



EXAMPLE OF TRAIL TO BE CONSTRUCTED
TO REACH THE CABIN SITE



HYDRO, INC.

A subsidiary of Alaska Power & Telephone Company.



November 28, 2005

Victoria Gray
Craig Ranger District
P.O. Box 500
Craig, AK 99921-9998

Re: Collection Agreement No. 06CO-111005-028
Twelve Mile Cabin
Black Bear Lake Hydroelectric Project

Dear Ms. Gray:

Enclosed is the signed collection agreement for Twelve Mile Cabin. If we understand correctly, once the U.S. Forest Service Supervisor has signed this agreement we can send payment to the F.S. We would appreciate your assistance in expediting this signature so that we may place this expense on our 2005 budget.

Thank you for your assistance.

Sincerely,

Glen D. Martin
Compliance Manager
Enc. (as stated)

COLLECTION AGREEMENT
between
USDA FOREST SERVICE,
TONGASS NATIONAL FOREST
and
ALASKA POWER AND TELEPHONE

This **COLLECTION AGREEMENT** is hereby entered into by and between the USDA Forest Service, Tongass National Forest, hereinafter referred to as the Forest Service, and Alaska Power and Telephone, hereinafter referred to as AP&T or Cooperator under the provisions of the Granger-Thye Act of April 24, 1950.

A. PURPOSE:

The purpose of this agreement is to collect \$200,000 from AP&T for the construction of an accessible cabin and trail on the southeastern shore of the Twelve Mile Inlet on Prince of Wales Island. This agreement will also cover the other costs associated with the project as described in the attached Financial Plan. The cabin and trail are being constructed to address off site mitigation for the Black Bear Hydroelectric Project according to the current FERC agreement between AP&T and the Forest Service.

This project will provide the public with an accessible cabin and trail on the Tongass National Forest, Craig Ranger District, where hunting, fishing, wildlife viewing and beach combing are available.

B. FOREST SERVICE SHALL:

1. Bill the Cooperator prior to commencement of work for deposits sufficient to cover the estimated costs, including overhead (17.8%), for the specific payment period. Funds that go towards the contract are exempt from the overhead assessment. Billings will be sent to:

Alaska Power & Telephone
ATTN: Mr. Glen Martin
P.O. Box 3222
Port Townsend, WA 98368

2. Deposit all cash funds received under the terms of this agreement to a Forest Service Cooperative Work Fund to be used for the purpose for which contributed, including related overhead expenses (17.8%).

C. AP&T SHALL:

1. Upon receiving a Bill for Collection, send a copy of the bill and a check for payment to the address indicated on the billing. Maximum total cost of the billing is \$200,000.

D. IT IS MUTUALLY AGREED AND UNDERSTOOD BY ALL PARTIES THAT:

1. TAXPAYER IDENTIFICATION NUMBER. The Cooperator shall furnish their tax identification number upon execution of this agreement. **#92-0153693**
2. MODIFICATION. Modifications within the scope of the agreement shall be made by mutual consent of the parties, by the issuance of a written modification, signed and dated by both parties, prior to any changes being performed.
3. PARTICIPATION IN SIMILAR ACTIVITIES. This agreement in no way restricts the Forest Service or the Cooperator from participating in similar activities with other public or private agencies, organizations, and individuals.
4. OWNERSHIP. No part of this agreement shall entitle the Cooperator to any share or interest in the project other than the right to use and enjoy the same under the existing regulations of the Forest Service.
5. PRINCIPAL CONTACTS. The principal contacts for this instrument are:

Forest Service Project Contact

Dennis Benson
Craig Ranger District
P.O. Box 500
Craig, AK 99921-9998

Phone: 907/826-1641
FAX: 907/826-2972
E-Mail: dbenson@fs.fed.us

Cooperator Project Contact

Glen Martin
P.O. Box 3222
Port Townsend, WA 98368

Phone: 360/385-1733 (Ext. 122)
FAX: 360/385-7538
E-Mail: glen.m@aptalaska.com

Forest Service Administrative Contact Cooperator Administrative Contact

Mechele M. MacDonald
Agreements Specialist
648 Mission Street
Ketchikan, AK 99901

Phone: 907-228-6261
FAX: 907-228-6216
E-Mail: mmacdonald@fs.fed.us

Phone:
FAX:
E-Mail:

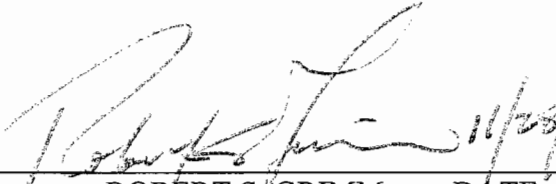
6. REFUNDS. Contributions authorized for use by the Forest Service, which are not spent or obligated for project(s) approved under this agreement, will be refunded to the Cooperator or authorized for use for new projects by the Cooperator and approved by the Forest Service.
7. TERMINATION. Either party, in writing, may terminate the agreement in whole, or in part, at any time before the date of expiration. The Forest Service shall not incur any new obligations for the terminated portion of the agreement after the effective date and shall cancel as many obligations, as is possible. Full credit shall be allowed for Forest Service expenses and all non-cancelable obligations properly incurred up to the effective date of termination.
8. PROPERTY IMPROVEMENTS. Improvements placed on National Forest System land at the direction of either of the parties, shall thereupon become property of the United States, and shall be subject to the same regulations and administration of the Forest Service as other National Forest improvements of a similar nature.
9. ENDORSEMENT. Any Cooperator contributions made under this agreement do not by direct reference or implication convey Forest Service endorsement of the Cooperator's products or activities.
10. FREEDON OF INFORMATION ACT (FOIA). The information furnished to the Forest Service is subject to the Freedom of Information Act (5 U.S.C. 552).
11. COMPLETION DATE. This agreement is executed as of the date of last signature and is effective through **September 30, 2007** at which time it will expire unless extended.
12. FOREST SERVICE LIABILITY. The Forest Service shall not be liable to the depositor or landowner for any damage incident to the performance of this agreement.

13. LEGAL AUTHORITY. The Cooperator has the legal authority to enter into this agreement, and the institutional, managerial and functional capability (including funds sufficient to pay nonfederal share of project costs) to ensure proper planning, management, and completion of the project.

THE PARTIES HERETO have executed this agreement.

**ALASKA POWER &
TELEPHONE**

**USDA FOREST SERVICE
TONGASS NATIONAL FOREST**

	<i>11/23/2005</i>		
ROBERT S. GRIMM	DATE	FORREST COLE	DATE
PRESIDENT - AP&T		Forest Supervisor	

FS Agreement No. 06CO-111005-028
Cooperator Tax ID No. _____
Cooperator Agreement No. _____

The authority and format of this instrument has been reviewed and approved for signature.

MECHELE M. MACDONALD Date
FS Agreements Specialist

Cooperator's Name: Alaska Power & Telephone
 Agreement No. 06CO-11100500-028

Cost Elements	Number of Days	Rate	Daily Pay Rate	Number of Days	Salary costs
Names					
Admin Costs	GS-11	Landscape Architect	\$340	10	\$3,405
	GS-9	Project Manager	\$233	20	\$4,658
	GS-9	Engineer	\$245	50	\$12,230

Total Salary Costs

\$20,292

Overhead cost at 17.8%

\$3,612

TOTAL PLANNED COSTS

\$23,904

Contract Section

Cabin Contract

Trail Construction 1000 ft @ \$50/linear foot

\$120,000

\$56,096

\$176,096

TOTAL CONTRACT COSTS

\$200,000

Total Estimated Costs