boiler remains operational with daily rounds to ensure adequate warmth of the building. Water service has been isolated and lines drained to prevent freeze up.
  
- YKFC - Pool
  - Requests for assistance with the boiler are frequent. The department assists when

sand at the pit.

Streets and Roads has been plowing snowdrifts or scarifying almost every day in order to keep the roads open. Now that the school buses are now running, we have been coming in an hour or two earlier to get the roads open for them when it snows or the wind blows.

**Vehicles and Equipment:** January, was again, a very busy month for us. It has been a big help filling our other mechanic position. We are down 1 mechanic due to health issues. Hopefully we will get him back soon. Along with some of our bigger projects keeping us busy. We have also done 41 work-orders this month. Our new grader is down with some machining work that is currently being done in Anchorage. If all goes well, it should be back up and running by the end of next week. The excavator parts should be here 2/1 and be back in service early next week. As of this morning there are 3 water trucks down. Parts have been sitting in Anchorage due to no flights going in or out (weather hold).

### **Transit System:**

#### Bethel Transit System FY 18 Ridership Information

The Bethel Transit System has operated from July 1, 2017 to June 30, 2018, for a total of 251 days. The system ran two routes: The Green Line, which operates Monday through Friday, from 6:30am - 10:30am and 11:30am - 6:15pm and the Red Line that operates Tuesday through Saturday, from 9:00 am - 12:00pm and 1:00pm - 3:00pm.

Last year 24,094 rides were provided service. Our ridership is unique for the following reasons:

1. Thirty to forty percent (7,000 to 9,500) of our ridership are seniors / elders, who pay the daily senior trip fare. They are going to and from the hospital, post office, grocery shopping, and a few to part-time jobs. These are people living on a fixed income, in low-income housing, and are living in or close to the poverty level. They do not have 2-3 cars in the parking lot, snow machines and or four-wheelers. They do not go to Anchorage unless it is for medical reasons and travel provided by YKHC.
2. Ten to fifteen percent (2,400- 3,500) of the ridership are handicapped. There are riders who use walkers, need help on and off the bus, canes, visually impaired, crippled from arthritis or other physical problems, and have mental disabilities. They are going to and from the hospital, post office, grocery shopping, or working with support agencies.

- Line construction has been completed.
- DEC has issued a letter (11/20/18) with Interim Approval to Operate the line. This is valid until February 22, 2019. Request for final approval must be submitted prior to expiration.
- U.S. Fish & Wildlife was the first customer to apply for and receive services following the receipt of approval to operate.
- To date (1/31/18) only 5 applications for service have been received. U.S. Fish & Wildlife, Bethel Youth Facility, Correctional Facility and YKHC (hospital and housing units).
- Still waiting on other customers to complete work and apply for services soon.
- Services are expected to turn on at main hospital 1<sup>st</sup> week of February.
- Issues with circulation pumps and high demand pump alarms and tripping are being worked on by DOWL and TecPro.

**Staffing Issues/Concerns/Training:**



CITY OF BETHEL  
Fire Department

*William F. Howell III, Fire Chief*  
P.O. Box 1388, Bethel, Alaska 99559  
Phone: (907)-543-2131  
Fax: (907)-543-2702  
[bhowell@cityofbethel.net](mailto:bhowell@cityofbethel.net)

*Celebrating 50 Years of Service*

DATE: January 31, 2019  
TO: Pete Williams, City Manager  
FROM: Bill Howell, Fire Chief  
SUBJECT: Management Report, January 2019

### **Current Events**

- During January a total of 104 address plaques were ordered for residents and businesses. The department has ordered 567 address signs since inception of the program. For those needing assistance, the department has installed approximately 55 of these signs at the request of the property owners. Overall, reaction to the updated ordinance has been overwhelmingly positive.
- On January, 15 a site inspector/investigator from Medicaid successfully completed a provider site verification visit. The purpose of the visit was to verify Bethel does in fact have an ambulance service.
- On January, 31 Bethel Fire and Utilities maintenance completed inspection and testing of all institutional corridor hydrants.
- Initial budget preparation discussions have been held with administration for the FY 20 budget.
- I will be attending the Association of Alaska Fire Chiefs 2019 Leadership Summit February 5-9 in Juneau. This is the third consecutive year of attendance by Bethel. The Alaska Fire Chief's Association is celebrating its 50<sup>th</sup> year of serving Alaska. I am very excited to be a board member of this organization while we celebrate our 50<sup>th</sup> anniversary.

### **Community Planning/Preparedness**

- There was no quorum at our January Public Safety and Transportation Commission meeting. The commission is seeking members for regular and alternate positions. Our next meeting is scheduled for February 6th, 2019 at the Bethel Council Chambers at 6:30 p.m. Quorum is not expected.

- On 12/25/18 at 4:50 p.m. medics responded to Sixth Avenue for the report of a person experiencing dizziness and a rapid heart rate. The patient was assessed and transported to the hospital.
- On 12/27/18 at 5:28 p.m. medics responded to the area of the U.S. Postal Office for the report of a vehicle accident. Three patients declined medical assistance, but one patient was assessed and transported to the hospital.
- On 12/30/18 at 3:48 p.m. Firefighters responded to Front Street for the report of a snow machine on fire. Firefighters observed a snow machine fully involved in the middle of the ice river. Firefighters were unable to drive the fire apparatus onto the ice. Firefighters monitored the snow machine until it was able to extinguish itself.
- On 01/04/19 at 1:00 p.m. medics responded to City Subdivision for the report of a person not breathing. Medics found the patient to be deceased upon arrival. The scene was turned over to Bethel Police Department Officers for an investigation.
- On 01/05/19 at 2:36 a.m. medics responded to Larson Subdivision for the report of a person who was stabbed. The patient was assessed and transported to the hospital.
- On 01/05/19 at 8:52 p.m. medics responded to Akakeek Street for the report of a person experiencing a heart attack. The patient was assessed and transported to the hospital.
- On 01/08/19 at 5:18 p.m. Firefighters responded to Akakeek Street for the report of an oven fire. Firefighters observed no smoke, and no flames. The cause of the fire was determined as a pot inside of the oven during the self-cleaning cycle.
- On 01/13/19 at 12:32 p.m. firefighters responded to the AVCP Apartments for the report of a propane leak. Upon investigating the incident, it was determined the leak was caused by someone turning their knobs on their stove while intoxicated. The levels of propane in the apartment were at dangerous levels and were in the explosive range. The oven knobs were turned off and the residence was ventilated.
- On 01/14/19 at 6:35 p.m. medics responded to Akiak Street for the report of a person with a self-inflicted stab wound. The patient was assessed by medics and transported to the hospital by Bethel Police Department Officers.
- On 01/27/19 at 12:04 a.m. medics responded to Sixth Avenue for the report of a person who dislocated their shoulder. The patient was assessed and transported to the hospital.

### **Budget/Financial**

- The department is operating within budget.

### FIRE DEPARTMENT VEHICLE STATUS

Vehicle	Type	Year	Status
Medic 4	Ambulance	1999	<i>(Backup ambulance) In service, Airbags repaired.</i>
Medic 5	Ambulance	2003	In service. Frequent no starts/dead batteries. <i>(Plan to remount to new Dodge chassis in 2018/2019)</i>
Medic 6	Ambulance	2017	<i>(Frontline Ambulance) In service.</i>
Engine 4	Pumper	2013	<i>(Frontline pumper) In service, Seat belt sensor silenced but still needing repair by V&amp;E. DEF tank heater malfunction.</i>
Engine 3	Pumper	1986	<i>Being outfitted as a tender and water supply unit. 3000 feet of LDH. (Poor overall condition needs replacement)</i>
Truck 1	Ladder Truck	2017	Outfitting, in service
Com 1	Pickup	2014	In service
Com 2	Pickup	2004	In service.
Tanker 1	Tanker (1500 gallon)	1980	Out of Service
Truck 1	Ladder Truck	1980	Out of Service

was 19 this month compared to 34 for the same period in 2018 and 23 in December. There were 24 DUI investigations resulting in 2 arrests compared to 11 investigations resulting in only 3 arrests for the same period last year and 15 reports resulting in 3 arrests in December. There were 2 unattended deaths this month compared to one in December and one the same period last year.

There was a search and rescue this past month that resulted in one of the death investigations. There remains a missing person case that has been open since December. That individual has not been seen by friends or family since early November. One of the domestic assaults was serious enough in nature that the victim had to be medevac'd to Anchorage with internal injuries. The victim was in a coma for several days but now is conscious and improving.

Chief Waldron traveled to Anchorage for the Executive Board of the High Intensity Drug Trafficking Area. Federal funding was stalled with the shutdown. However, the task forces remain on schedule to be fully funded and operational by March 1. The BPD WAANT investigator will be part of a task force resulting in training and overtime funds being available. Chief Waldron was also appointed to the Alaska Police Standards Council pending legislative confirmation.

### **Animal Control:**

There were 44 animal control calls for service for the month with one reported dog bite. One of the calls resulted in 8 dogs being surrendered. The pound had 12 animals in the pound at one time. BFK9 was successful in getting all of the animals adopted out.

One PW-Admin Asst was hired with a start date of 28 January 2019

We currently have 6 job positions with a total of 7 openings as follows:

Finance Director: Applicant pending interview by panel for week of 11-15 Feb 2019

Driver Hauled Utility: Currently announced

Driver-Landfill: Currently announced

General Ledger Accountant: Interview 4 February 2019

Account Spec I: Currently Announced

Police Officer III: Currently announced

Firefighter position remain as open-continuous regardless of percentage of fill.

**BEACON Programs:**

1<sup>st</sup> QTR Random BEACON test was conducted consisting of 6 employees.

1 Pre-employment test was conducted on 1 employee.

4 Post Accident Non-DOT test were conducted due to accidents involving city vehicles.

All Results were returned as "Negative."

**Reports of Injury:**

1 report of a minor laceration

1 report of ankle sprain

1 report of hyper-extended knee

1 report of chest pain\*\*

\*\*This report of chest pain was attributed to be possible cardiac related, not incurred in the line of duty. A fitness for duty for return to work is being conducted by medical authority 31 Dec 2019, result pending\*\*

**Administrative Actions:**

Multiple PAR routine actions were executed during the month of January

**Employee related announcements:**

## **Memorandum**

**Date:** January 28, 2018

**To:** Pete Williams, City Manager

**From:** Bo Foley, IT Director

**Subject:** IT Director's Report

---



### **January 2019 Current Events**

- **Return from Vacation:**  
I returned to the office on 1/9/19 and have been trying to catch up on any items that have piled up during my absence.
- **Caselle Update:**  
During my vacation, Artic IT assisted the city in upgrading Caselle from version 2018.8.132 to version 2018.11.202. This upgrade had no issues. However, another emergency update was released to fix bugs with the previous release and when I tried to perform this update after my return, I ran into complications with errors and other roadblocks. Working with Caselle, I was eventually able to fix all the errors and any other problems caused and finally get the city updated to version 2018.11.204 across the board.
- **AutoCAD Civil 2019:**  
The planning department uses special software in order to view maps of Bethel and other property line documentation. Among these pieces of software is a program called CAD Civil 3D. Unfortunately its license had expired and the program would no longer function for the current planning director. We found out from Autodesk (the software manufacturer) that they no longer do perpetual licensing and have converted to yearly subscriptions only. I worked with the department and assisted in purchasing a new license and version of the software (2019) so that the planning department could continue its work. The planning department will need to renew this license annually for as long as it wishes to utilize CAD Civil 3D.
- **Janitorial Services ITB:**  
Upon my return, I resumed my temporary responsibilities as purchasing agent and have gotten myself caught up on any RFPs/RFBs the City had posted during my vacation. Currently, there is only a single ITB out for janitorial services at the courthouse. I answered all questions that were pending and the city has also set up a walkthrough for any interested bidders to get a feel for the scope of work. Due to the questions posed and the upcoming walkthrough, the ITB deadline was pushed back into February.
- **Business-As-Usual:**  
Beyond the above-mentioned items, the short month has been spent fixing or helping with run-of-the-mill trouble tickets such as email issues, printing/scanning, Caselle access, and login problems to name a few.

**U.S. ARMY CORPS OF ENGINEERS**  
**APPLICATION FOR DEPARTMENT OF THE ARMY PERMIT**  
 33 CFR 325. The proponent agency is CECW-CO-R.

*Form Approved -*  
**OMB No. 0710-0003**  
*Expires: 30 SEPTEMBER 2015*

Public reporting for this collection of information is estimated to average 11 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of the collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters, Executive Services and Communications Directorate, Information Management Division and to the Office of Management and Budget, Paperwork Reduction Project (0710-0003). Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RETURN your form to either of those addresses. Completed applications must be submitted to the District Engineer having jurisdiction over the location of the proposed activity.

**PRIVACY ACT STATEMENT**

Authorities: Rivers and Harbors Act, Section 10, 33 USC 403; Clean Water Act, Section 404, 33 USC 1344; Marine Protection, Research, and Sanctuaries Act, Section 103, 33 USC 1413; Regulatory Programs of the Corps of Engineers, Final Rule 33 CFR 320-332. Principal Purpose: Information provided on this form will be used in evaluating the application for a permit. Routine Uses: This information may be shared with the Department of Justice and other federal, state, and local government agencies, and the public and may be made available as part of a public notice as required by Federal law. Submission of requested information is voluntary, however, if information is not provided the permit application cannot be evaluated nor can a permit be issued. One set of original drawings or good reproducible copies which show the location and character of the proposed activity must be attached to this application (see sample drawings and/or instructions) and be submitted to the District Engineer having jurisdiction over the location of the proposed activity. An application that is not completed in full will be returned.

**(ITEMS 1 THRU 4 TO BE FILLED BY THE CORPS)**

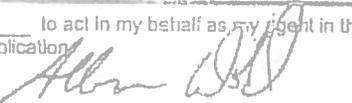
1. APPLICATION NO	2. FIELD OFFICE CODE	3. DATE RECEIVED	4. DATE APPLICATION COMPLETE
-------------------	----------------------	------------------	------------------------------

**(ITEMS BELOW TO BE FILLED BY APPLICANT)**

5. APPLICANT'S NAME First - Allen      Middle -      Last - Wold Company - City of Bethel E-mail Address : awold@cityofbethel.net			8. AUTHORIZED AGENT'S NAME AND TITLE (agent is not required) First -      Middle -      Last - Company - E-mail Address -		
6. APPLICANT'S ADDRESS: Address- P.O. Box 1388 City - Bethel      State - AK      Zip - 99559      Country USA			9. AGENT'S ADDRESS: Address- City -      State -      Zip -      Country -		
7. APPLICANT'S PHONE NOS w/AREA CODE a. Residence      b. Business      c. Fax 907-543-2310      907-543-2311			10. AGENT'S PHONE NOS w/AREA CODE a. Residence      b. Business      c. Fax		

**STATEMENT OF AUTHORIZATION**

11. I hereby authorize, ALLEN WOLD to act in my behalf as my agent in the processing of this application and to furnish, upon request, supplemental information in support of this permit application.

  
 \_\_\_\_\_  
 SIGNATURE OF APPLICANT      6-25-18  
 DATE

**NAME, LOCATION, AND DESCRIPTION OF PROJECT OR ACTIVITY**

12. PROJECT NAME OR TITLE (see Instructions) North Harbor Road Entrance Expansion Project			
13. NAME OF WATERBODY, IF KNOWN (if applicable) unnamed pond		14. PROJECT STREET ADDRESS (if applicable) Address Small Boat Harbor -- North Harbor Road Entrance	
15. LOCATION OF PROJECT Latitude: +N 60 deg.47'39.6      Longitude: +W 161 deg.44'23.2		City - Bethel      State - AK      Zip - 99559	
16. OTHER LOCATION DESCRIPTIONS, IF KNOWN (see instructions) State Tax Parcel ID      Municipality City of Bethel Section - 17      Township - SM      Range - R71W, T8N			

17. DIRECTIONS TO THE SITE

Starting from City Hall at 300 Chief Eddie Hoffman Highway, go SE along the highway until you cross the Brown Slough Bridge on Bridge Avenue. Take a left on Hanger Lake Road, then the next right until you hit North Harbor Road entrance on the left.

18. Nature of Activity (Description of project, include all features)

To widen the existing entrance to North Harbor Road. Place infill and extend existing culverts by adding (3) ten foot extensions.

19. Project Purpose (Describe the reason or purpose of the project, see instructions)

This project would help alleviate the summer boat congestion. Project to begin summer and end in summer of 2018.

USE BLOCKS 20-23 IF DREDGED AND/OR FILL MATERIAL IS TO BE DISCHARGED

20. Reason(s) for Discharge

n/a

21. Type(s) of Material Being Discharged and the Amount of Each Type in Cubic Yards

Type	Type	Type
Amount in Cubic Yards	Amount in Cubic Yards	Amount in Cubic Yards

22. Surface Area in Acres of Wetlands or Other Waters Filled (see instructions)

n/a

Linear Feet 840 cubic feet of sand in the unnamed pond, and cap roadways with 120 cubic yards of D-1 gravel.

23. Description of Avoidance, Minimization, and Compensation (see instructions)

Avoidance: the project location is in a region dominated by wetlands, lakes and other aquatic resources.; avoidance of all wetlands is impracticable. Minimization: again, since the area is dominated by wetlands, not avoiding or minimizing as impact will be minimal. The applicant believes Compensatory mitigation should not be required as the scope of work requested is minimal.

24. Is Any Portion of the Work Already Complete?  Yes  No IF YES, DESCRIBE THE COMPLETED WORK

25. Addresses of Adjoining Property Owners, Lessees, Etc., Whose Property Adjoins the Waterbody (if more than can be entered here, please attach a supplemental list)

a. Address-

City - State - Zip -

b. Address-

City - State - Zip -

c. Address-

City - State - Zip -

d. Address-

City - State - Zip -

e. Address-

City - State - Zip -

26. List of Other Certificates or Approvals/Denials received from other Federal, State, or Local Agencies for Work Described in This Application

AGENCY	TYPE APPROVAL*	IDENTIFICATION NUMBER	DATE APPLIED	DATE APPROVED	DATE DENIED

\* Would include but is not restricted to zoning, building, and flood plain permits

27. Application is hereby made for permit or permits to authorize the work described in this application. I certify that this information in this application is complete and accurate. I further certify that I possess the authority to undertake the work described herein or am acting as the duly authorized agent of the applicant.

Allen Wells      6/25/18      \_\_\_\_\_      \_\_\_\_\_  
SIGNATURE OF APPLICANT      DATE      SIGNATURE OF AGENT      DATE

The Application must be signed by the person who desires to undertake the proposed activity (applicant) or it may be signed by a duly authorized agent if the statement in block 11 has been filled out and signed.

18 U.S.C. Section 1001 provides that: Whoever, in any manner within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals, or covers up any trick, scheme, or disguises a material fact or makes any false, fictitious or fraudulent statements or representations or makes or uses any false writing or document knowing same to contain any false, fictitious or fraudulent statements or entry, shall be fined not more than \$10,000 or imprisoned not more than five years or both.

VICINITY MAP



Scale:

Sheet No. 1 Of 5

Applicant:

File No.: POA-2018-0246

Waterway:

Sec. 17 T. 5M R. 714M. T6N

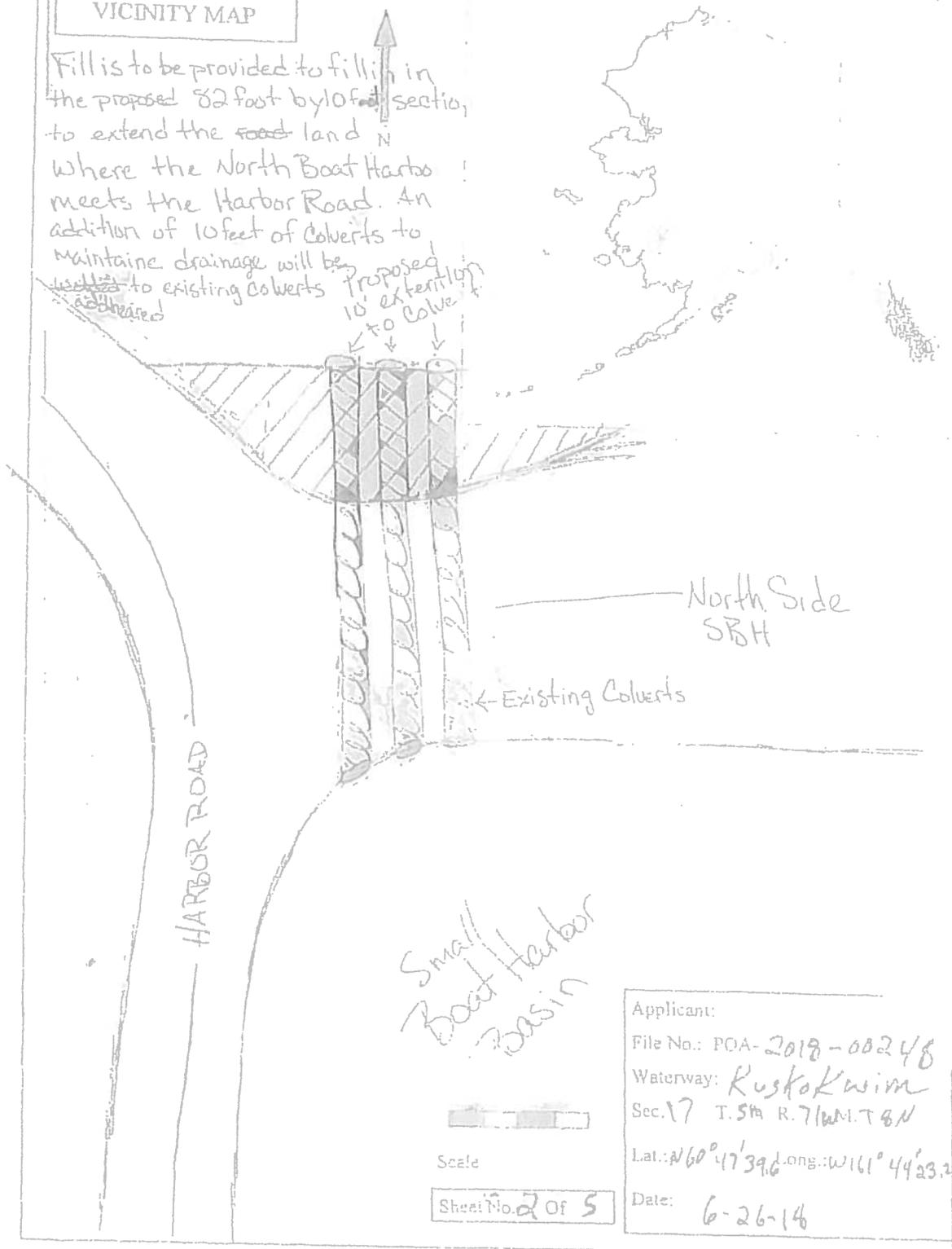
Lat.: 60° 47' 39.6" Long.: W 161° 44' 23.2"

Date: 6-26-18

8x10x82

VICINITY MAP

Fill is to be provided to fill in the proposed 82 foot by 10 foot section, to extend the road land N where the North Boat Harbor meets the Harbor Road. An addition of 10 feet of Coverts to maintain drainage will be added to existing Coverts



North Side SBH

Existing Coverts

HARBOR ROAD

Small Boat Harbor Basin



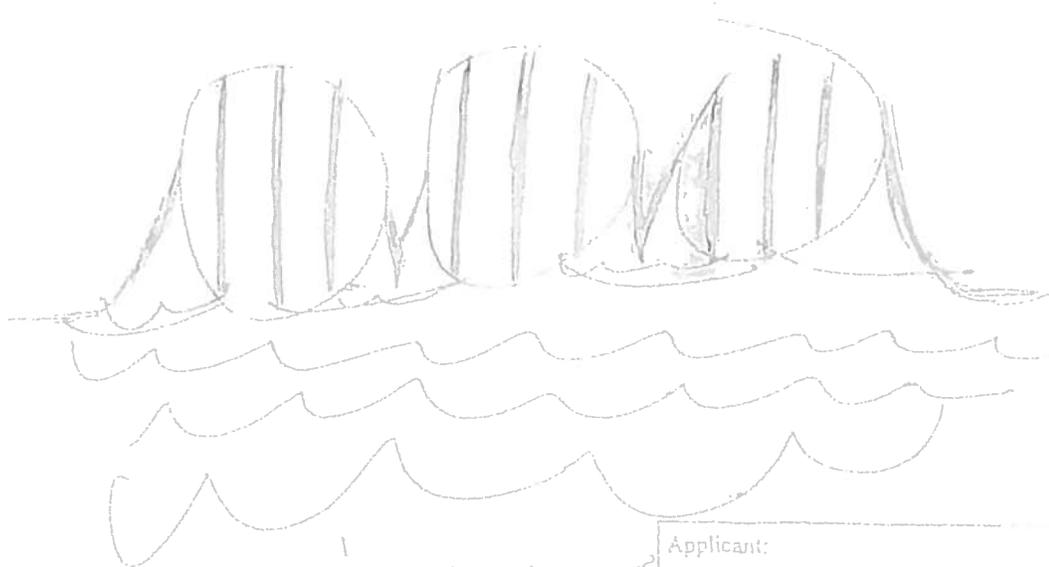
Scale

Sheet No. 2 Of 5

Applicant:  
 File No.: POA-2018-00248  
 Waterway: Kuskokwim  
 Sec. 17 T. 5<sup>th</sup> R. 7<sup>th</sup> W. 1<sup>st</sup> N.  
 Lat.: N 60° 47' 39.6" Long.: W 161° 44' 23.2"  
 Date: 6-26-14

# SIDE VIEW

VICINITY MAP



Scale:

Sheet No. 3 OF 5

Applicant:

File No.: POA-2018-00248

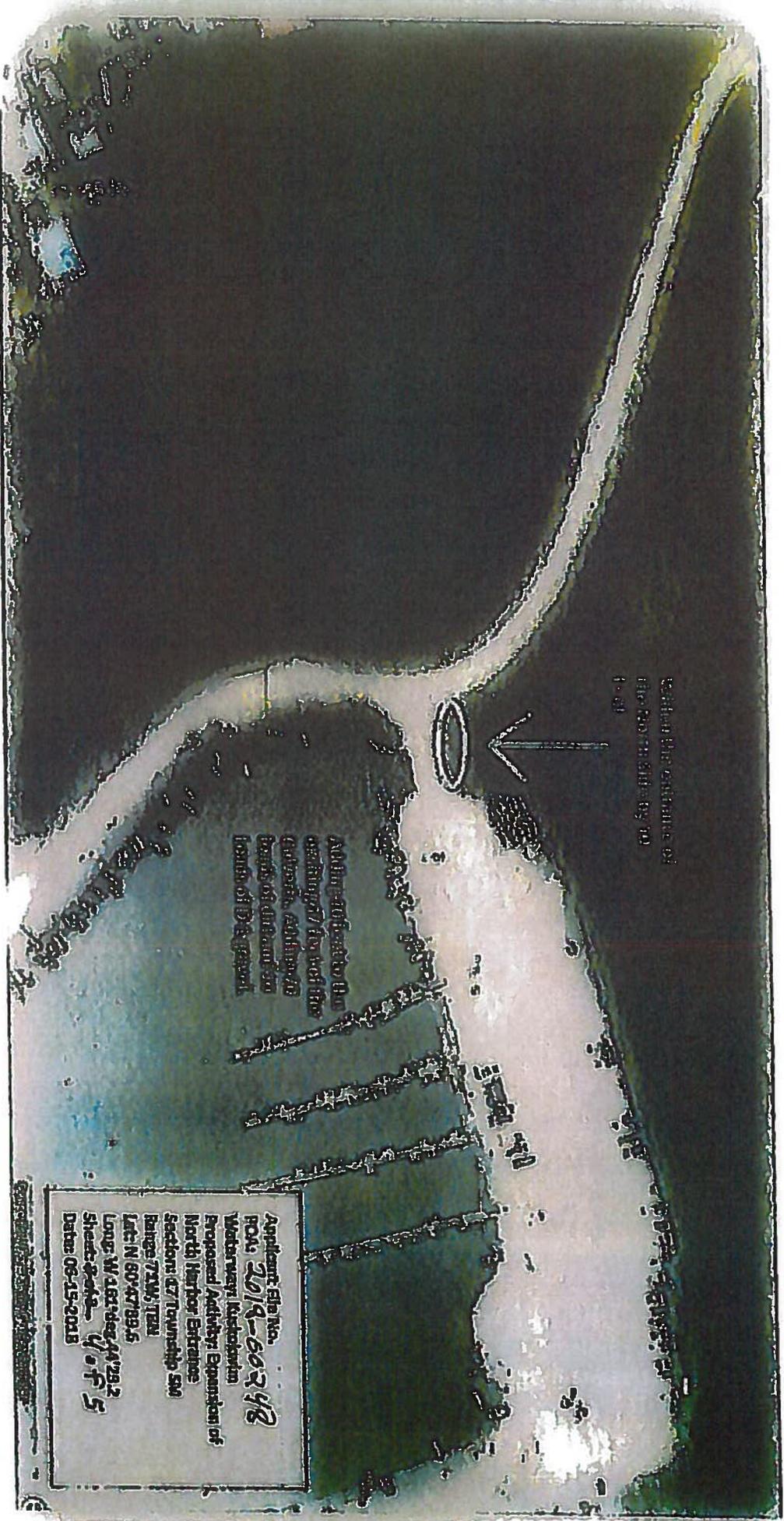
Waterway: Kuskokwim

Sec. 17 - T. 54N R. 71W W. T8N

Lat.:  $N 60^{\circ} 47' 29.6''$  Long.:  $W 161^{\circ} 44' 23.2''$

Date:

6-26-18



Indicate the entrance of  
the North Channel to  
the Gulf

Nothing is shown to the  
west of the North Channel  
Entrance, although  
there is a small  
island of Deception

Applicant file No.  
FOIA 2014-60242  
Waterway Interchange  
Proposed Addition Expansion of  
North Harbor Entrance  
Sector 07 Township 5N  
Range 72W T2N  
Lat: N 60° 47' 59.6  
Long: W 163° 46' 24.2  
Sheet No. 4 of 5  
Date: 06-15-2013



Applicant File No.  
P.O.s:  
Winterwyg, Kuskokwim  
Proposed Authority: Department  
of North Harbor Entrance  
District: 27 Township: SM  
Range: 22W, 70N  
Lat: N. 60° 47' 35.5  
Long: W. 161° 46' 48.29  
Elev: 2-6-5  
Date: 06-15-2013

5065

**A LIMITED SCOPE  
NARRATIVE APPRAISAL REPORT  
A MARKET RENT ESTIMATE OF  
1169 SECOND AVENUE  
LOT 3, BLOCK 20, USS 3230 A&B  
BETHEL ALASKA**

**FOR**  
MR. PETER WILLIAMS  
PORT DIRECTOR  
CITY OF BETHEL  
PO BOX 1388  
BETHEL, ALASKA 99559

**VALUATION DATE**  
DECEMBER 16, 2015

**BY**

STANLEY D. DUNAGAN

**AFFILIATED APPRAISERS OF ALASKA**  
501 W. NORTHERN LIGHTS BOULEVARD, SUITE 201  
ANCHORAGE, ALASKA 99503

**OUR FILE NO. SDD-15-1062**

*Affiliated Appraisers of Alaska*

# Affiliated Appraisers of Alaska

501 W. Northern Lights Blvd., Suite 201  
Anchorage, Alaska 99503  
(907) 274-1949 / Fax (907) 277-2304  
E-Mail: affappak@ak.net

January 16, 2016

Mr. Peter A. Williams  
Port Director  
City of Bethel  
PO Box 1388, Bethel, Alaska 99559

Re: A Limited Scope Appraisal of 1169 Second Avenue, Bethel, Alaska

Our File No. SDD-15-1062

Dear Mr. Williams,

As requested, the above referenced property has been inspected for the purpose of estimating its market rent. It is appraised on a cash or cash equivalent basis.

Located within this report are descriptive information, valuation data, analyses and conclusions used in estimating the subject's market rent. Values are based on current market conditions and surveys. The value found herein is subject to the Contingent and Limiting Conditions found in the report. This appraisal conforms to Volume 12, Code of Federal Regulations, Part 34, Subpart C (FIRREA) and is in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).

As a result of my investigation and analyses, it is my opinion the subject's market rent, as of December 16, 2015 is as follows:

**Estimated Monthly Market Rent: \$2,400**

**Estimated Yearly Market Rent: \$28,800**

As instructed, the market rent estimate includes the building and land within the building footprint only, it does not include yard and parking area.

As agreed, this report is a limited scope appraisal report in a summary format. It presents only summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of market rent. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client. The appraiser is not responsible for unauthorized use of this report.

Mr. Peter Williams  
January 16, 2016  
Page 2

I hope you find the details of this appraisal relevant to your decisions regarding the subject property. If you have any questions, please call.

Sincerely,

AFFILIATED APPRAISERS OF ALASKA

A handwritten signature in black ink, appearing to be 'Stanley D. Dunagan', written in a cursive style.

Stanley D. Dunagan  
Real Estate Appraiser  
State Certification No. AA-37

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### ADDENDA

GU – General Use Zoning Ordinance  
Qualifications of Appraiser

## SUMMARY OF SALIENT FACTS

LOCATION: The subject is located in the east portion of the townsite of Bethel, in the port industrial area. Its street address is 1169 Second Avenue, Bethel, Alaska, 99559.

LEGAL DESCRIPTION: Lot 3, Block 20, USS 3230 A&B, Bethel Recording District, Fourth Judicial District, State of Alaska

LATITUDE/LONGITUDE: 60.792341/161.747454

OSTENSIBLE OWNER (Lessor): City of Bethel

PROPERTY OCCUPANT: Lynden Alaska Marine Lines, who uses it for palletized freight in the summer and storage in the winter.

LAND AREA: Lot 3 contains 20,412 square feet. However, this market rent estimate is for the building and land beneath it only, which is 4,800 square feet.

TYPE OF IMPROVEMENTS: Located on-site is a fair to average quality 4,800 square foot steel frame storage warehouse in average- condition.

ZONING: I - Industrial

DATE OF INSPECTION: December 16, 2015

DATE OF MARKET RENT ESTIMATE: December 16, 2015

DATE OF REPORT: January 16, 2016

PROPERTY RIGHTS APPRAISED: Market rent. As instructed, the market rent estimate includes the building and land within the building footprint only, it does not include yard and parking area.

HIGHEST AND BEST USE: As Improved - Industrial Use

PURPOSE OF APPRAISAL: To estimate the subject's market rent.

CLIENT OF REPORT: Mr. Peter Williams, Port Director, City of Bethel

INTENDED USER: City of Bethel

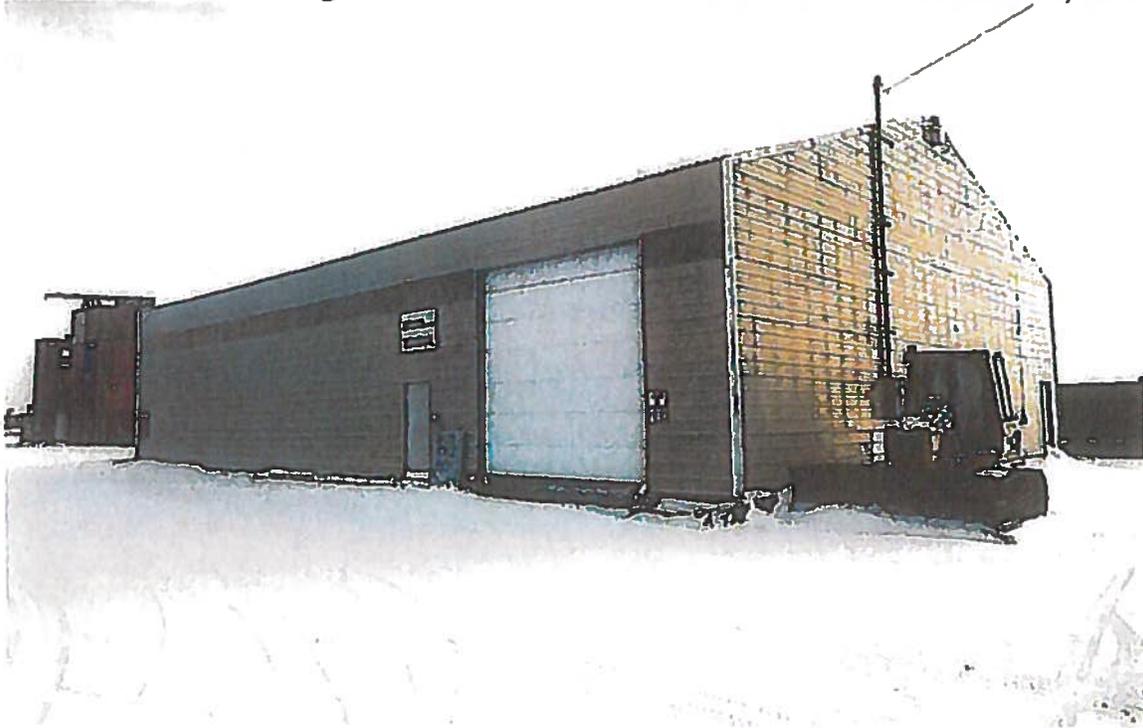
INTENDED USE: The client intends to use this appraisal for internal decisions regarding the subject.

ESTIMATED MARKET RENT: \$2,400 Per Month/\$28,800 Per Year

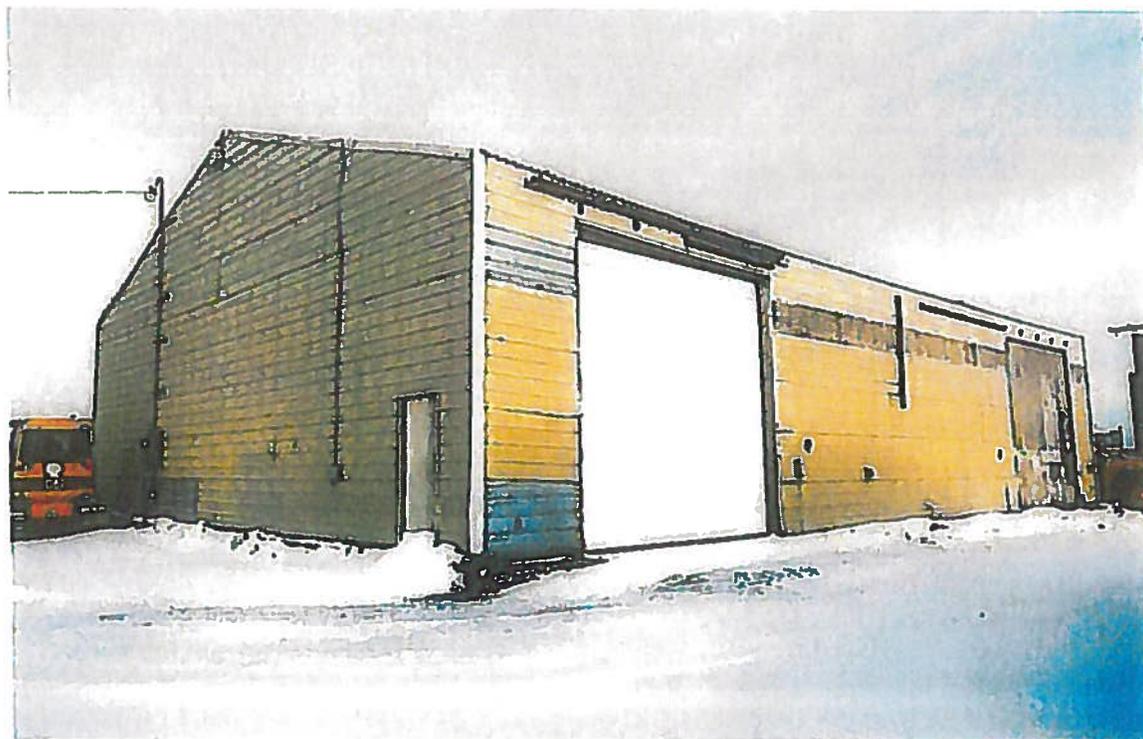
**SUBJECT PHOTOGRAPHS**

TAKEN BY: S.D. Dunagan

DATE TAKEN: December 16, 2015



**Southeast view towards the subject.**

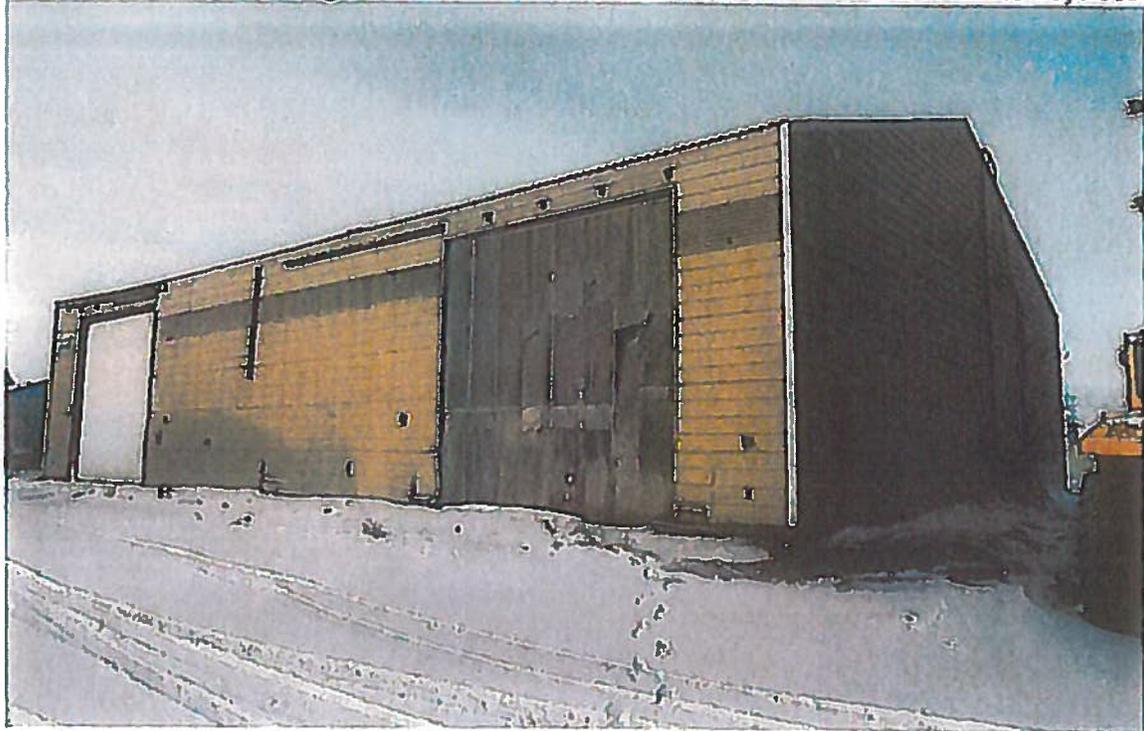


**Northeast view towards the subject.**

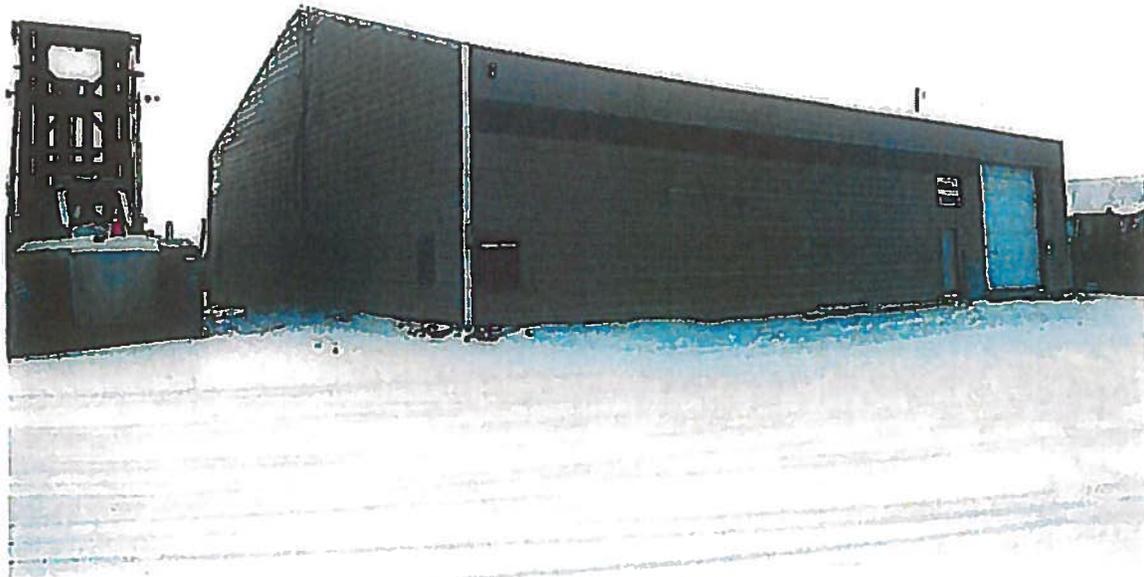
**SUBJECT PHOTOGRAPHS**

TAKEN BY: S.D. Dunagan

DATE TAKEN: December 16, 2015



Northwest view towards the subject.



Southwest view towards the subject.

**SUBJECT PHOTOGRAPHS**

TAKEN BY: Peter Williams



Interior view.

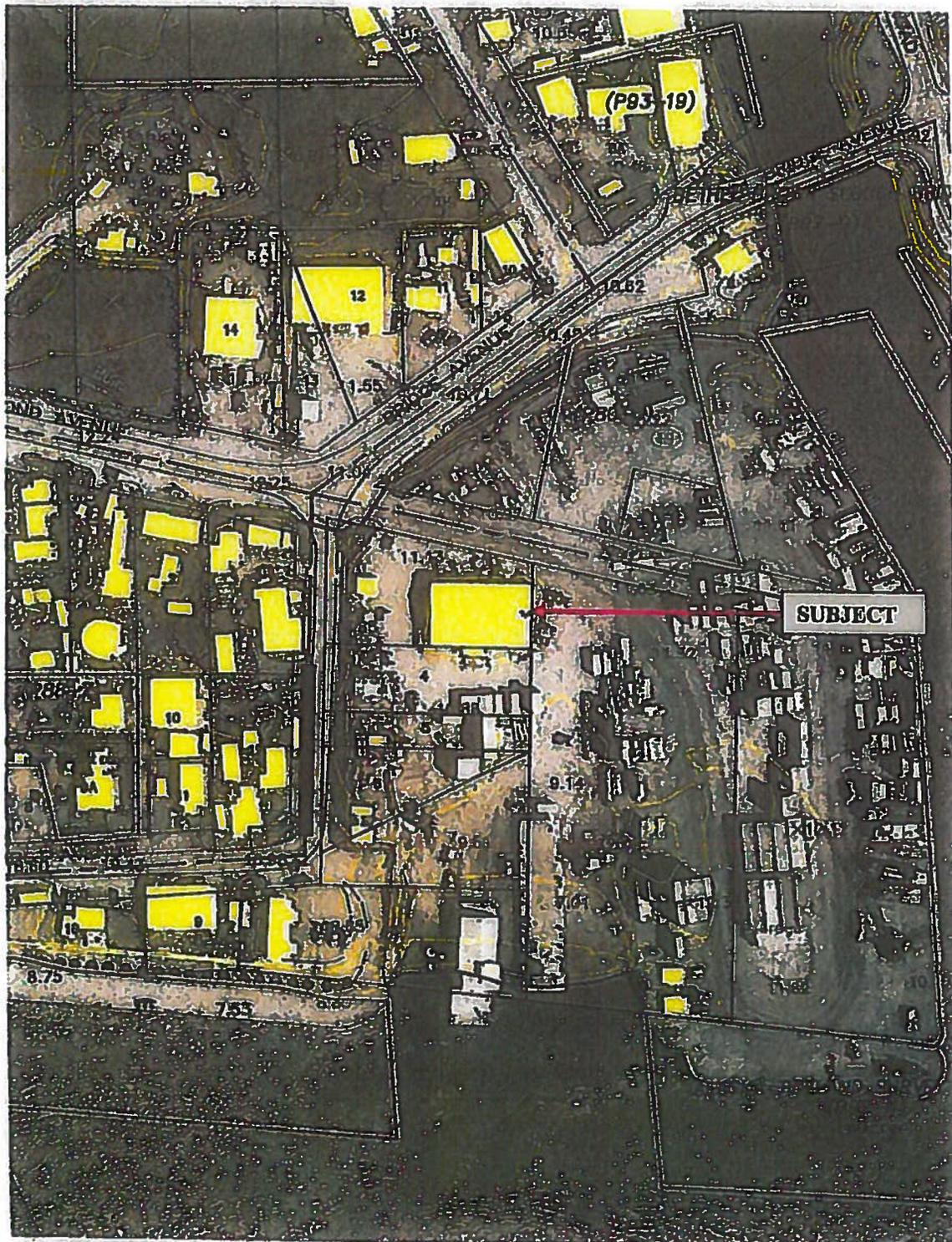


Interior view.





**BETHEL 1713 GRID MAP - JUNE 17, 2002**



**GOOGLE EARTH AERIAL PHOTOGRAPH – AUGUST 26, 2012**



## CONTINGENT AND LIMITING CONDITIONS

The certification of the Appraiser appearing in the appraisal report is subject to the following conditions and to such other specific and limiting conditions as are set forth by the Appraiser in this report.

1. The Appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the Appraiser render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership.

2. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The Appraiser has made no survey of the property.

3. The Appraiser is not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefore.

4. If applicable, any distribution of the valuation in the report between land and improvements applies only under the existing program or utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

5. The Appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. The Appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors.

6. Information, estimates, and opinions furnished to the Appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished the Appraiser can be assumed by the Appraiser.

7. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute.

8. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with the proper written qualification and only in its entirety. This appraisal report is incomplete and cannot be relied upon without the letter of transmittal.

9. This appraisal report has been prepared for the exclusive benefit of the client and intended user. Neither all nor any part of the contents of this report shall be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, news, sales, or other media without the written

consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which the appraiser is connected, or any reference to the Appraisal Institute. Further, the appraiser or Affiliated Appraisers of Alaska assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, client shall make such party aware of all the assumptions and limiting conditions of the assignment.

10. If applicable, on all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner.

11. The Appraiser is not a qualified expert and makes no statement as to the certification of subject to be free of hazardous conditions. The only way to be certain as to the condition of the property with respect to "environmental hazards" is to have an expert in the field inspect the property. The appraisal should not be relied upon as to whether or not environmental hazards actually exist on the property.

12. Affiliated Appraisers of Alaska is an affiliation of independent appraisers. Unless cosigned, this appraisal is solely the work of the appraiser signing the report.

## GENERAL INFORMATION

LOCATION: The subject is located in the east portion of the townsite of Bethel, in the port industrial area. Its street address is 1169 Second Avenue, Bethel, Alaska, 99559.

LEGAL DESCRIPTION: Lot 3, Block 20, USS 3230 A&B, Bethel Recording District, Fourth Judicial District, State of Alaska

OSTENSIBLE OWNER: City of Bethel

PROPERTY OCCUPANT: Lynden Alaska Marine Lines

DATE OF INSPECTION: December 16, 2015

DATE OF MARKET RENT ESTIMATE: December 16, 2015

DATE OF REPORT: January 16, 2016

PROPERTY RIGHTS APPRAISED: Market rent. As instructed, the market rent estimate includes the building and land within the building footprint only; it does not include yard and parking area.

PURPOSE OF THE APPRAISAL: The purpose of the appraisal is to provide an opinion of the subject's market rent. The *Dictionary of Real Estate Appraisal, Fifth Edition*, Appraisal Institute, defines market rent as follows:

“The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements (TIs).”

CLIENT OF REPORT: Mr. Peter Williams, Port Director, City of Bethel

INTENDED USER: City of Bethel

INTENDED USE: The client intends to use this appraisal for internal decisions regarding the subject.

SCOPE OF THE APPRAISAL: The scope of the appraisal includes the following:

- 1) Stanley D. Dunagan inspected the subject on December 16, 2015. I was not able to inspect the interior. Information on the building's interior and photographs, were supplied by the client.
- 2) Neighborhood inspection and analysis. Area analysis based primarily on private and government publications, and other economic studies and indicators.
- 3) A sales search for comparable rents that began in the subject neighborhood, and was then expanded until adequate data was found to arrive at a market rent conclusion.
- 4) Sources of data include our files, other appraisers, Alaska Multiple Listing Service, real estate agents and market participants.
- 5) Confirmed and analyzed the data and used a comparative analysis to estimate market rent. The cost, income and sales comparison approaches to estimate market value are not relevant to the appraisal problem.

THREE-YEAR SALES HISTORY: The subject has not sold or been listed for sale over the past three years.

## AREA AND NEIGHBORHOOD ANALYSIS



The subject is located in the east portion of the Bethel townsite. Bethel is located on the north bank of the Kuskokwim River, 40 miles inland from the Bering Sea. It is 400 air miles west of Anchorage and 540 miles southwest of Fairbanks. Because of its central location in Southwestern Alaska, it has become the center of trade, transportation, administration and education for a vast region. Within this area, covering about 100,000 square miles, are 56 villages, with a combined population of about 15,000, most of whom are Eskimo or Athabascan Indian.

The Moravian Brotherhood Mission established a church and school in Bethel in 1884. By the early 1900s Bethel was a well-established trading and distribution center and the logical location for governmental agencies serving the area. Because of the job opportunities offered by them, including the Yukon-Kuskokwim Delta Regional

Hospital, the Yukon-Kuskokwim Health Corporation and the Lower Kuskokwim School District, many people from villages in the area have moved to Bethel. Bethel is a second-class city with a Mayor-Council form of government. It has a 6% city sales tax but no real property tax.

The city site is flat and vegetation is sparse. Soils conditions are typically poorly drained arctic tundra. Most buildings are constructed on pilings or sand pads. The mean summertime temperature is 53 degrees and the mean winter temperature is 11 degrees. Due to harsh climatic conditions, the wind chill factor can drop to more than -70 degrees.

The population of Bethel is 6,241 within the city limits. The 2000 population was 5,471, reflecting an average annual growth rate of approximately 1%. The 2009-2013 American Community Survey (ACS) estimates 2,730 residents as employed, with 30% of those employed working for the public sector. The ACS surveys estimated median household income was \$77,500+/- and per capita income \$29,968+/-.

The state-owned Bethel airport is a regional transportation center, the third busiest airport in the state in regards to flight operations. It has 6,400' and 4,000' asphalt runways and a 1,860' gravel cross-wind runway. Float plane bases are located at Hangar and H-Marker lakes. Within Bethel are 22 miles of paved roads maintained by the State of Alaska, Department of Transportation and Public Facilities and 16 miles of gravel surfaced roads maintained by the City of Bethel.

The Yukon-Kuskokwim Delta Regional Hospital complex was constructed in Bethel in the early 1980s at a cost of approximately \$40 million. The Yukon-Kuskokwim Health Corporation (YKHC) constructed a 66,000 square foot medical office building across the Chief Eddie Hoffman Highway from the hospital in the late 1990s. YKHC is in the planning stages for construction of a 130,000 square foot primary care clinic and renovation of and addition to the existing hospital to serve their health care area, which includes about 25,000 people in a region the size of the state of Kansas. The cost of this project is projected at \$287,000,000. To facilitate this expansion, congress recently

passed legislation to transfer 23 acres of federal land and USDA has approved a \$165,000,000 loan. YKHC is working to fund the remainder. When completed, it is projected to add 200 to 400 new jobs. YKHC is also constructing the 16 bed Phillips Ayagnirvik Treatment Center (PATC) about 400 feet northeast of the subject. This project suffered a setback in 2014, when it was about 90% framed and destroyed by fire. YKHC recently completed construction of the YK Elder's Home about 100 feet northeast of the subject and the Bethel Prematernal Home adjacent to the east side of the subject.

Alaska State Troopers are stationed in Bethel and the city has a local police department. Bethel also has a modern fire department headquarters that was constructed in the early 1980s. A public project that is of significant benefit is the stabilizing of the banks of the Kuskokwim River, which had been eroding within the city. Another significant project is the upgrading of the port area by the City of Bethel. This upgrading has helped to increase the desirability of the port area and nearby commercial and industrial areas. Bethel has the only medium draft port in the region. The port is an area of considerable summertime economic activity. This area is a fueling, boat loading, unloading area, and village purchasing area for boat traffic up and down the Kuskokwim River.

Construction of Phases 1 and 2 of the ten-acre Yuut Elitnaurviat People's Learning Center is complete. It is a three-phase project which is a regional alternative school and vocational training center for teens and adults. It provides on-site housing and social support services, hands on training and employment, secondary curriculum and academics, post-secondary academics geared toward earning a certificate, associate degree or feeding into a four-year program. It is a partnership of the Lower Kuskokwim School District, University of Alaska-Fairbanks, Kuskokwim Campus of the College of Rural Alaska, Association of the Village Council Presidents, Association of the Village Council Presidents Regional Housing Authority, Yukon Kuskokwim Health Corporation, Coastal Villages Region Fund, and Yukon Delta Fisheries Development Association.

The Yukon-Kuskokwim Regional Aquatic Health and Safety Center, adjacent to the Yuut Elitnaurviat People's Learning Center, was completed in late 2014. Facility size is 21,164 square feet. It has a six lane pool, family pool, weight room and fitness room.

Construction of a new elementary school in the northeast corner of the Bethel townsite was completed in 2009. A new Bethel National Guard Readiness Center, in the Bethel Airport area, was completed in late 2011. AVCP Regional Housing completed construction in 2011 of a 32,000 square foot office building in their mixed use complex to accommodate their growing office space needs.

Bethel Native Corporation constructed the Kipusvik shopping center with attached movie theatre, just west of the YKHC Headquarters Office Building. It was intended for long term lease to Omni Enterprises. However, Omni Enterprises, Inc. has defaulted on the lease is in bankruptcy liquidation proceedings. The store area will now house the Ayaprun Yup'ik K-6 immersion school, which had its school, at the Kilbuck campus, destroyed by fire in early November 2015.

Sewer and water utilities are provided by the City of Bethel. Turnkey III Subdivision, Bethel Heights Subdivision, "City Sub" (a portion of USS 3770) and a portion of Ptarmigan Subdivision are served by above ground insulated water and sewer lines. These lines are slowly being extended to other areas. Some private and government buildings have city water and sewer line service but about 75% of the buildings and houses in Bethel are serviced by city tanker trucks delivering water and picking up sewage from on-site holding tanks. Electricity for the area is provided by Bethel Utilities and telephone by United Utilities Inc. Internet, cell phone service and television are supplied by GCI.

A majority of the interim financing for development and loan servicing is provided by First National Bank of Alaska, Wells Fargo Bank and Alaska USA Federal Credit Union, which have bank branches in Bethel. Typical secondary single-family residential financing is provided by Alaska Housing Finance Corporation, a state agency.

The past high price of oil and tighter financing requirements slowed the residential sales market. However, most Bethel apartment owners recently surveyed report full or near full occupancies. Most habitable retail space is owner occupied; few properties have lease area available. Area wide occupancy for habitable average and above average quality office space is above 90%. A majority of the office space is owner-occupied. Most light industrial space is owner occupied.



The subject is located in the east portion of the Bethel townsite, at the northwest corner of the nine acre Port of Bethel cargo dock. The port is the receiving and transshipment

center for petroleum products and barged freight for the Yukon-Kuskokwim Delta. The port yard is to the south and east of the subject. Property use to the west and north of the subject is mixed, primarily consisting of residential and commercial. The subject building is leased to Lynden Alaska Marine Lines, who uses it for palletized freight in the summer and storage in the winter. The subject's location is supportive of its present industrial use.

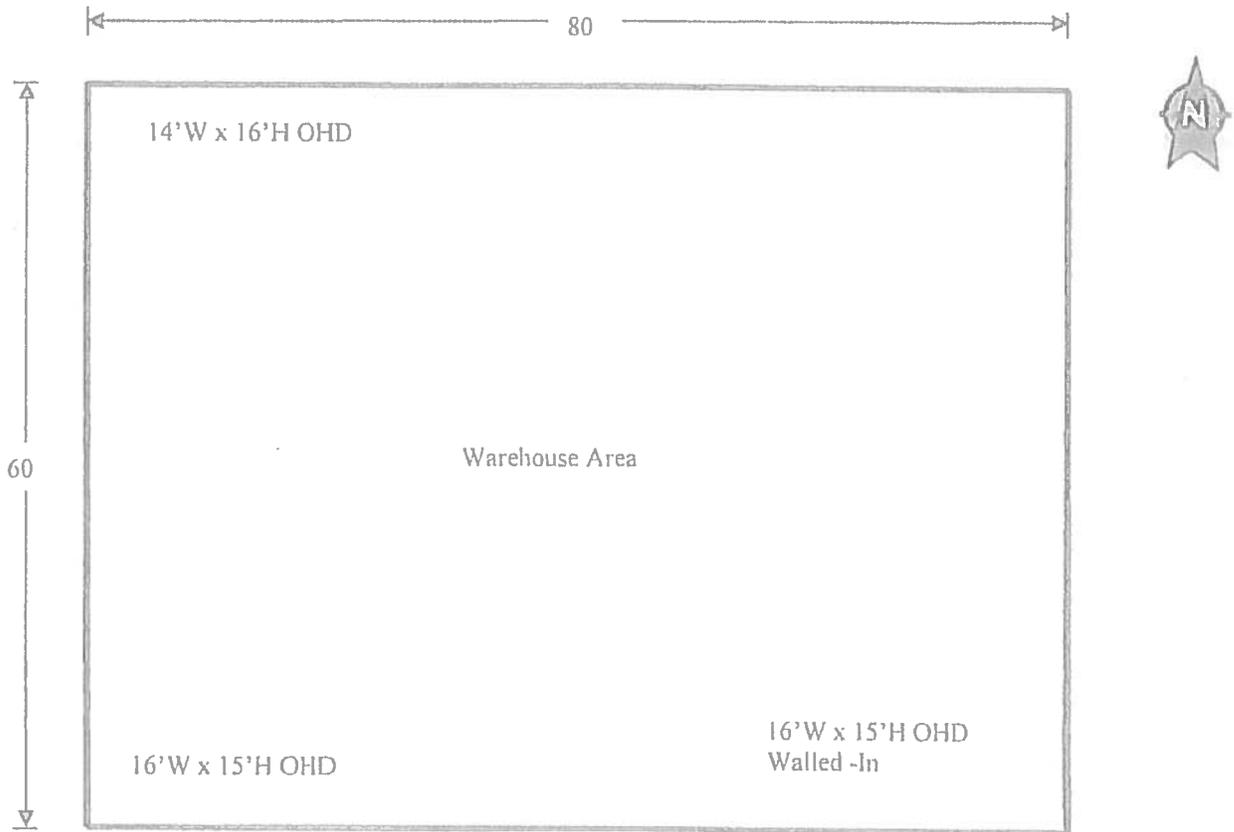


**Land Description:** The market rent includes the building and the 4,800 square feet of land beneath it. It and surrounding land is level, filled, gravel surfaced port yard that is at street grade.

Electricity and telephone are extended to the subject. Public water and sewer lines are not extended to this portion of the Bethel townsite. Buildings in this area have on-site water and septic tanks, routinely serviced by City of Bethel tanker trucks. This is typical of a majority of the buildings in Bethel.

Primary access to the subject is via a driveway at the southeast corner of Bridge Avenue and Second Avenue. Both are two-lane, two-way, paved publicly maintained roads. Bridge Avenue has an average daily traffic count of 3,520 and Second Avenue has an average daily traffic count of 2,670. The Second Avenue right-of-way north of the subject is not improved. FEMA Map No. 0201040061C indicates the site is in a flood zone, as is a majority of the east portion of the Bethel townsite. If flooding occurs, it is usually during the spring breakup of the Kuskokwim River and lasts one week or less.

**Building Description:** Located on-site is a fair quality 4,800 square foot wood frame warehouse. It is 80 feet long and 60 feet wide. It is leased to Lynden Alaska Marine Lines, who uses it for palletized freight in the summer and storage in the winter. The interior is not partitioned. The foundation system consists of perimeter wood beams resting on steel pilings. The floor base is sand, which has a steel plate overlay. The wall construction is wood frame, the siding is lap metal and a semi-transparent fiberglass band to allow natural lighting. Wall eaves and ceiling height is 18 feet. The roof construction is wood frame, coverings are sheet metal. There one 14' wide by 16' high drive-in overhead door at the northwest corner, one 16' wide by 15 foot high drive in overhead door at the southwest corner and one 16' wide by 15 foot high drive in overhead door that has been walled in at the southeast corner. Steel personnel doors are located on the north and west walls. There are no windows. The interior wall and ceilings are not insulated or covered. The building is not heated. Lighting is supplied by hanging fluorescent fixtures. There is no ventilation system, sprinklers or plumbing.



The client indicates the roof covering does not leak and a new overhead door was recently installed at a cost of \$12,000. Most of the foundation system could not be observed. The floor is uneven and siding damage was noted. The building can flex during high winds. The subject was most likely constructed something between 1975 and 1980. The estimated remaining economic life is 15 years, which can be further prolonged by maintenance and upgrades.

**Zoning:** The City of Bethel zoning map The City of Bethel Planners Office indicates the site is zoned I – Industrial District. The City of Bethel’s intent for the I – Industrial zoning district is as follows:

“The industrial district is intended to apply to areas where industrial development is the predominant, or is expected to be the predominant use.”

This zoning allows a wide variety of commercial and industrial uses but prohibits most residential uses. The subject's current use as a warehouse is allowed. An as-built survey was not supplied. Building setback requirements are 15 feet front yard and 10 feet side and rear yard. The subject appears to conform to setback requirements.

Required parking for industrial use is 1 space per employee plus 1 space per commercial vehicle plus 1 space per 700 square feet of patron service area.

**Assessed Values and Real Estate Taxes:** There are no real property taxes in Bethel.

**Environmental Hazards:** An environmental report was not supplied. To the best of my knowledge, there are no buried fuel tanks, hazardous building materials or site contamination present. I am not a qualified environmental engineer, and do not certify the site to be contamination free. The market rent assumes the subject is environmentally sound.

## HIGHEST AND BEST USE

In common appraisal practice, the concept of highest and best use is the premise upon which a value estimate is based. The Fifth Edition of the *Dictionary of Real Estate Appraisal* published by the Appraisal Institute defines highest and best use as follows:

“The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value”.

**Possible Use:** The subject is located in the east portion of the Bethel townsite at the northwest corner of the port dock area. The land is filled, level and at street grade, with electricity and telephone service available. Possible uses include industrial, commercial, residential and public.

**Permissible Use (Legal):** Legal use as it applies to the subject site is zoning. The I - Industrial zoning allows a wide variety of public, commercial and industrial uses. It prohibits most types of residential use, other than a single dwelling use as an accessory use to a principal allowed use.

**Feasible Uses:** The subject is located within the port dock area. As vacant, the most feasible use is industrial associated with freight shipping operations.

**Maximally Productive:** At this time there is no identified alternative use of the site that would justify the demolition of the existing building. As improved, the maximally productive use of the subject is as improved – industrial.

### MARKET RENT ESTIMATE

The building is not heated or plumbed. The client indicates the tenant has been paying \$2,000 per month plus sales tax and electricity over the past three years. A new two year lease will be at \$2,036 per month plus sales tax and electricity. This contract rent is for the building only and land beneath it only.

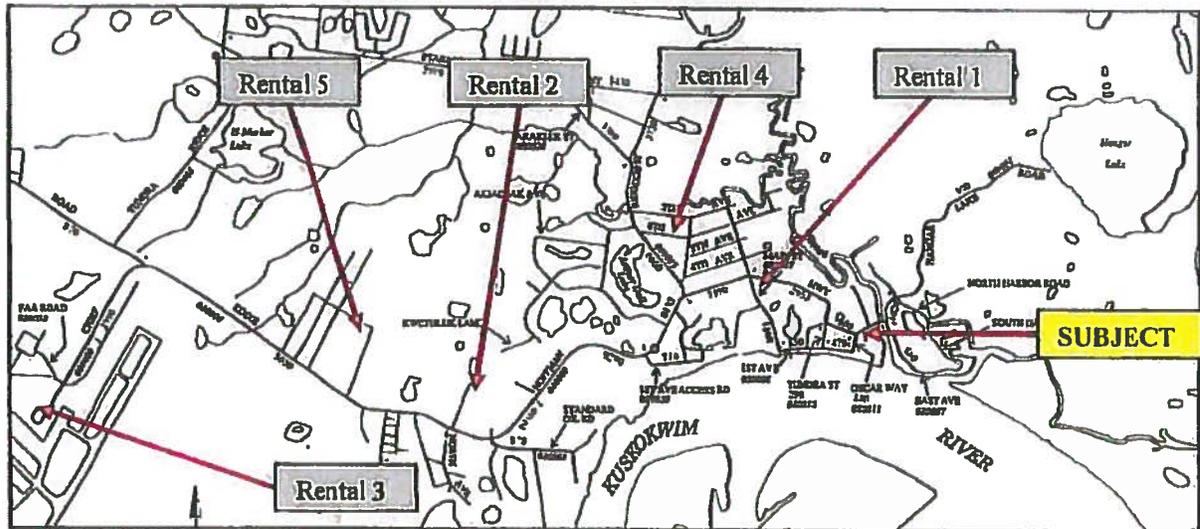
Rental data of light industrial properties in Bethel is very limited, as most are owner occupied. Following is a summary of the comparable rentals used in estimating the subject's market rent.

#### Summary of Comparable Rentals

Comp. No.	Location	Rent	Tenant Expenses	Adjusted Rent/SF
1	290 Third Avenue	\$1.00	H, WSR	\$0.58
2	1380 Kwethluk Lane	\$0.99	U	\$0.88
3	3580 Chief Eddie Hoffman Hwy	\$1.18	H, WSR	\$0.94
4	155-181 Sixth Avenue	\$1.38	U	\$1.23
5	168 Salmonberry Drive	\$1.39	U	\$1.05
Subject	1169 Second Avenue	\$0.42	Assume U	

U = Tenant Pays All Utilities, H = Heating Oil, WSR = Water, Sewer & Refuse

## COMPARABLE RENTALS MAP



As instructed by the client, the market rent analysis includes the building and land beneath it only and assumes the tenant will pay utilities, which consists of electricity only as the building is not heated or plumbed. The adjusted rent column reflects this scenario. The rents of Comparable Rental Nos. 1 and 3 are adjusted  $-\$0.03/\text{SF}$  and  $-\$0.02/\text{SF}$ , respectively, for the lessor paying electricity. The adjustments are based on the lessor's actual electricity expense, which he indicates is very minor as these two comparables are used for storage only. The comparable rentals are also adjusted for yard and parking area included in their rents. The rent paid for yard/parking area is for each comparable is calculated by subtracting the ground floor area of the building from the total site area, which calculates the yard and parking area excluding the building footprint area. The yard and parking area is multiplied times a typical  $\$0.05/\text{sf}$  monthly yard area rental rate to estimate the monthly rent paid for the yard and parking area, which is then divided by the building area to calculate the parking/yard area adjustment. The contract rents are adjusted as follows:

Contract Rent Adjustment Grid

<u>Comparable No</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Contract Rent/SF	\$1.00	\$0.99	\$1.18	\$1.38	\$1.39
Subtract: Utilities Paid by Lessor	\$0.03	\$0.00	\$0.02	\$0.00	\$0.00
Subtract: Rent Paid For Yard/Parking Area	<u>\$0.39</u>	<u>\$0.11</u>	<u>\$0.22</u>	<u>\$0.15</u>	<u>\$0.34</u>
Adjusted Contract Rent	\$0.58	\$0.88	\$0.94	\$1.23	\$1.05

Comparative Analysis

Comparable Rental No. 1 is an eight year old 2,000 square foot heated steel frame warehouse fronting Third Avenue in the east portion of the Bethel central business district. It is located on a 17,619 square foot site that is not fenced. The land to building ratio is 8.8:1. The building has a concrete floor and insulation blanket covered interior wall and ceiling coverings. Wall eaves height is 16 feet. Vehicle access is via a single drive-in overhead door. The interior is not partitioned and it does not have a restroom or any plumbing. There is no water/sewer charge as there is no plumbing. The lessor indicates electricity is about \$30 per month or \$0.02 per square foot per month.



In comparison to the subject, it is adjusted down for its superior quality as it has a concrete floor and is insulated and heated whereas the subject has a steel plate floor laid over a sand base and is not insulated or heated. It is also adjusted down for its superior condition and smaller building size. This adjustment considers smaller buildings are typically more costly to construct on a per square foot basis than larger buildings due to economies of scale and consequently smaller buildings tend to rent for more per square foot than similar smaller buildings. This comparable indicates a market rent for the subject of less than \$0.58 per square foot.