



CITY OF NORTH POLE *Alaska*

REGULAR CITY COUNCIL MEETING Monday, February 3, 2014

Committee of the Whole – 6:30 p.m.
Regular City Council Meeting – 7:00 p.m.

MAYOR

Bryce Ward 888-4444

CITY CLERK

Kathy Weber, MMC 488-8583

COUNCIL MEMBERS

Michael Welch- <i>Mayor Pro Tem</i>	488-5834
Sharron Hunter- <i>Dep Mayor Pro Tem</i>	488-4282
Elizabeth Holm – <i>Alt Dep Mayor Pro Tem</i>	488-6125
Kevin McCarthy-	590-0800
Thomas McGhee-	455-0010
Preston Smith -	488-8824

1. **Call to Order/Roll Call**
2. **Pledge of Allegiance to the US Flag**
National Anthem sung by NPMS –
3. **Invocation**
4. **Approval of the Agenda**
5. **Approval of the Minutes**
6. **Communications from the Mayor**
7. **Council Member Questions of the Mayor**
8. **Communications from Department Heads, Borough Representative and the City Clerk**

9. Ongoing Projects Report

10. Citizens Comments (Limited to Five (5) minutes per Citizen)

11. Old Business

12. New Business

- a. Request from NPEDC for 3rd and 4th quarter 2013 bed tax
- b. Request for Tuition Reimbursement for Kalen Middleton in the amount of \$504
- c. Request for University Student Ride Along Agreement
- d. Recommendation to purchase a 1 ton pickup truck based upon the State of Alaska Light Duty Truck Invitation to Bid and to add a snowplow to the vehicle.
- e. Request to Lease a Copy Machine from Arctic Office
- f. Resolution 14-01, A RESOLUTION URGING THE SECRETARY OF THE UNITED STATES AIR FORCE, THE CHIEF OF STAFF OF THE UNITED STATES AIR FORCE, AND THE COMMANDER OF THE PACIFIC AIR FORCES TO BASE F-35 AIRCRAFT ASSIGNED TO THE PACIFIC AIR FORCES AT EIELSON AIR FORCE BASE
- g. Resolution 14-02, A RESOLUTION SUPPORTING THIS GENERATION MINISTRIES (TGMS) REQUEST FOR STATE FUNDING TO PURCHASE AND RENOVATE AN OFFICE BUILDING IN THE NORTH POLE AREA.
- h. Resolution 14-03, A RESOLUTION OF THE COUNCIL OF THE CITY OF NORTH POLE, ALASKA, SUPPORTING LEGISLATIVE ACTION TO ADOPT THE RECOMMENDATION CONTAINED IN RESOLUTION 13 -01 OF THE ALASKA WORKERS' COMPENSATION BOARD

13. Council Comments

14. Adjournment

The City of North Pole will provide an interpreter at City Council meetings for hearing impaired individuals. The City does require at least 48 hours' notice to arrange for this service. All such requests are subject to the availability of an interpreter. All City Council meetings are recorded on CD. These CD's are available for listening or duplication at the City Clerk's Office during regular business hours, Monday through Friday, 8:00 a.m. to 5:00 p.m. or can be purchased for \$5.00 per CD. The City Clerk's Office is located in City Hall, 125 Snowman Lane, North Pole, Alaska.

**Committee of the Whole – 6:30 P.M.
Regular City Council Meeting – 7:00 P.M.**

A regular meeting of the North Pole City Council was held on Tuesday, January 21, 2014 in the Council Chambers of City Hall, 125 Snowman Lane, North Pole, Alaska.

CALL TO ORDER/ROLL CALL

Mayor Ward called the regular City Council meeting of Tuesday, January 21, 2014 to order at 7:03 p.m.

There were present:

**Ms. Holm
Ms. Hunter
Mr. McCarthy
Mr. McGhee
Mr. Smith
Mr. Welch
Mayor Ward**

Absent/Excused

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

Led by Thomas McGhee

INVOCATION

Invocation was given by Councilwoman Holm

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of January 21, 2014

Seconded by Mr. Welch

Discussion

None

PASSED

YES – 7 – Smith, Welch, Holm, McCarthy, Hunter, McGhee, Ward

NO – 0 –

Absent – 0

APPROVAL OF MINUTES

Mr. McGhee moved to Approve the minutes of January 6, 2014

Seconded by Mr. Welch

Discussion

Mrs. Holm: move to make changes on the minutes for the January 6, 2014 meeting. On page 9 & 10 Tammie Wilsons name was misspelled, should be spelled with an ie not a y. Sheila O'Drane's comment reflects Ms. Lagrande should be Ms. O'Drane.

On Elizabeth Holms closing comments should be changed from executive session and insert special meeting.

Seconded by Mr. Welch

Mr. McGhee: I don't agree with what she said.

Mayor Ward: We will refer back to the recording to verify, Mrs. Holms changes.

Minutes as Amended,

PASSED

YES – 7 –Smith, Welch, Holm, McCarthy, Hunter, Ward

NO – 1 – McGhee

Absent – 0

COMMUNICATIONS FROM THE MAYOR

I met today with the Congressional Representative Don Young and FMATS policy board in regards to MAP 21 and congressional funding for transportation. He is committed to passing a transportation bill that has a defined source of revenue; however he does not anticipate a transportation bill to be passed this year, most likely we will see a continuing resolution in regards to transportation

The FNSB is moving forward with changes to the historic preservation commission which would remove a position from the City and refer to the area as a whole for representation. As we have only 2200 residents it is often hard to find individuals who would like to volunteer in these commissions. I am planning to not offer any changes. We are still in need of a position on the planning and zoning commission, contact me if you are interested.

I am in need of individuals to serve on several committees this year. The committees needing volunteers are as follows.

- Two members to serve on the Ethics Board (three year term)
- Finance and Audit Committee

- 4th of July- Summer fest committee
- Community Christmas events Committee (New)
- Bed Tax allocation Committee (New)

COUNCIL MEMBER QUESTIONS OF THE MAYOR

Mr. Smith: Inquired about an article on the F35s at Eielson from the Fairbanks Daily News
Minor, dose the city have a welcoming party?

Mayor Ward: A decision has not been made yet, however the City is working closely with Fairbanks and the Bough thru our Tiger Team Meetings which is every Friday we go over all sorts of different plans to optimize our potential to make sure we rise to the top of the list. So at this time there is not a welcoming party if you will but we are looking at different things to meet the site assessment team which will be coming up as well as moving us to the top of the list.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Accountant, Lisa Vaughn

None

Director of City Services, Bill Butler

Building Department

- No new permit applications since last council meeting

Public Works

- Major task of the Public Works staff continues to be snow removal from sidewalks and at City facilities and sanding roads
 - Dump truck is still in for repairs, using a rented vehicle to do sanding in the interim
- Decorative feature in the Council Chamber almost completed

Utility Department

- Developing project ideas for utility loan applications
 - Not specifically interested in incurring more debt for the Utility
 - Importance of approved loan project is even if Utility does not request the loan, receiving a high score helps the Utility be competitive for grants
 - Applications due February 14
- Engineering for wastewater treatment plant renovation project is proceeding to the 95% stage and complete bid documents

- Hope to release a request for bids in March 2014 with project to begin construction in summer 2014
- Funding for the project will be from the following sources:
 - \$1 million ADEC Municipal Matching Grant (RECEIVED)
 - \$305,000 ADEC loan for emergency generators will be applied to the project (RECEIVED)
 - ADEC is considering a supplemental request for a \$700,000 Municipal Matching Grant (REQUEST BEING REVIEWED)
 - City match from capital reserves (CURRENT RESERVES: \$1.1 million)
- PDC Engineers submitted draft engineering and environmental reports for rehabilitation of water system
 - Utility now eligible for \$210,000 in reimbursements from USDA that could not be request until the draft reports were submitted
- Utility will release its 2013 Annual Report in February
 - Report is mechanism to keep utility customers informed about what their utility did last year

Natural Gas Utility Board

- IGU signed a contract with a project manager to begin the process of creating a functioning public gas utility--MWH
 - MWH is an internationally recognized engineering and project management firm
 - MWH was also selected by AIEDA as the firm to build the gas liquefaction plant on the North Slope
 - IGU and AIDEA each independently selected MWH
- IGU is considering North Pole as the location for its project office

Police Department, Chief Dutra

None

Fire Department, Chief Lane

The new ambulance arrived around 4:00pm today; this ambulance will replace an ambulance that is 21 years old. We will be putting the new ambulance into service in the next couple of days because we do have an ambulance that is down with an oil cooler problem. We will be expediting getting the new ambulance online; we would like to take the 21 year old ambulance off the line.

The ladder truck is moving along it looks like somewhere towards the end of February we will be doing a pre paint inspection, where we go down and make sure the chaise and the body have been married together and all the compartments are where they belong and the wiring is like it is supposed to be. So basically we will be going over the specs prior to the painting.

Alaska Shield is coming up, I was just in Anchorage last week at the final planning meeting, and it's going to be a full scale exercise. Some of the things that are happening throughout the state, there will be towns that will be without power, there will be towns that will be without telephone communications, there will be a tsunami. Then one of the big events is they will be moving patients into Fairbanks on a military aircraft. Its defiantly a big scale exercise, our part of the kick off will be centered around the 50th anniversary of the big 1964 earthquake. The City will be doing our part of the Alaska Shield exercise when the anniversary of the actual earthquake happened. Our exercise is not earthquake related. This exercise is not just state related it is going to be a nationwide exercise, that will be looked at by Washington DC, even to include the City of North Pole. Our exercise will be March 27th and 28th, we will have an infrastructure problem that takes place. We will be involved with that for two days, they maybe 4 hour days they maybe 8 hour days. We are just going to go until our objections are met. The Fire Department is going to be involved on the state wide part of that on a collapsed rescue the 29th 30th and 31st, basically what we are doing is simulating a task force down to Anchorage to help out with the collapse. Every morning at 8:00am they are going to meet at the training center on South Cushman and then they will go over the rubble pile on Ft. Wainwright and drill for that. Prior to that we will be participating on some training the City of Fairbanks is putting on. Homeland security is paying for a two week training exercise. We received a grant to pay for overtime and back fill for people to go to that training; it is a pretty nice training event that we can attend. Our ground truth document, which is our story line we finished in Anchorage, as well as the major injects that, will be watched from the State and the National level. Our EOP has been sent out to a contractor, they are making the first emergency operations plan for the City of North Pole, it's due to be complete next week on the 28th of January the contractor and the City are going to be getting together to be doing a walk through to show the staff what it's all about. We have a firefighter 1 class that starts tonight we have a couple of students in it. This is a combination class between us and the University that we do a couple times a year. NIMS there is a few of you that I need to talk to, and find out where you're at and what you need because it would be nice to have everybody up to date. Prior to the kickoff of Alaska Shield. As you know when we get grants there is a requirement that you meet certain criteria as council members for NIMS.

Arctic Winter Games is about 54 days away; it's been a four year progress. Things are shaping up real nice, stress level is getting high but it's looking good. If you haven't checked in and you want to volunteer, you need to get signed up because they are about to schedule everyone. If you

don't want to volunteer but you want to be a spectator start looking into tickets because the events will sell out real fast.

Borough Representative, Mayor Ward

The Borough is looking at some title 17 changes that may or may not affect the City. We have a position that is unfilled on the planning commission. The Borough by state statute is responsible for planning and zoning. If we want a voice on that board we do need to get the position filled.

City Clerk

- Public Official Financial Disclosure Statements (POFD)

ONGOING PROJECTS

Nadine Winters – North Pole Economic Development Corporation.

I'm here because I think I have been remiss about reporting to the council. I have given a report when we have requested bed tax. I hope to have better communication, there is a lot going on. It is my intent to give a report at least once a month under ongoing projects. It was a really busy year last year; we went from famine to feast in a relatively short period of time. We were going to loose the F16's a lot of people really thought it was going to happen. It was an excellent coordination from the Delegation to the Mayors Tiger Team. At the end of the day the F16's are going to stay here. Now we are in the position to secure and enhance the mission of Eielson with the F35's. There are three phases first they will come out with alternative bases. That is supposed to happen this Thursday Jan 23rd. the expectation is that it will be Eielson, a base in Korea and a base in Japan. In February they will do a site survey, done by the Air Force command. If they stick to their schedule they will start the EIS process in April. The two issues that are likely to come up is air quality and the cost of energy.

The Gray Eagles on Ft. Wainwright, that's their unmanned aerial systems. They are very interested in locating them at Ft. Wainwright.

If we were to get the F35s that is expected to bring in about 3,700 to 4,700 people to the area.

Business retention program, I have attached it to my 3rd and 4th quarter bed tax request so you will get to take a look at it. Basically it's a program that looks after what we have. This program is paired with Fairbanks Economic Development and the Small Business Administration. We just recently picked up another partner the Fairbanks Chamber, who come with a lot of resources. This will be a Borough wide effort. I'm doing a new radius study, my goal is to have a draft in February, I will provide you a copy of that. My hope is to have it finalized in March. One other thing is we are still doing some dog races, which are set for the 7th, 8th & 9th of March, it includes a Jr and adult race.

CITIZENS COMMENTS

None

OLD BUSINESS

None

NEW BUSINESS

APPROVAL TO DONATE CITY HALL FISH TANK TO PIONEER HOME

Public Comment

None

Mr. McGhee *moved to* Approve the donation of the fish tank at City Hall to Pioneer Home

Seconded *by* Mr. Welch

Discussion

None

PASSED

YES – 7 –Smith, Welch, Holm, McCarthy, Hunter, McGhee, Ward

NO – 0 –

Absent – 0

EXECUTIVE SESSION

To consider potential claim related to sulfolane contamination.

Mr. Welch *moved to* go into Executive Session.

Seconded *by* Ms. Holm

The City Council Meeting is Called Back to Order at 9:49pm

Mr. Welch *moved to* Move forward with a cost analyst estimating possible damages to the City of North Pole and to provide safe water for the City of North Poles residents.

Seconded *by* Mr. McGhee

Discussion

None

PASSED

YES – 7 – Smith, Welch, Holm, McCarthy, Hunter, McGhee, Ward

NO – 0 –

Absent – 0

COUNCIL COMMENTS

Ms. Holm – None

Mr. Welch – Good Night

Mr. McGhee – Good Night

Mr. McCarthy – We have some Big decisions coming, I'm real happy to see that these are the people making the decisions. We have some good heads on this Council.

Mr. Smith – I want to thank the middle school for coming in and signing and the Boy Scouts for getting there service hours. The weather is changing so drive with caution.

Ms. Hunter – I would like to remind the council that we do have a ordinance that speaks to decorum and debates. It states that no member shall impugn the motive of another members vote. I think that was violated at the last council meeting, when one of the council members referred to a lack of courage. The reason I would like you to consider following this ordinance is that it lowers the standard of discussion and debate. It makes other people feel that they have to justify how they vote. It makes people in the audience embarrassed. I urge you to follow it and I will also point out that you can raise a point of order and that will discontinue the line of pursuit in the statement. We debate an issue, we should not be debating each other and we should not say things that make us have discomfort with each other.

Mayor Ward – Thank you council.

ADJOURNMENT

Mr. McGhee adjourned the meeting at 10:02 p.m.

Seconded by Mr. Welch

The regular meeting of January 21, 2014 adjourned at 10:02 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, February 3, 2014.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk



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North Pole

January 10, 2014

ECONOMIC DEVELOPMENT CORPORATION

Mayor Bryce Ward

North Pole City Council Members

125 Snowman Lane

North Pole, AK 99705

RE: NPEDC 3rd Quarter Bed Tax Request

Dear Mayor Ward and Council Members,

Pursuant to North Pole City Ordinance 4.09, an overview of NPEDC third quarter 2013 activities is provided for your review.

Efforts in the third quarter of 2013 were largely focused on two issues – working on community responses to the Draft EIS Relocating the F16s from Eielson to JBER and creating the structure for a Business Retention & Expansion (BR&E) program. The possibility of losing the F16s and subsequently, a significant part of our local economy, spurred community members to voice their objections. Public hearings on the draft EIS were held in July in Fairbanks and North Pole. There were two separate efforts related to public comments – having many members of the community voice their opposition and coordinating formal remarks at the hearings. Postcards were developed and signatures and comments gathered at various public venues during the summer – the Solstice celebration (over 1000 postcards signed), the North Pole Fourth of July Parade and Picnic, Golden Days, etc. In addition, NPEDC staff developed and coordinated remarks and speakers for the two public hearings. Radio ads were written and aired encouraging residents to attend the hearings. Community members offered thoughtful remarks and the attendance at both hearings was exceptional.

In addition to working on the Fairbanks and North Pole response to relocating the F16s, a significant amount of time was spent organizing opposition in Anchorage to the move as well. Anchorage and Juneau community leaders joined Fairbanks in opposing the move. Mayor Dan Sullivan, the Executive Director of Anchorage Economic Development Corporation, the president of the Anchorage Chamber of Commerce, the president of the State Chamber and the Mountain View Community Council all publicly opposed the relocation of the F16s. At the public hearing held in Anchorage, opposition to the move was unanimous even though there was the potential for a positive economic impact in the Anchorage bowl area.

In the second quarter of 2013, NPEDC began work on developing a BR&E program. During the third quarter, that work continued. The program is designed to 1) retain or keep existing businesses in our community; and 2)

provide assistance for businesses to expand. There are two main goals of business retention: to provide assistance with issues that could force a company to fail and subsequently close, and to prevent companies from relocating to a new community. Our BR&E program will be a formal program that identifies the hurdles and challenges facing North Pole businesses and provides assistance to address those issues through technical assistance. I made a presentation to the North Pole City Council and I have attached a copy of the PowerPoint presentation for those of you that missed that presentation. The survey instrument has been developed, we are working with many partners trying to get funding for the software. Work continues on developing a list of businesses that will result in statistically probable outcomes. It is not possible to personally survey all 7000 businesses in the borough; sampling the right group will help ensure the validity when developing the long-term strategies.

During the third quarter, NPEDC continued to advocate for economic development by participating in meetings, forums and workshops. Various administrative tasks were completed, including researching options for getting new City maps created that show the roundabouts; over the course of the summer, visitors to the area sometimes had difficulty understanding the maps on the rack card because they do not reflect the new roundabouts. We renewed our rack card spaces at Pioneer Park and Fairbanks International Airport. Once the new maps are completed, we will modify the design of the rack card and get them printed for next year. Through FCVB, we distribute 2500 annually and through the North Pole Visitor Center about 1000.

When giving my report on first and second quarter activities to the Council, a council member asked for the detailed profit and loss from the International Federation of Sleddog Sports World Championships. I have attached that for your review.

We appreciate your continued support as we try to develop and facilitate business opportunities that result in sustainable growth for the City of North Pole. If you have suggestions or comments on any of our activities, please do not hesitate to contact me at 488-4558 or 590-0024.

Sincerely,

A handwritten signature in black ink, appearing to read 'N. Winters', with a long horizontal flourish extending to the right.

Nadine Winters

Cc: NPEDC Board Members

Attachments

North Pole Economic Development Corp.
Profit & Loss Third Quarter 2013
Third Quarter 2013

	Jul - Sep 13
Ordinary Income/Expense	
Income	
2000 - Ordinary Income	
2020 - Corporate Contributions	11,500.00
Total 2000 - Ordinary Income	11,500.00
Direct Public Grants	
Nonprofit Organization Grants	10,000.00
Total Direct Public Grants	10,000.00
Total Income	21,500.00
Gross Profit	21,500.00
Expense	
3000 - Administration	
3010 - Executive Director	5,000.00
3020 - Administrative Support	2,500.00
3030 - Vehicle & Mileage Reimb.	1,500.00
Total 3000 - Administration	9,000.00
5100 - Utilities	
5130 - Phones & Internet	975.62
Total 5100 - Utilities	975.62
6000 - Marketing & Outreach	
6010 - Advertising	40.00
Total 6000 - Marketing & Outreach	40.00
7000 - Professional Services	
7020 - Accounting Fees	382.29
Total 7000 - Professional Services	382.29
Facilities and Equipment	
Rent, Parking, Utilities	1,650.00
Total Facilities and Equipment	1,650.00
Operations	
Postage, Mailing Service	148.00
Total Operations	148.00
Other Types of Expenses	
Memberships and Dues	50.00
Total Other Types of Expenses	50.00
Payroll Expenses	41.76
Travel and Meetings	
Conference, Convention, Meeting	841.37
Travel	856.60
Total Travel and Meetings	1,697.97
Total Expense	13,985.64
Net Ordinary Income	7,514.36
Net Income	7,514.36

3:17 PM

01/09/14

Accrual Basis

North Pole Economic Development Corp.

Profit & Loss/IFSS

January 1, 2012 through November 1, 2013

	Jan 1, '12 - Nov 1, 13
Ordinary Income/Expense	
Income	
2000 - Ordinary Income	
2010 - Government Contributions	18,000.00
2040 - Sponsorships	111,050.00
2050 - Donations	100.00
2065 - Sales	5,395.51
Total 2000 - Ordinary Income	134,545.51
Direct Public Grants	
Nonprofit Organization Grants	3,000.00
Total Direct Public Grants	3,000.00
Total Income	137,545.51
Cost of Goods Sold	
2500 - Cost of Goods Sold	9,435.42
Total COGS	9,435.42
Gross Profit	128,110.09
Expense	
3000 - Administration	
3010 - Executive Director	25,375.00
3030 - Vehicle & Mileage Reimb.	4,700.00
Total 3000 - Administration	30,075.00
4000 - Operations	
4020 - Office Supplies	680.38
4200 - Insurance	847.00
Total 4000 - Operations	1,527.38
4100 - Travel & Entertainment	
4160 - Meals & Entertainment	1,971.11
Total 4100 - Travel & Entertainment	1,971.11
5000 - Facilities & Equipment	
5030 - Repair & Maintenance	426.48
Total 5000 - Facilities & Equipment	426.48
5100 - Utilities	
5130 - Phones & Internet	1,515.13
Total 5100 - Utilities	1,515.13
6000 - Marketing & Outreach	
6010 - Advertising	2,670.00
6040 - Donations & Sponsorships	500.00
Total 6000 - Marketing & Outreach	3,170.00
6100 - Events	
6110 - Catering	5,297.08
Gas	2,552.74
6100 - Events - Other	42,536.54
Total 6100 - Events	50,386.36
6200 - Programs	
6220 - Beautification Projects	5,201.00
6200 - Programs - Other	10,178.72
Total 6200 - Programs	15,379.72
7000 - Professional Services	300.00

3:17 PM
01/09/14
Accrual Basis

North Pole Economic Development Corp.
Profit & Loss/IFSS
January 1, 2012 through November 1, 2013

	Jan 1, '12 - Nov 1, 13
Awards and Grants	
NRA Payments - 1042 Reporting	
W/H US Income Foreign Persons	2,310.00
NRA Payments - 1042 Reporting - Other	7,700.00
Total NRA Payments - 1042 Reporting	10,010.00
Awards and Grants - Other	5,650.00
Total Awards and Grants	15,660.00
Contract Services	
Legal Fees	187.50
Total Contract Services	187.50
Operations	
Banking Service Charges	105.00
Postage, Mailing Service	7.60
Printing and Copying	1,202.57
Supplies	404.61
Telephone, Telecommunications	199.99
Total Operations	1,919.77
Other Types of Expenses	
Advertising Expenses	
Website	7,400.00
Advertising Expenses - Other	4,192.61
Total Advertising Expenses	11,592.61
Reimbursable Expenses	403.00
Total Other Types of Expenses	11,995.61
Payroll Expenses	
FICA	1,089.65
Gross Wages	17,575.00
Med	254.85
SUTA	261.14
Payroll Expenses - Other	79.53
Total Payroll Expenses	19,260.17
Travel and Meetings	
Conference, Convention, Meeting	2,960.00
Travel	1,541.21
Total Travel and Meetings	4,501.21
Total Expense	158,275.44
Net Ordinary Income	-30,165.35
Net Income	-30,165.35



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WWW.NPEDC.COM

North Pole

January 15, 2014

Mayor Bryce Ward

North Pole City Council Members

125 Snowman Lane

North Pole, AK 99705

ECONOMIC DEVELOPMENT CORPORATION

RE: NPEDC 4th Quarter Bed Tax Request

Dear Mayor Ward and Council Members,

Pursuant to North Pole City Ordinance 4.09, an overview of NPEDC fourth quarter 2013 activities is provided for your review.

With the Air Force's announcement that the F16s are to remain at Eielson Air Force Base, the focus on military issues turned to working on enhancing the mission of both Eielson and Fort Wainwright. Eielson is a good candidate for receiving two squadrons of F35s, which would be an economic boost to North Pole, as well as making any BRAC (Base Realignment and Closure) activities unlikely. The Pacific Air Command Air Force has set January 23rd as the tentative date for the announcement of the candidate bases. After that, the Air Force will conduct site surveys in February with a preferred/reasonable alternatives announcement likely in April to kick off the Environmental Impact Statement process. Once again the community will be asked to come out in force to support locating the F35s at Eielson. Rather than opposing a move, we can support something that will have a long-term benefit to North Pole and the surrounding areas. Should two squadrons of F35s be located at Eielson, there would be an estimated additional 3478-4702 personnel stationed there (not including civilian employees or contractors). I have attached a chart showing likely economic impacts for our community using Luke AFB as a model. In addition to the F35s coming to Eielson, the U.S. Army is in the process of looking for a home for the Gray Eagle; Ft. Wainwright is a likely candidate for the Unmanned Aircraft System. Overall, it looks like there is reason for cautious optimism on the military part of our economy.

Work on the Business Retention and Expansion (BR&E) program continued. The program is a systematic, multi-year approach that helps make businesses more competitive by evaluating and addressing key needs and concerns. This means regularly collecting data on both the company and the industry and analyzing and tracking the collected data in order to develop long term strategies. The survey has been developed and efforts to find funding for the requisite software continue. In December another partner agency signed on – the Greater Fairbanks Chamber of Commerce. They will be a great partner and bring enthusiasm and resources to the project. We would like to start conducting

interviews using our survey with businesses in February. Please let me know if any of you are interested in conducting some surveys – it should prove to be an interesting task.

In December, I began the project of creating a radius study. Past efforts focused on data collection that reflected a snapshot in time. I am working on a study that will include current data, analysis of the data, historic trends and some projections. It is my goal to have a study that can be used by policy makers and also by businesses. If a doctor or a business looking to build a cold weather testing facility aren't sure where to locate, the radius study should be an important tool for that decision-making. I will have a draft available for Council's review by mid-February; I would like to have the report completed by the first of March.

NPEDC continues to participate in various economic development meetings – there is a monthly meeting of all community organizations involved in economic develop which is helpful to make sure there is no duplication or overlap of efforts. The Tiger Team continues to meet weekly on military issues.

Please do not hesitate to contact me if you have questions or thoughts on any issues. I can be reached at 488-4558 or on my cell phone, 590-0024.

Sincerely,

A handwritten signature in black ink, appearing to read 'N. Winters', followed by a long, horizontal, slightly wavy line that extends to the right.

Nadine Winters

Executive Director

North Pole Economic Development Corp.
Profit & Loss Fourth Quarter 2013
October through December 2013

	Oct - Dec 13
Ordinary Income/Expense	
Income	
2000 - Ordinary Income	
2010 - Government Contributions	36,000.00
2020 - Corporate Contributions	6,750.00
Total 2000 - Ordinary Income	42,750.00
Other Types of Income	
Miscellaneous Revenue	6,443.03
Total Other Types of Income	6,443.03
Total Income	49,193.03
Cost of Goods Sold	
2500 - Cost of Goods Sold	-125.60
Total COGS	-125.60
Gross Profit	49,318.63
Expense	
3000 - Administration	
3020 - Administrative Support	12,000.00
Total 3000 - Administration	12,000.00
4000 - Operations	
4010 - Office Expense	500.00
4020 - Office Supplies	60.26
4040 - Postage & Mailing	9.98
Total 4000 - Operations	570.24
5100 - Utilities	
5130 - Phones & Internet	499.85
Total 5100 - Utilities	499.85
7000 - Professional Services	
7020 - Accounting Fees	1,573.32
Total 7000 - Professional Services	1,573.32
Awards and Grants	
NRA Payments - 1042 Reporting W/H US Income Foreign Persons	2,310.00
Total NRA Payments - 1042 Reporting	2,310.00
Total Awards and Grants	2,310.00
Operations	
Telephone, Telecommunications	229.49
Total Operations	229.49
Total Expense	17,182.90
Net Ordinary Income	32,135.73
Net Income	32,135.73

Eielson AFB Missions – F-35s

Economic impact extrapolated using Luke AFB as a model

Economic Impact of basing F35As at Luke AFB

- \$2.2 billion/year statewide (Now, expected to grow)
- New construction = \$263.2 million next 10 years (USA Today)
- 1,000 permanent direct and indirect jobs
- \$17 million annually in state, local and federal taxes (AF EIS)

Eielson AFB F-35 Training Mission Personnel and Dependent Changes (Table does not include civilian employees or contractors.)

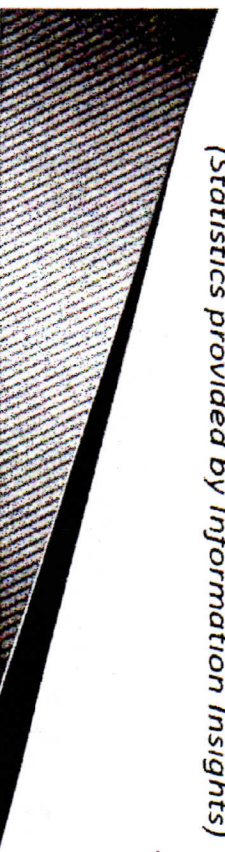
# Squadron (# Aircraft)	Active Duty Personnel*	F-35 Personnel**	Total Base Personnel	Net Change Personnel	Depen- dents***	Total Base	Net Change
Baseline	1,900	0	1,900	NA	2,660	4,560	NA
1 (24)	1,900	1,449	3,349	1,449	4,689	8,038	3,478
2 (48)	1,900	1,959	3,859	1,959	5,403	9,262	4,702

* Fall 2013 Community Research Quarterly, 2013

** F-35A Training Basing Environmental Impact Statement, 2012

*** 2011 Demographics: Profile of the Military Community, US Department of Defense, Updated 2012
(The report used 1.4 dependent/active duty personnel to project the number of dependents)

(Statistics provided by Information Insights)



Business Retention and Expansion Program

FOCUSING ON KEEPING AND CREATING LOCAL BUSINESS AND JOBS



What is a Business Retention and Expansion (BRE) Program?

A systematic, multi-year approach that helps make businesses more competitive by evaluating and addressing key needs and concerns. BRE involves:

- Building solid relationships with business owner or manager
- Regularly collecting data on both the company and industry
- Analyzing and tracking the collected data in order to develop strategies
- Assisting the companies in solving problems that may cause them to move or close
- Looking for opportunities to grow the businesses in our community

Definition of BRE

The Business Retention and Expansion Program is an ongoing, cooperative economic development effort of the local governments, economic development corporations, chambers of commerce and existing businesses with the purpose of identifying opportunities to assist local firms in expanding their facilities, creating jobs and diversifying the local economic base.

....”Very simply, two things: communication and action. If community takes the time to talk with a business, to understand its concern, risks, opportunities and challenges, it will understand exactly what it takes to improves businesses. Then it needs to act on what it has heard. The company also has the responsibility and opportunity to engage stakeholders in a proactive dialogue.”

Source: Area Development 2012
Interview with David Trebbing, GM

Short – Term Objectives

- To demonstrate support for local businesses
- To help solve immediate business concerns
- To provide better information and understanding for local leaders of the strengths and weaknesses of the business climate
- To assist businesses in using programs aimed at helping them become more competitive

Long-Term Objectives

- To increase local businesses' ability to compete
- To develop strategic plans for long-range business retention and expansion
- To develop collaborative relationships for participating in comprehensive long-range retention and expansion activities
- To build community capacity to sustain growth and development

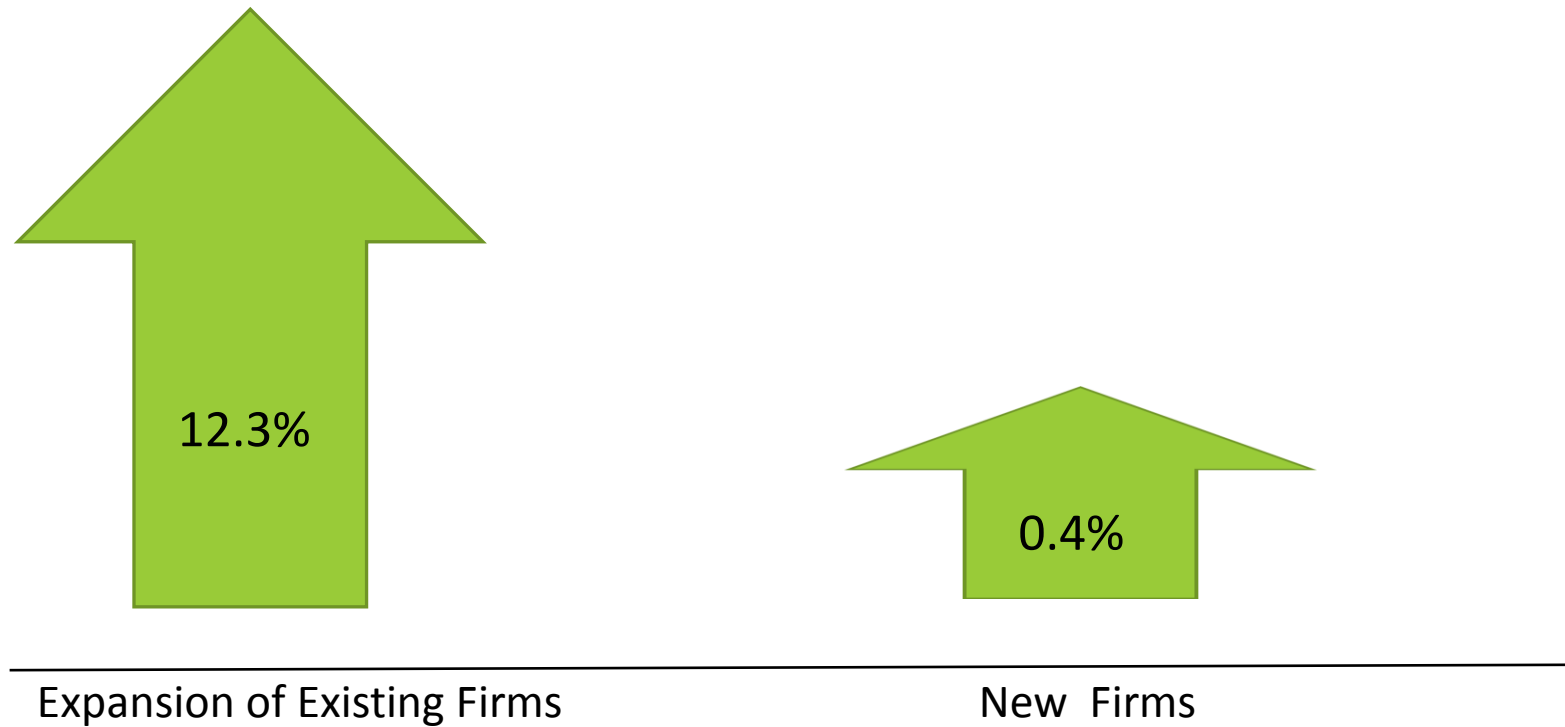
Why BRE? Return on investment.

- Up to 80 percent of almost any area's job growth is generated by existing companies rather than the attraction of new industries.
- When it comes to generating new jobs, it's existing companies – not new startups – that have the leading role. New startups are often billed as the stars of economic growth. Yet it's actually existing, expanding companies that contribute most to U.S. job creation. In fact, from 1990 to 2008, existing companies generated 71 percent more new jobs than startups.
- Retaining and expanding existing businesses is a surer economic development bet than recruiting new ones from other areas.

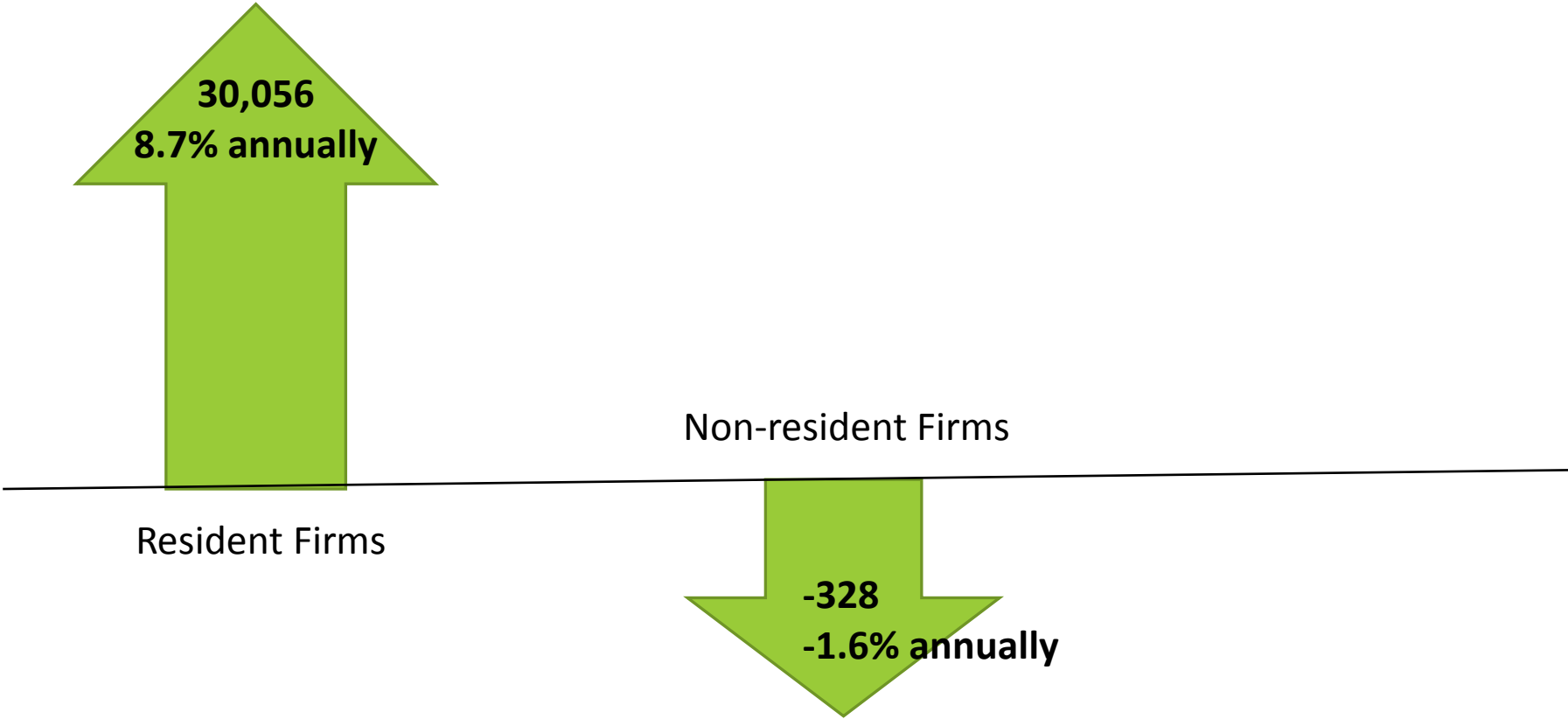
Why BRE? Better odds for success.

- Keeping an existing business is often easier and less costly than recruiting a new business
- Businesses that stay competitive are more likely to remain in the community – and possibly expand
- Businesses considering coming to the community will talk to existing businesses. Odds for attracting new businesses are better if existing ones are happy with the community.

Alaska Trends
2000 to 2012
Business Dynamics- Job Creation



Alaska Trends
2000 to 2012
Growth in Establishments



The Mechanics of a Program

Research

- Inform community about BR&E
- Organize teams
- Finalize survey instrument
- Select businesses
- Train volunteer survey takers
- Visit businesses

Prioritize

- Review/ respond to immediate issues or problems discovered during survey process
- Tabulate and analyze survey data
- Use survey data to identify long term issues and strategies
- Design and adopt priority projects/strategies

Implement

- Implement long term strategies
- Continue with systematic follow-up with businesses
- Evaluate results on quarterly basis

The Purpose of Information Gathering

- Determine the company's satisfaction with its location in the community
- Assist in predicting company behavior (expansion, relocation, closing)
- Identify problems faced by the business that require outside assistance
- Identify growth opportunities
- Understand the industry, and its trends, in which a company functions

Surveying Businesses

- There are over 7000 businesses in the FNSB – it is impossible to personally interview or conduct survey with all of them
- A combination of methodologies will be the best approach – on-site visits coupled with mail or on-line surveys
- After reviewing many other entities survey, we developed a survey with 45 questions, which is close to standard
- We need to set criteria to determine which businesses to visit in person, i.e. largest companies measured in sales dollars, employers that are rumored to be experiencing difficulties, or focus on industries that are in decline or experiencing growth

The Short Version

- A local BRE program makes good economic sense – that is where the new jobs are being created
- The short term goal of a program is to identify and deal with issues or problems discovered during the survey process without the need to wait for formal analysis of the survey data
- The longer term goals will be identified after the survey data is analyzed in the aggregate
- A Business Retention and Expansion program is a long-term, systematic approach to the early detection of problems that could cause employers to leave a community, identify opportunities to help companies expand in the community and build relationships with individual companies.
- Partners are welcome; there will be a particular need for volunteers to conduct surveys

Current BRE Partners

➤ **Fairbanks Economic Development Corporation**

Sean O'Shea, soshea@investfairbanks.com

452-2185

➤ **North Pole Economic Development Corporation**

Nadine Winters, Nadine@acsalaska.net

488-4558

➤ **UAF Cooperative Extension Service**

Kathryn Dodge, kdodge@Alaska.edu

474-6497

CITY OF NORTH POLE
BED TAX - Ordinance 09-14
GL Acct: 01 00 00 5817
Quarterly Disbursements
For the Year Ended December 31, 2013

Month	Amount	0.15 Retention	0.85 Distribution
January	-		
February	3,873.71		
March	<u>1,531.38</u>		
Total 1st Quarter	5,405.09	810.76	4,594.33
April	4,833.74		
May	1,188.13		
June	<u>3,733.12</u>		
Total 2nd Quarter	9,754.99	1,463.25	8,291.74
July	7,197.62		
August	8,816.51		
September	<u>12,196.38</u>		
Total 3rd Quarter	28,210.51	4,231.58	23,978.93
Less: Overpay on 1st Q)			
October	3,775.57		
November	3,781.43		
December	2,181.27		
YE Accrual	<u></u>		
Total 4th Quarter	9,738.27	1,460.74	8,277.53
TOTALS	<u>53,108.86</u>	<u>7,966.33</u>	<u>45,142.53</u>
			45,142.53

Year End Accrual

Amts are booked in the month they are received. At year, end the taxes received in January are accrued back to December, in accordance with GAAP.

AMOUNTS APPLICABLE TO EACH ORGANIZATION				
01 02 00 7204 NP Economic Development 50%	01 02 00 7201 NP Chamber 30%	01 02 00 7203 Christmas In Ice 15%	01 02 00 7205 FCVB 5%	Total
2,297.16	1,378.30	689.15	229.72	4,594.33
4,145.87	2,487.52	1,243.76	414.59	8,291.74
11,989.47	7,193.68	3,596.84	1,198.95	23,978.93
4,138.76	2,483.26	1,241.63	413.88	8,277.53
22,571.27	13,542.76	6,771.38	2,257.13	45,142.53
				45,142.53

-	-	-	-
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North Pole Fire Department

125 Snowman Lane - North Pole, Alaska 99705

Phone: 907.488.2232 Fax: 907.488.3747

Memo

To: Chief Lane
From: Kalen Middleton
Date: 12/27/13
Re: Tuition Reimbursement

Welcome back Chief Lane,

I would like to ask for your blessing on my request for tuition reimbursement from the City of North Pole for the UAF math course I completed in the fall. I would like to ask the council to review it and vote on it. Any information you have regarding this request is appreciated. I hope to continue exploring the educational training that will improve my job skills as the North Pole Fire Department Administrative Assistant.

Thank you in advance for your time and consideration.

Kalen Middleton

Kalen Middleton
1801 Mount Wrangell Street
North Pole, Alaska 99705

December 27, 2013

North Pole City Council
125 Snowman Lane
North Pole, Alaska 99705

RE: Request for Tuition Reimbursement

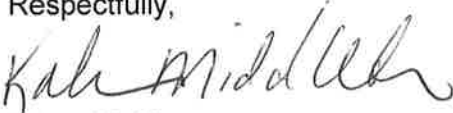
Dear Council Member:

My name is Kalen Middleton, Administrative Assistant of the North Pole Fire Department. I have been with the city for 6 years. I am writing to request tuition reimbursement for the semester based Intermediate Algebra course I completed at UAF. To do my job better, I decided I needed to improve my math skills. I attended this class after work hours on my own time with the permission of Chief Lane.

With successful completion of the math class, I feel that having taken this class, will be a great benefit for the city and its tax payers. In addition to benefiting the city, it has improved my efficiency and job performance. The math class has not only improved my math skills, but improved my overall thinking and problem solving skills. Daily duties that exercise my abilities include, but are not limited to, handling money from the public, completing bi-weekly ambulance billing for the city, support to the Fire Chief in drafting our yearly budget, calculating expenditures vs. budgeted amounts, and tracking the billing for our rental fees on our annex training classroom. Now I can quickly and thoroughly perform all my job tasks, and I can take on more.

I would like to thank you for your time and consideration, if you have any questions, please feel free to contact me at 488-0444 or email at kmiddleton@northpolefire.org

Respectfully,

A handwritten signature in dark ink, appearing to read 'Kalen Middleton', written over a horizontal line.

Kalen Middleton
Administrative Assistant

Attachments:(2) Final class grade and receipt for tuition

Final Grades

30695270 Kalen R. Middleton
Fall Semester 2013
Dec 27, 2013 01:31 pm

Student Information**Current Program**

Associate of Arts

Level: Undergraduate - UAF**Program:** UAF Coll Rural & CDev AA - CTC**Admit Term:** Spring Semester 2013**Admit Type:** Readmitted Student**Catalog Term:** Spring Semester 2013**College:** UAF Coll of Rural & Comm Devlp**Campus:** UAF - Community & Tech College**Major and Department:** General Program, TVC Academic Programs**Academic Standing:****Undergraduate - UAF Course work**

CRN	Subject	Course	Section	Course Title	Campus	Final Grade	Attempted	Earned	GPA Hours	Quality Points
75752	DEVE	F070	TF1	Preparatory College Writing II	UAF - Fairbanks Campus	A-	3.000	3.000	3.000	11.10
75789	DEVM	F105	TE1	Intermediate Algebra	UAF - Fairbanks Campus	A-	3.000	3.000	3.000	11.10

Undergraduate - UAF Summary

	Attempted	Earned	GPA Hours	Quality Points	GPA
Current Term:	6.000	6.000	6.000	22.20	3.70
Cumulative:	13.500	10.500	12.500	35.70	2.85
Transfer:	0.000	0.000	0.000	0.00	0.00
Overall:	13.500	10.500	12.500	35.70	2.85

Select Another Term

RELEASE: 8.4


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30695270 Kalen R. Middleton
Dec 27, 2013 01:27 pm

Account Detail for Term



Your current 1098T delivery option is to receive a hard-copy in the mail. Click here to change your option.

 Review detail transactions on your account, including current and future balance totals for the selected term and other terms.

Questions? Contact the appropriate office(s).

Once you click "Pay Now", you will be forwarded to a separate **secure** website to:

- Make your payment via a credit card or ACH payment
- Establish (or update) an Authorized User who can make payments on your account
- Schedule your payments in advance for automatic payment on the scheduled due date
- Receive email notification on payments made to your account by you or your Authorized User.

When you are done making your payment or establishing your authorized user, logout and close the payment system window before returning to UAOnline. If you have any questions, please contact your campus business office.

If you would like to add a parking decal, post office box or health insurance charge to your account before making payment, click on the appropriate link

Parking Decal

Post Office Box - UAF students only

Health Insurance - UAF students only

SRC Usage - UAF students only

Payment plans are available. For more information choose the link that represents the MAU where you have been admitted to your degree program.

UAA Campus Payment Plans
Payment Plans

UAF Campus Payment Plans

UAS Campus

PAY NOW

201303 Fall Semester 2013 Term Detail

Detail Code	Description	Charge	Payment	Balance
FATH	Athletics Fee	\$24.00		
FGT	General Technology Fee	\$15.00		
FSGF	Student Government Fee	\$42.00		
FSUS	Student Sustainability Fee	\$20.00		
YNC	UA Network Charge-Y	\$18.00		
YRTL	Tuition TVC Lower level	\$504.00		
YTTF	Army Lower Level Tuition	\$504.00		
FWEB	Fbks Web Credit Card Payment		-\$1,127.00	
	Net Term Balance			\$0.00
	Net Balance for Other Terms:			\$0.00
	Account Balance:			\$0.00
	Current Amount Due:			\$0.00

Memo



To: Chief Lane
From: Kalen Middleton
Date: August 15, 2013
Re: Request to take a math class at UAF

Chief Lane,

I am asking the North Pole Fire Department to approve my request to take Intermediate Algebra at UAF starting, September 2013.

The semester long course will prepare students for the Intermediate Algebra course, the next in the algebra sequence. Topics covered will include: evaluating and simplifying algebraic expressions, solving first degree equations and inequalities, integer exponents, polynomials, factoring, rational expressions, equations and graphs of lines. The format will involve lecture, cooperative small group interaction, practice on daily homework, and an emphasis on application problems.

I would like to attend this college level course on my own time to improve my math solving skills, as well as general problem solving skills. Given the opportunity to complete this course would allow me to take one more job tasks in the future.

Registration is open and class fees are listed below:

DEV F105 Intermediate Algebra
3 Credit course, \$165/credit = \$495

Thank you for your consideration Chief Lane, I look forward to hearing back from you as soon as it is convenient. If you have any questions, please let me know.

Respectfully,

Kalen Middleton

Administrative Assistant



North Pole Fire Department

125 Snowman Lane - North Pole, Alaska 99705

Phone: 907.488.2232 Fax: 907.488.3747

Memo

To: Mayor Ward
From: Chief Lane
Date: 12/3/13
Re: University Student Ride Along

Mayor,

Attached you will find the Student ride along agreement with the University of Alaska. Could we please put this on the City Council Agenda for December 16th? I think the agreement could be beneficial for both the fire department and the university. These ride students will not fill in for department manning but will be strictly students. Our benefit will be possibly getting volunteers after they complete their training.

I will be out of town for the December 16th meeting. Captain Daniell will be at the meeting to introduce the agreement and answer any questions. Dave is an instructor with the University program. You can also call me if there are any questions. I hope to be listening to the meeting on the web cast.

Attachment A

James A. (Jamo) Parrish
General Counsel
Mary E. Greene
Associate General Counsel
Michael Hostina
Associate General Counsel
Ardith Lynch
Associate General Counsel



UNIVERSITY OF ALASKA
Office of the General Counsel

203 Butrovich Building
P.O. Box 755160
Fairbanks, Alaska 99775-5160
Telephone: (907) 474-7259
Facsimile: (907) 474-5574
sylegal@alaska.edu

September 29, 2004

To Whom It May Concern:

Over the last few years, the university has experienced resistance from some entities in hosting University of Alaska students in practicum placements. The entities had legitimate concerns that they would be exposed to third party liability for the negligence of students, and/or minimum wage claims brought by students or the State of Alaska. Although we have not experienced any incidents of third party claims, the State Division of Wage and Hour had been warning various employers that they would be exposed to minimum wage claims and/or penalties if they accepted students into practicum placements. This brought both of these concerns to the forefront prompting the University to seek legislation in an attempt to resolve these exposures to the benefit of our education programs, the students, and our partners in education – the practicum host agencies. I am pleased to advise that the legislation Representative Fate authored in 2004 was passed by the Legislature this last session and, as a result, Alaska Statutes (AS 14.40.065 and 23.10.055) have been amended to provide that:

1. an employer who agrees to allow a student of the university gain practical work experience in a UA practicum, and the student is not paid by the employer, is not considered the employer of the student in a civil action based on vicarious liability and,
2. that same student is not considered an employee of the practicum placement site for purposes of the Alaska Wage and Hour Act.

In applying this new law, it is important that the student placements are bona fide practicums, and that the students are not paid by the entities where they have been placed. Students who are paid will probably still be considered employees for the purpose of vicarious liability and wage and hour issues.

Our goal in bringing this issue to the state legislature for relief was to positively impact the willingness of potential practicum agencies to accept our students, to the benefit of both the industries they serve and the students, themselves. If you have any questions, please do not hesitate to contact my office or our System Office of Risk Management at 474-7565.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jamo Parrish".

James A. (Jamo) Parrish
Associate General Counsel

AFFILIATION AGREEMENT

_____ (hereinafter the Affiliate) agrees to permit the University of Alaska Fairbanks (hereinafter UAF) to place students properly enrolled in UAF's Paramedic Program in its facility for a supervised, clinical experience subject to the following provisions:

A. UAF'S RESPONSIBILITIES

1. UAF will conduct its program in conformity with all applicable state and federal laws and regulations.
2. UAF will select and place students for clinical experience.
3. UAF will inform the Affiliate of the general curriculum pattern of each entering class (including clinical practice desired), the purposes of the program, and the educational level of and types of performance expected from the students, and will, wherever possible, adapt the program to the procedures used by the Affiliate.
4. UAF will provide a qualified instructor to review each student's progress toward accomplishing course objectives and will solicit the assistance of the Affiliate in evaluating each student's progress. (Through e-mail and phone conversations).
5. UAF will require participating students to abide by the rules of dress and conduct and other reasonable regulations of the Affiliate and to exercise the highest degree of care when using the Affiliate's supplies and equipment.
6. Upon Affiliate request, participating students will be required to procure and show proof of professional liability insurance.
7. UAF will also require participating students to have proof of the following:
 - ✓ TB clearance within one year
 - ✓ Hepatitis B immunity
 - ✓ OSHA training
 - ✓ Current BLSP card
8. UAF agrees that it now carries, and will continue to carry during the performance of this Agreement, at its own expense, the applicable insurance policies in the attached Certificate of Insurance.

B. AFFILIATE'S RESPONSIBILITIES

1. Affiliate will accept students for placement recognizing the need for Internship Experience.

2. Affiliate will allow the UAF instructor a period of orientation in its facility prior to the placement of students, and will include the instructor in those meeting of the Affiliate's staff which pertain to the student's education experience.
3. Affiliate will permit participating students and instructors reasonable use of the dressing areas, restrooms and dining or cafeteria areas of its facility.
4. Upon reasonable and proper notice, Affiliate will allow legitimate educational accrediting bodies to examine the facility in conjunction with their review of UAF's program.
5. Unless Affiliate elects in writing to make student a full fledged employee and pay student at least the minimum wages required by law, Student is not considered an employee of Affiliate, and Affiliate agrees:
 - a. To not promise prior to the completion of the work-based learning experience to provide any student a job.
 - b. To not pay wages or other compensation for work done during the work based learning experience.
 - c. To not displace any employee as a result of the placement of a student at the worksite.
 - d. To maintain adequate staff so that students are not expected, except in emergency situations, to meet Affiliate's service demands.

C. GENERAL PROVISIONS

1. There will be no monetary reimbursement from either party to the other for the mutual benefits received under this agreement, nor will any student be reimbursed for services performed incidental to this agreement.
2. This agreement shall become effective on the date it is signed and shall remain in effect until either party wishes to terminate the agreement.
3. This agreement may be terminated by either party by providing written notice to the other party at least 30 days prior to the date of proposed termination.
4. FERPA Clause for Clinical Education Affiliation Agreements: Family Educational Rights and Privacy Act. Personally identifiable information from students' education records shall be disclosed only in accordance with the Family Educational Rights and Privacy Act (FERPA). *Affiliate* and its officers, employees and agents may use information from education records only for the purposes for which the disclosure was made. *Affiliate* shall not disclose information from education records to any other party without first having received written consent of the student and having obtained assurances that the other party will fully comply

with the provisions of the Family Educational Rights and Privacy Act and that no further disclosure by such party shall be permitted.

5. Attachment A, the memorandum from UAF General Council, is incorporated into this agreement.

The parties, by and through their duly authorized representative, indicate their willingness to be bound by the foregoing provisions by affixing their respective signatures below:

City North Pole
Attn: Mayor
125 Snowman Lane
North Pole, AK 99705

Office of Grants & Contracts Administration
Attn: Director
University of Alaska Fairbanks
P. O. Box 757880
Fairbanks, Alaska 99775-7880

Bryce Ward, Mayor

Interim-Director, OGCA

Date

Date

North Pole Fire Department
Attn: Buddy Lane
110 Lewis St.
North Pole AK, 99705

Medical Services & Paramedic Program
Attn: Chuck Kuhns
109 University Park
Fairbanks AK 99775-8120

Buddy Lane, Fire Chief

Chuck Kuhns, Department Head

Date

Date

Refer questions to:

System Office of Risk Services

Phone: (907) 450-8157 or 450-8150

Fax: (907) 450-8177



Butrovich Building

910 Yukon Drive, Suite 001

PO Box 755240

Fairbanks, AK 99775-5240

www.alaska.edu/risksafety

MEMORANDUM OF SELF-INSURANCE

DATE

November 06, 2013

The University of Alaska is covered for liability exposures through a combination of self-insurance and excess insurance programs with large deductibles. Losses that fall within these deductible levels, including those for which we are contractually liable, are covered by the financial resources of the university and are administered under our self-insured claims program. The University's self-insurance does not include adding other parties as additional insureds or for waiver of subrogation.


The University of Alaska is a fully self-insured for Workers Compensation coverage. The coverage extends to all University of Alaska employees and volunteer's acting under the direct supervision of a University of Alaska employee.

MEMORANDUM ISSUED TO:

City of North Pole
125 Snowman Lane
North Pole, AK 99705

DESCRIPTION OF UNIVERSITY OPERATIONS RELATED TO THIS MEMORANDUM:

Paramedic training for students from November 06, 2013 - August 31, 2014

Type of Insurance	Policy #	Policy Effective	Policy Expiration	Limits
General Liability (Claims Made) Includes premises, operations, contractual liability, & personal injury liability	Self-Insured	07/1/2013	Continuous	\$ 1,000,000 Per Occurrence \$ 2,000,000 Gen Aggregate
Automobile Liability Includes University of Alaska owned, non-owned, and hired vehicles	Self-Insured	07/01/2013	Continuous	\$1,000,000 Per Occurrence \$2,000,000 General Aggregate
Workers' Compensation and Employers' Liability	Self-Insured	07/1/2013	Continuous	Statutory
SIGNATURE		COPIES TO		
Nancy Spink, ARM Chief Risk Officer System Office of Risk Services 		Billie Swaim, UAF Risk Management		

Buddy Lane

From: Samantha Aleshire [skgoodwin@alaska.edu]
Sent: Thursday, November 07, 2013 10:44 AM
To: Buddy Lane
Cc: Chuck Kuhns; Catherine Baldwin; mayor@northpolealaska.com
Subject: Agreement with UAF Medical Services & Paramedic Program
Attachments: Attachment A.pdf; North Pole COI.pdf; North Pole Fire Department MOA.doc

Hello Buddy,

Please see the attached award for your approval. I have added language to incorporate the memo, and also added language to incorporate the certificate of insurance we are providing. I have added signature blocks for everyone involved. Please let me know if you have any questions.

Thanks,
Sam

--

Samantha Aleshire
Grant Management Officer
Office of Grants & Contracts Admin.
Phone: 907-474-6073

Bryce Ward

From: Zane Wilson <zane@alaskalaw.com>
Sent: Monday, December 09, 2013 10:02 AM
To: Bryce Ward
Cc: Niki L. Lightly
Subject: North Pole re: Misc. Matters

Good Morning Mayor:

As we discussed this morning the University now provides worker comp coverage for interns and by statute interns are not considered employees of the City. With both of these pieces now in place I am comfortable that the City does not have any worker comp exposure with interns in an official University intern program.

Have a good week.

Zane

Bryce Ward

From: Zane Wilson <zane@alaskalaw.com>
Sent: Friday, December 06, 2013 10:01 AM
To: Bryce Ward
Cc: Niki L. Lightly
Subject: RE: North Pole re: Misc. Matters

Mayor:

It would not hurt and it would make sure the student is fully informed of their status. The agreement would not change anything from a legal standpoint as, under the law, no one can agree to waive worker comp rights-assuming for the sake of discussion that some exist.

Zane

From: Bryce Ward [<mailto:bryce.ward@northpolealaska.org>]
Sent: Friday, December 06, 2013 9:09 AM
To: Zane Wilson
Subject: RE: North Pole re: Misc. Matters

Zane,

If we do engage in this agreement with UAF to accept students would it be prudent, or would you advise us, to have the participants acknowledge through a written agreement that they are aware that UAF is the organization responsible for holding workman's comp insurance on them, and that we (the City of North Pole) cannot be held liable for any injury associated with their time as a student with the city? Is something like this necessary, or is the agreement with UAF sufficient?

Mayor
Bryce J. Ward
City of North Pole Alaska
125 Snowman Ln
North Pole Alaska
99705

Office (907) 488-8584
Mobile (907) 888-4444

From: Zane Wilson [<mailto:zane@alaskalaw.com>]
Sent: Wednesday, December 04, 2013 2:11 PM
To: Bryce Ward
Cc: Niki L. Lightly
Subject: North Pole re: Misc. Matters

Dear Mayor Ward:

I have reviewed the proposed UAF affiliation agreement and attached certificate of insurance. I am satisfied that this agreement is in the best interests of the City and does not pose any of the liability concerns that I expressed with the prior affiliation agreement.

Please let me know if you have any additional questions about this matter.

Zane Wilson

125 Snowman Lane
North Pole, Alaska 99705
(907) 488-8593
(907) 488-3002 (fax)
bill@northpolealaska.com



Memo

To: North Pole City Council
From: Bill Butler
Date: January 28, 2013
Subject: Purchase a pickup truck using the State of Alaska invitation to bid

Recommendation

Purchase a one-ton regular cab 4x4 pickup truck for the Utility Department using the State of Alaska contract resulting from an invitation to bid (ITB). The recommendation includes the purchase and installation of a snowplow that is not part of the State contract.

State bid price.....	\$25,145.00
Snowplow (including installation).....	\$7,750.00
Total	\$32,895.00

Background

The new pickup truck the Utility is requesting to purchase will replace a 1994 Ford F150 pickup truck that has a failing transmission and does not run well in subzero temperatures. The new vehicle is a one-ton regular cab 4x4 pickup truck. The Utility is proposing to purchase a one-ton vehicle to expand the utility of the vehicle to include snowplowing by attaching a snowplow.

The attached spreadsheet generated by the State of Alaska Division of General Services procurement website documents the base bid price and price of requested options. Snowplows are not available as part of the State bid. Cal Worthington Ford quoted the Utility the price for a snowplow from Trailer Craft for \$7,750, including installation. Addition of a snowplow to the truck will permit the Utility Department to perform most routine plowings of its facilities. The Utility is proposing to charge the majority of the funds to purchase the snowplow attachment--\$7,200--to the 2014 Utility Department budgets that include \$7,200 (\$3,600 from Water and \$3,600 from Sewer) for snowplowing. Routine snowplowing expenses will not be included in future Utility Department budgets. The Utility included the balance of the snowplow expense, \$550, as an expense to the Utility Vehicle Fleet Fund. (See attached fiscal note.)

State Statute AS 36.30.700 allows the State of Alaska to make state contracts available to cities within the state. The recently amended North Pole Municipal Code allows the City to purchase items on other entities' requests for bids if the bids meet the Municipal Code bidding requirements. The Municipal Code requires that the mayor or his designee must certify this in writing. The State of Alaska's ITB for light duty vehicles (attached) did meet the minimum requirements for requests for bids in the Municipal Code Chapter 4.16, Purchasing, Section A, Competitive Sealed Bidding (attached).

**Fiscal Note Year:** 2014

Accompanying Ordinance/Resolution #: Recommendation memo

Originator / Sponsor Name: William Butler

Date: January 28, 2014

Does the Ordinance or Resolution have a fiscal impact? yes ☒ no ☐

Fund- Dept. Title	Account Description	Account #	Source
Vehicle Fleet Fund 55	Purchase Utility Truck	55-00-00-7901	\$ 25,695.00
Water Expenses	Snow Removal	02-10-12-7031	\$ 3,600.00
Sewer Expenses	Snow Removal	02-12-00-7031	\$ 3,600.00
Total			\$ 32,895.00

Summary: (Brief description of proposed alterations as defined by accompanying ordinance or resolution. Where did the money come from and how will it be used).

Purchase of a new 1 ton pickup truck to replace a 1994 pickup truck. A snowplow will be installed on the new truck to enable the Utility Department to perform most routine snowplowing of its facilities.

Prepared By: William Butler **Date:** January 28, 2014

Finance Approval: [Signature] **Date:** 1-28-14

NOTE- Fiscal notes attached to an ordinance are considered amendments to the budget and do not require an additional approval for insertion into the budget document.



STATE OF ALASKA
Department of Transportation & Public Facilities
State Equipment Fleet
2200 E 42nd Avenue Room 311
Anchorage, AK 99508

Amendment 2

Invitation to Bid SEF-1900
Title of ITB: Contract for Light Duty Vehicles

Date of Issue: 9/10/2013
Bid Opening Date: 10/10/2013
Alaska Time: 2:30 p.m.

Contracting Officer: Duane Felton
Phone: (907) 269-0788
E-Mail: duane.felton@alaska.gov

[CLICK HERE TO REGISTER WITH PROCUREMENT OFFICER](#)

Offerors Are Not Required To Return This Form.

Important Notice: If you received this solicitation from the State of Alaska's "Online Public Notice" web site, you must register with the procurement officer listed in this document to receive subsequent amendments. Failure to contact the procurement officer may result in the rejection of your offer.

SECTION I
SPECIAL TERMS AND CONDITIONS

NOTE: This section will be used for Terms and Conditions that are "special" and/or unique to a particular ITB. The paragraphs in this section may change from bid to bid. Accordingly, bidders must review this section to insure compliance.

1.0 INTENT: This invitation to bid (ITB) is intended to result in the contract to purchase Light Duty Vehicles:

- 1.1 Contract Period: 5 Years Multi Vendors
- 1.2 Quantities: Varies by Year
- 1.3 Location of Use: Statewide
- 1.4 Warranty locations: Anchorage and Fairbanks Alaska at a minimum
- 1.5 In addition to the State of Alaska requirements, the Municipality of Anchorage and other Alaska political subdivisions may cooperatively purchase from the resulting contract.
 - 1.5.1 At no time may the contractor change the terms and conditions, alter the price to another entity, which differs from the contractual price, nor charge undisclosed administrative fees to allow cooperative purchasing.

2.0 DELIVERY:

- 2.1 **Pre-delivery service:** Prior to delivery, each vehicle, piece of equipment or attachment shall be serviced and inspected by the dealer or his agent. Inspection must include the following for all vehicles purchased under this contract.
 - 2.1.1 Dealer and vehicle identification.
 - 2.1.2 Check-off of service and inspection performed including a list of all fluids including type weight and specification that are in the equipment as delivered for all fluid compartments.
 - 2.1.3 The vehicle's crankcase, differential and transmission, and other fluid compartments shall be filled to the manufacturer's recommended capacity.
 - 2.1.4 Fuel tank shall be filled to at least register a minimum ¼ full on the fuel gauge, unless restricted by the commercial carrier, when the vehicle arrives at the delivery location.
 - 2.1.5 The vehicle shall be clean and free from defects when delivered and should be ready for immediate and continued use upon delivery.
 - 2.1.6 Units delivered in an incomplete state, or which have deficiencies per the specification, are subject to the damage charges as noted in paragraph 4.0 below.
- 2.2 **Inspections:**
 - 2.2.1 The State's inspection of all materials and equipment upon delivery is for the sole purpose of identification. Such inspection shall not be construed as final or as acceptance of the materials or equipment if materials or equipment do not conform to Contract requirements. If there are any apparent defects in the materials or equipment at the time of delivery, the State will promptly notify the Contractor thereof. Without limiting any other rights of the State, The State at its option, may require the Contractor to:
 - 2.2.1.1 repair or replace at contractor's expense, any or all of the damaged goods,
 - 2.2.1.2 refund the price of any or all of the damaged goods, or
 - 2.2.1.3 accept the return of any or all of the damaged goods.
 - 2.2.2 Costs of remedying all defects, indirect and consequential costs of correcting same, and/or removing or replacing any or all of the defective materials or equipment will be charged against the bidder.
- 2.3 **Acceptance:**
 - 2.3.1 Units will not be considered "Accepted" until all deficiencies have been corrected. This includes item 2.5 Line Sheets/Bill of Materials and 7.0 Publications.

2.4 Delivery Receipt:

- 2.4.1 A delivery receipt will be required. The receipt must be filled out by the vendor, and acknowledged by state receiving personnel by signature and date of actual receipt of equipment. One copy of this delivery receipt is to be given to the state-receiving agency.
- 2.4.2 Vendors are cautioned and advised that such delivery forms or other receiving type documents will not in any way be construed to mean the state has formally and fully accepted unit(s) referenced thereon as complete and meeting every specification set forth. Only the Contracting Officer or designee may sign warranty documentation.

2.5 Line Sheets/Bill of Materials::

- 2.5.1 It is required at the time of delivery that the successful bidder provides a comprehensive listing of all components used to assemble the unit.
- 2.5.2 This includes any components installed by the manufacturer or any subcontractor or the successful bidder.
- 2.5.3 Information will include at a minimum, when available, make, model serial number on items such as engines, transmissions, axles, tires, bodies, etc. The listings will be specific to each piece of equipment and will be provided on a window sticker or factory build sheet for each unit delivered.

3.0 F.O.B. POINT:

- 3.1 The F.O.B. point is as listed in Section IV, Bid Schedule. Ownership of and title will remain with the contractor until delivery is complete to final destination and accepted by the State. Equipment is not to be driven on the Alcan Highway without prior written approval from the contracting officer.
- 3.2 All shipping charges over \$100 must be documented by a copy of the actual shipping invoice and received with the invoice charge to the State.
- 3.3 Shipping must be consolidated for the best possible price. Shipping items separately must be pre-approved by the Contracting Officer PRIOR to shipment. For example, a Canopy or Spare Tire not being shipped with host unit must be pre-approved.

4.0 DAMAGES FOR LATE DELIVERY AND NON-CONFORMING GOODS:

- 4.1 Time is of the essence in this contract. The Bidder is expected to deliver goods that conform in all material respects to the contract specifications on or before the date provided therein, as may be amended by written agreement of the parties.
- 4.2 In the event that the equipment is delivered late or does not conform to the contract specifications, the State shall be entitled to offset against the Contract Price, as liquidated damages and not as a penalty, an amount equal to the cost of renting like equipment, multiplied by the number of calendar days elapsing between the delivery date provided in the bid schedule and the delivery date to the State. In the case of equipment in this this class, that daily rental fee is determined to be \$50.00. The number of days for which liquidated damages shall apply shall include, in the case of non-conforming goods, the time reasonably necessary for the State to perform inspection.
- 4.3 These liquidated damages represent a reasonable estimate of amounts necessary to compensate the State for loss of use of the goods during the period in which the goods would have been available to the State if conforming goods had been timely delivered.

5.0 WARRANTY:

5.1 Standard Warranty Package:

- 5.1.1 Full (100%) Parts and Labor Warranty Coverage of all components for 36 months or 36,000 miles whichever comes first from the date the unit is placed in service at the assigned location.
- 5.1.2 Full (100%) Warranty Coverage includes all cost of labor, parts, freight, lubricants, miscellaneous cost, etc., to place the unit in like-new condition.
- 5.1.3 Should the manufacturer's standard warranty exceed the minimum State warranty requirements, the manufacturer's warranty will run in conjunction with and enhance the State's warranty, then continue for the remainder of its term.

- 5.1.4 For clarification, warranty does not apply to normal wear and tear or maintenance items, accident damages, misuse of equipment or failure to operate or maintain equipment as prescribed by vendor/manufacturer.
- 5.1.5 Warranty on Attachments: Same as Standard Warranty Package.
- 5.1.6 In-Service Date: Warranty on vehicles not placed in service immediately upon receipt because of time lag to construct body components and/or installation of special equipment, or due to seasonal usage or other delay, shall be warranted from the date the vehicle is placed in service. The receiving agency shall notify the vendor/manufacture in writing of the actual "in service" date. Notification of the requirement for delayed warranty will be provided on delivery orders whenever possible.
- 5.2 **Warranty Claims:**
- 5.2.1 Warranty will be provided at the unit's assigned (in-service) location. Because of the remote location of some equipment it is not always practical to deliver equipment to authorized warranty repair facilities. In these cases, the vendor may perform warranty work at the state's location or, the State of Alaska, at its discretion, reserves the right to perform the warranty work and be reimbursed by the vendor. If travel is required by State personnel to perform the work, actual costs will be used for reimbursement.
- 5.2.2 The State of Alaska has established a warranty procedure whereby the vendor is to be notified via letter, email, or fax, that warranty work needs to be performed. If time is of the essence, a telephone call confirmed by one of the above written procedures may be utilized.
- 5.2.3 The vendor must notify the state within 24 hours of verbal or written notification that it will begin to perform the warranty work at the equipment location.
- 5.2.4 The State may, at its discretion, proceed to make warranty repairs with its own work force in the case of emergency situation or to preclude excessive downtime (greater than 24 hours). The State will require a PO to perform the warranty work.
- 5.2.5 Failure to notify the State that the vendor intends to begin to perform warranty is considered a contractual breach.
- 5.2.6 The vendor will be invoiced for required warranty work performed by the state. Warranty work performed by the state will be charged at the current SEF shop labor rate at the time of the repair. Actual repair time will be used.
- 5.3 **Warranty Performed by Vendor:**
- 5.3.1 The State will reimburse travel costs not reimbursed by the manufacturer for travel to and from the bidder's closest warranty service center within the State of Alaska to the location of the equipment under warranty. Travel costs will be billed as follows
- 5.3.1.1 Mileage Charge: Mileage will only be reimbursed for travel within Alaska at the rate allowable by the IRS.
- 5.3.1.2 Meals are paid at actual and charges must be accompanied by receipts and are not to exceed the State authorized **\$60.00** per day.
- 5.3.1.3 Transportation, such as airfare, shall be reimbursed at actual and all charges are to be accompanied by a receipt/copy of the coach ticket.
- 5.3.1.4 Lodging shall be reimbursed at actual and shall not exceed **\$150.00** per night unless no other lodging is available. Requests for reimbursement must be accompanied by a receipt.
- 5.3.2 Travel will only be reimbursed for time in Alaska.
- 5.3.3 After hours, weekend and holiday travel must be approved by the contracting officer to be considered for reimbursement. The State will not pay for weather delays.
- 5.4 **Authorized Warranty (Contractor/Bidder):**
- 5.4.1 Contractor (bidder) must have Authorized Warranty Dealer that has all required licenses, facilities and factory certified and trained personnel necessary to perform the warranty servicing and repair

work.

Provide name and address for each Authorized Warranty Dealer for each location.

(*)

Provide contact name and contact information for Warranty Administrator:

(*)

Provide documentation of factory certified and trained personnel:

(*)

5.4.2 The ultimate responsibility for warranty lies with the contractor (bidder).

5.4.3 The State reserves the right to inspect the warranty facility and diagnostic equipment prior to issuing the Notice of Intent to Award a contract.

5.5 **Factory Recall:**

5.5.1 Nationwide factory recall or product update programs are the responsibility of the vendor and/or manufacturer. The State will attempt to bring affected equipment to an authorized repair facility. However, because of the remoteness of some equipment this is not always practicable or economical. In such cases, factory recall and modification work will be handled the same as warranty work. Factory recall notices sent to the state should, in addition to serial number, include model, year, and dealer.

6.0 **REPAIR ORDERS AND DOCUMENTATION:**

6.1 Any work performed by the contractor or approved subcontractor, whether warranty or any other work on a piece of equipment purchased under this ITB, will require a copy of the repair order, any invoices showing parts and commodities including oils and types used.

7.0 **PUBLICATIONS:**

7.1 Paper publications/OEM Owners Manuals are to be received by the State at the time of delivery. Delivery will not be considered complete until the publications for each unit have been received by the State of Alaska. Note: Publications/ OEM Owners Manuals are required to be included with every vehicle ordered under this contract.

7.1.1 OEM Standard Owner's Manual

1.1.1 Service Bulletins, Etc.: The successful bidder must provide appropriate service bulletins, technical support bulletins, service letters, product support bulletins, and/or any other information type notifications that are sent out to the vendor or used by the manufacturer in the maintenance and report of the vehicle, equipment or attachments being provided. The intent of this clause is that the State of Alaska be provided notification of any and all changes or improvement's that may affect the maintenance, reliability, longevity, and safety of our equipment. This information will be provided as soon as possible to person(s) as noted on the Purchase Order.

8.0 **STATEMENT OF ORIGIN:** The bidder will be required to furnish a Manufacturer's Statement of Origin for Automotive or Non-Automotive rolling stock for each unit. All such documents shall be delivered with the invoice to:

DOT&PF, HQ State Equipment Fleet
2200 E. 42nd
Anchorage, Alaska 99508

9.0 **WEIGHT VERIFICATION SLIPS:** If required in the issued purchase order, a weight scale ticket of the completed unit will be included with the Statement of Origin.

10.0 INSPECTIONS:

- 10.1 The State's inspection of all materials and equipment upon delivery is for the sole purpose of identification. Such inspection shall not be construed as final or as acceptance of the materials or equipment if materials or equipment do not conform to Contract requirements. If there are any apparent defects in the materials or equipment at the time of delivery, the State will promptly notify the Contractor thereof. Without limiting any other rights of the State, The State at its option, may require the Contractor to:
 - 10.1.1 Repair or replace at Contractor's expense, any or all of the damaged goods,
 - 10.1.2 refund the price of any or all of the damaged goods, or
 - 10.1.3 accept the return of any or all of the damaged goods.
- 10.2 Costs of remedying all defects, indirect and consequential costs of correcting same, and/or removing or replacing any or all of the defective materials or equipment will be charged against the Bidder.

11.0 PRICE:

- 11.1 **Price Guarantee:** The Contractor is responsible to maintain prices under the contract firm for current model year after bid opening. All price increases or decreases must remain firm for the following model year.
- 11.2 **NO RETROACTIVE PRICE INCREASES WILL BE ACCEPTED.**
- 11.3 Price adjustments, increases or decreases, for subsequent orders, may be made by providing the Contracting Officer satisfactory evidence that all of the following conditions exist:
 - 11.3.1 The increase is a result of the increased cost at the manufacturer's level and not costs under the contractor's control, and that;
 - 11.3.1.1 The increase will not produce a higher profit margin for the contractor than that on the original contract, and that;
 - 11.3.1.2 The increase affects only the item(s) that are clearly identified by the contractor.
 - 11.3.1.3 Satisfactory forms of the evidence of the above facts may include a certified invoice from the manufacturer, or an affidavit from an independent professional price-tracking firm that is recognized by the industry as reputable and knowledgeable. The contractor must be able to show the difference between the prior year's price and the current difference in the price being requested.
- 11.4 **Price Decreases:** During the period of the contract, the Contractor must pass on to the state all price decreases, such as fleet rebates. A Contractor's failure to adhere strictly and faithfully to this clause will be considered a material breach of contract. The state reserves the right to cancel the contract if the contractor fails to properly perform the duties set out herein.
- 11.5 **Manufacturer's Rebate (Incentives):**
 - 11.5.1 In any circumstance during or prior to completion of the contract, whereupon the State of Alaska becomes eligible to receive a rebate for any vehicle purchased under this contract, it shall be the BIDDER'S responsibility to inform the Contracting officer in writing and to advise the procedures for obtaining such rebates.

12.0 REPLACEMENT PARTS AND REPAIRS:

- 12.1 This contract encompasses a full parts and labor contract for manufacturer parts and repairs for the entire warranty period.
- 12.2 The State of Alaska shall expect the dealer or manufacturer to provide replacement wear parts at their authorized warranty facilities for the entire warranty period within seven (7) days of order. All other parts must be available within ten (10) working days.
- 12.3 Back order procedures: Back orders are acceptable; however, the ordering shop shall be appraised at time of original orders as to the expected delay in delivery.
- 12.4 Warranty: All products supplied by the contractor shall be warranted against defects in materials and workmanship for a minimum of 90 days, commencing at the time of installation as long as the installation is

within 12 months of purchase. The cost of any defective product and the labor required to replace the defective product shall be the obligation of the contractor.

12.4.1 If the manufacturer's warranty exceeds the stated warranty then manufacturer's warranty supersedes.

12.4.2 Parts Return: Within 12 months of the invoice date, the State is to be allowed to return new parts with full refund, less actual shipping charges. **Cores returned within 12 months of original invoice date will receive full core credit.** Returned parts will be in new, resellable condition. Refund will be in the form of a credit/invoice credited to the SOA account with the vendor.

12.4.3 Invoicing: Full description of item is required on all invoices, packing lists and billings.

SECTION II
STANDARD TERMS AND CONDITIONS

- 1.0 ACCESSORIES:** When accessories are supplied, they must be certified to be compatible with the rest of the equipment. Certification will be written evidence satisfactory to the State that the accessories are compatible. The bidder's failure to supply this evidence within the time required by the State will cause the State to consider the bid non-responsive and reject the bid.
- 2.0 ADDITIONS OR DELETIONS:** The State reserves the right to add or delete items, agencies or locations as determined to be in the best interest of the State. Added items, agencies or locations will be related to those on contract and will not represent a significant increase or decrease in size or scope of the contract. Such additions or deletions will be documented via mutual agreement, will be at prices consistent with the original bid price margins, and will be evidenced by issuance of a written contract change notice from the Contracting officer.
- 3.0 ALASKA BIDDER PREFERENCE:** Award will be made to the lowest responsive and responsible bidder after an Alaska bidder preference of five percent (5%) has been applied. The preference will be given to a person who: (1) holds a current Alaska business license at the time designated in the invitation to bid for bid opening; (2) submits a bid for goods or services under the name on the Alaska business license; (3) has maintained a place of business within the state staffed by the bidder, or an employee of the bidder, for a period of six months immediately preceding the date of the bid; (4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and, (5) if a joint venture, is composed entirely of ventures that qualify under (1) - (4) of this subsection. AS 36.30.170, AS 36.30.321(a) and AS 36.30.990[25]
- 4.0 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES:** At the time the bids are opened, all bidders must hold a valid Alaska business license and any necessary applicable professional licenses required by Alaska Statute. Bids must be submitted under the name as appearing on the person's current Alaska business license in order to be considered responsive. Bidders should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, P. O. Box 110806, Juneau, Alaska 99811-0806, for information on these licenses. Bidders must submit evidence of a valid Alaska business license with the bid.
- You are not required to hold a valid Alaska business license at the time bids are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:
- fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game,
 - liquor licenses issued by Alaska Department of Revenue for alcohol sales only,
 - insurance licenses issued by Alaska Department of Commerce, Community and Economic Development, Division of Insurance, or
 - Mining licenses issued by Alaska Department of Revenue
- 5.0 ALASKA PRODUCT PREFERENCE:** A bidder that designates the use of an Alaska Product which meets the requirements of the ITB specification and is designated as a Class I, Class II or Class III Alaska Product by the Department of Community & Economic Development shall receive a preference in the bid evaluation in accordance with AS 36.30.332 and 3 AAC 92.010.
- 6.0 ALASKA VETERAN PREFERENCE:** If a bidder qualifies for the Alaska bidder preference under AS 36.30.321(a) and AS 36.30.990[25] and is a qualifying entity as defined in AS 36.30.321(f), they will be awarded an Alaska veteran preference of five percent (5%). The preference will be given to a (1) sole proprietorship owned by an Alaska veteran; (2) partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans; (3) limited liability company organized under AS 10.50 if a majority of the members are Alaska veterans; or (4) corporation that is wholly owned by individuals and a majority of the individuals are Alaska veterans, and may not exceed \$5,000. The bidder must also add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, the bidder must have sold supplies of the general nature solicited to other state agencies, other governments, or the general public - AS 36.30.321(i).
- 7.0 ALASKANS WITH DISABILITIES PREFERENCE:** If a bidder qualifies for the Alaska bidder preference under AS 36.30.321(a) and AS 36.30.990[25], and is a qualifying entity as defined in AS 36.30.321(d), they will be awarded an Alaskans with Disabilities Preference of ten percent (10%) in accordance with AS 36.30.321(d). A bidder may not receive both an Employment Program Preference and an Alaskans with Disabilities Preference.

SECTION II
STANDARD TERMS AND CONDITIONS

- 8.0 ALTERATIONS:** The contractor must obtain the written approval from the contracting officer prior to making any alterations to the specifications contained in this ITB. The State will not pay for alterations that are not approved in advance and in writing by the contracting officer.
- 9.0 AMENDMENTS:** Contract terms shall not be waived, altered, modified, supplemented or amended without prior written approval of the Contracting officer.
- 10.0 ASSIGNMENT(S):** Assignment of rights, duties, or payments under a contract resulting from this ITB is not permitted unless authorized in writing by the State of Alaska, Department of Administration, Division of General Services. Bids that are conditioned upon the State's approval of an assignment will be rejected as nonresponsive.
- 11.0 AUTHORITY:** This solicitation is written in accordance with Alaska statutes AS 36.30 and 2 AAC 12.
- 12.0 BILLING INSTRUCTIONS:** Invoices must be billed to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order, not to the Division of General Services. The ordering agency will make payment after it receives the merchandise or service and the invoice. Questions concerning payment must be addressed to the ordering agency.
- 13.0 BID FORMS:** Bidders shall use this bid and attached Excel formatted SEF-1900 Light Duty Bidders Work Sheets when submitting bids.
- 13.1 Bids, once submitted, may be modified in writing before the time and date set for bid opening. Any modifications shall be prepared on company letterhead, signed by an authorized representative, and state that the new document supersedes or modifies the prior bid. Modification must be submitted in a sealed envelope clearly marked "Bid Modification" and identifying the bid number and closing date and time. Bidders may not modify bids after bid opening time.
- 13.2 Amendments may be faxed if they are not price related.
- 14.0 BID FORMAT:**
- 14.1 Bid submitted must contain, as a minimum:
- 14.1.1 Bidders Information (Page 2 of Section IV Bid Price Schedule)
- 14.1.2 Bid Price Schedule/ Excel formatted vendor work sheets
- 14.1.3 Warranty Information
- 14.1.4 Current model year manufactures brochure for each model offered
- 14.1.5 Asterisked (*) item pages only (and/or) Letter of Clarification addressing asterisked (*) items
- 14.1.6 All pertinent signed amendments issued under this ITB
- 14.2 Failure to return all of the pages listed above will cause your bid to be rejected.
- 14.3 Bids must conform to the requirements of the Invitation to Bid or Request for Proposal. All necessary attachments (bid bonds, references, descriptive literature, etc.) must be submitted with the bid and in the required format. Failure to comply with all requirements shall result in a non-responsive bid.
- 15.0 BID MODIFICATION:**
- 15.1 Modifications or erasures made before bid submission should be initialed in ink by the person signing the bid. A bid may be rejected if it contains a material alteration or erasure, which is not initialed by the signer of the bid and the intent of the bidder, is not reasonably ascertainable from the bid as submitted.
- 15.2 Bids, once submitted, may be modified in writing before the time and date set for bid opening. Any modifications shall be prepared on company letterhead, signed by an authorized representative, and state that the new document supersedes or modifies the prior bid. Modification must be submitted in a sealed envelope clearly marked "Bid Modification" and identifying the bid number and closing date and time. Bidders may not modify bids after bid opening time.
- 16.0 BID PREPARATION COSTS:** The State is not responsible for any costs incurred by the bidder in preparation of his bid.
- 17.0 BID WITHDRAWALS:** Bids may be withdrawn in writing on company letterhead signed by an authorized

SECTION II
STANDARD TERMS AND CONDITIONS

representative and received by the Procurement Office prior to bid closing time. Bids may also be withdrawn in person before bid opening time upon presentation of appropriate identification.

18.0 BRAND AND MODEL OFFERED: Unless otherwise specified, when brand names and model numbers are used to specify the type and quality of the goods desired, bidders must clearly indicate the brand names and model numbers they intend to provide. The bidder's failure to identify the brand and model offered will cause the State to consider the offer non-responsive and reject the bid.

19.0 CERTIFICATION OF COMPLIANCE WITH AMERICAN'S WITH DISABILITIES ACT OF 1990:

19.1 By signature of their bid/proposal the bidder/proposer certifies that they comply with the American's with Disabilities Act of 1990 and the regulations issued there under by the federal government.

19.2 Services or activities furnished to the general public on behalf of the State must be fully accessible. This is intended to ensure that agencies are in accordance with 28 CFR Part 35 Section 35.130 and that services, programs or activities furnished to the public through a contract do not subject qualified individuals with a disability to discrimination based on the disability.

20.0 CLARIFICATION OF OFFER:

20.1 A letter of clarification is required to explain any deviations from terms, conditions, or specifications of this ITB. Offers exceeding ITB specifications are regarded as deviations and should be clarified.

20.2 In order to prevent technical errors, following each asterisked is space that shall be used to address all of the asterisked items. It is mandatory that a letter of clarification or the space behind the asterisked items be used to supply the required information.

20.3 When using a letter of clarification, or the space provided within the ITB, to address an asterisked (*) item, the statement must indicate specifically what is being provided. Do not include statements such as "Complies to Spec", or "Meets or Exceeds Specifications". This will be considered a non-responsive response.

20.4 Letters of Clarification are to be on company (Bidder's) letterhead and be signed. The only information in the Letters of Clarification should be the explanation(s) of deviation(s) and/or responses to asterisked (*) items. Asterisked (*) item explanations should refer to that particular specification item number.

20.5 Letters of disclosure and clarification must be made part of the sealed bid.

21.0 COMPLIANCE WITH ALL GOVERNMENT REGULATIONS: The bidder must comply with all applicable federal, state, and borough regulations, codes, and laws, and pay all applicable federal, state, and borough taxes, and is liable for all required insurance, licenses, permits, and bonds. Failure to comply with such requirements shall constitute a breach of contract and shall be grounds for contract cancellation. Damages or costs resulting from noncompliance shall be the sole responsibility of the bidder.

22.0 CONFLICT OF INTEREST: An officer or employee of the State of Alaska may not seek to acquire, be a party to, or possess a financial interest in, this contract if (1) the officer or employee is an employee of the administrative unit that supervises the award of this contract; or (2) the officer or employee has the power to take or withhold official action so as to affect the award or execution of the contract.

23.0 CONSOLIDATION OF AWARDS: Due to high administrative costs associated with processing of purchase orders, a single low bid of \$50 or less may, at the discretion of the State, be awarded to the next low bidder receiving other awards for consolidation purposes. This paragraph is not subject to the protest terms enumerated in "INSTRUCTION TO BIDDERS", "FILING A PROTEST" above.

24.0 CONSUMER ELECTRICAL PRODUCT: AS 45.45.910 requires that "...a person may not sell, offer to sell, or otherwise transfer in the course of the person's business a consumer electrical product that is manufactured after August 14, 1990, unless the product is clearly marked as being listed by an approved third party certification program." Electrical consumer products manufactured before August 14, 1990, must either be clearly marked as being third party certified or be marked with a warning label that complies with AS 45.45.910(e). Even exempted electrical products must be marked with the warning label. By signature on this bid the bidder certifies that the product offered is in compliance with the law. A list of approved third party certifiers, warning labels and additional information is available from: Department of Labor and Workforce Development, Labor Standards & Safety Division, Mechanical Inspection Section, P.O. Box 107020, Anchorage, Alaska 99510-7020, (907)269-4925.

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- 25.0 CONTINUING OBLIGATION OF CONTRACTOR:** Notwithstanding the expiration date of a contract resulting from this ITB, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.
- 26.0 CONTRACT ADMINISTRATION:** The administration of this contract, including any/all changes, is the responsibility of the Contracting Officer, HQ State Equipment Fleet.
- 27.0 CONTRACT EXTENSION:** Unless otherwise provided in this ITB, the State and the successful bidder/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.
- 28.0 CONTRACT FUNDING:** Bidders are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.
- 29.0 DEFAULT:** In case of bidder default, the State may procure the goods or services from another source and hold the bidder responsible for any resulting excess costs and may seek other remedies under law or equity. Alaska Statutes and Regulations provide for suspension and disbarment of non-responsible bidders.
- 30.0 DELIVERY:** All deliveries shall be F.O.B. final destination point with all transportation and handling charges paid by bidder. Responsibility and liability for loss or damage shall remain with bidder until final inspection and acceptance when responsibility shall pass to the State except as to latent defects, fraud and bidder's warranty obligations.
- 31.0 DISCONTINUED ITEMS:** In the event an item is discontinued by the manufacturer during the life of the contract, another item may be substituted, provided that the contracting officer makes a written determination that it is equal or better than the discontinued item and provided that it is sold at the same price or less than the discontinued item.
- 32.0 DISPUTES:** Any dispute arising out of this agreement shall be resolved under the laws of Alaska. Any appeal of an administrative order or any original action to enforce any provision of this agreement or to obtain any relief from or remedy in connection with this agreement may be brought only in the superior court for the State of Alaska.
- 33.0 EMPLOYMENT PROGRAM PREFERENCE:** If a bidder qualifies for the Alaska bidder preference under AS 36.30.321(a) and AS 36.30.990[25], and is offering goods or services through an employment program as defined under 36.30.990(11), they will be awarded an Employment Program Preference of fifteen percent (15%) in accordance with AS 36.30.321(b).
- 34.0 EMPLOYERS OF PEOPLE WITH DISABILITIES PREFERENCE:** If a bidder qualifies for the Alaskan bidder's preference, under AS 36.30.170(b), and, at the time the bid is submitted, employs a staff that is made up of fifty percent (50%) or more people with disabilities, as defined in AS 36.30.170(j), and submits a responsive and responsible bid that is no more than ten percent (10%) higher than the lowest responsive and responsible bid, the procurement officer will make the award to that bidder, in accordance with AS 36.30.170(f).
- 35.0 EXTENSION OF PRICES:** In case of error in the extension of prices in the bid, the unit prices will govern; in a lot bid, the lot prices will govern.
- 36.0 FILING A PROTEST:** A bidder may protest the award of a contract or the proposed award of a contract for supplies, services, or professional services. The protest must be filed in writing and include the following information: (1) the name, address, and telephone number of the protester; (2) the signature of the protester or the protester's representative; (3) identification of the contracting agency and the solicitation or contract at issue; (4) a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and (5) the form of relief requested. Protests will be treated in accordance with Alaska Statutes (AS) 36.30.560-36.30.610.
- 37.0 FIRM OFFER:** For the purpose of award, offers made in accordance with this ITB must be good and firm for a period of ninety (90) days from the date of bid opening.
- 38.0 FIRM, UNQUALIFIED AND UNCONDITIONAL OFFER:** Bidders must provide enough information with their bid to constitute a definite, firm, unqualified and unconditional offer. To be responsive a bid must constitute a definite,

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firm, unqualified and unconditional offer to meet all of the material terms of the ITB. Material terms are those, which could affect price, quantity, quality, or delivery. Also included, as material terms are those, which are clearly identified in the ITB and which, for reasons of policy, must be complied with at risk of bid rejection for non-responsiveness.

39.0 FORCE MAJEURE (Impossibility to perform): Neither party to this contract shall be held responsible for delay or default caused by acts of God and/or war, which is beyond that party's reasonable control. The State may terminate this contract upon written notice after determining such delay or default will reasonably prevent successful performance of the contract.

40.0 FORMAL WORKSHOP:

The Formal Workshop (Pre-Bid) is to discuss with prospective bidders the "draft" Invitation to Bid (ITB). The formal workshop is the only opportunity for prospective bidders, manufacturers and other interested parties, in a conference setting, to discuss Standard Terms and Conditions, Special Terms and Conditions, Specifications, and to provide clarification as needed for this ITB.

Formal workshops are for information only. Any statements made at formal workshops will not be official until verified in the "final" ITB. Participation by teleconference may be possible by making arrangements with the SEF Contracting Office in advance.

41.0 HUMAN TRAFFICKING:

41.1 By signature on this contract, the offeror certifies that:

41.1.1 the offeror is not established and headquartered or incorporated and headquartered, in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report; or

41.2 The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: www.state.gov/g/tip/

41.3 Failure to comply with this requirement will cause the state to reject the bid or proposal as non-responsive, or cancel the contract.

41.4 This pertains to goods and services above \$50,000.00.

42.0 INDEMNIFICATION: The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

43.0 INSPECTIONS: Goods furnished under this contract are subject to inspection and test by the State at times and places determined by the State. If the State finds goods furnished to be incomplete or not in compliance with bid specifications, the State may reject the goods and require bidder to either correct them without charge or deliver them at a reduced price, which is equitable under the circumstances. If bidder is unable or refuses to correct such goods within a time deemed reasonable by the State, the State may cancel the order in whole or in part. Nothing in this paragraph shall adversely affect the State's rights as buyer, including all remedies and rights granted by Alaska statutes.

44.0 INSURANCE:

44.1 Without limiting Contractor's indemnification, it is agreed that Contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or

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lapse of the policy is a material breach of this contract and shall be grounds for termination of the Contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

44.2 Proof of insurance is required for the following:

44.2.1 Workers' Compensation Insurance: The Contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

44.2.2 Commercial General Liability Insurance: covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

44.2.3 Commercial Automobile Liability Insurance: covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

44.3 Failure to supply satisfactory proof of insurance within the time required will cause the State to declare the bidder nonresponsive and to reject the bid.

45.0 INVITATION TO BID (ITB) REVIEW: Bidders shall carefully review this ITB for defects and questionable or objectionable material. Bidders' comments concerning defects and questionable or objectionable material in the ITB must be made in writing and received by the purchasing authority at least ten (10) days before the bid opening date. This will allow time for an amendment to be issued if one is required. It will also help prevent the opening of a defective bid, upon which award cannot be made, and the resultant exposure of bidders' prices. Bidders' original comments should be sent to the purchasing authority listed on the front of this ITB.

46.0 ITEM UPGRADES: The State reserves the right to accept upgrades to models on the basic contract when the upgrades improve the way the equipment operates or improve the accuracy of the equipment. Such upgraded items must be at the same price as the items in the basic contract.

47.0 LOCAL AGRICULTURAL AND FISHERIES PRODUCTS PREFERENCE: When agricultural, dairy, timber, lumber, or fisheries products are purchased using state money, a seven percent (7%) preference shall be applied to the price of the products harvested in Alaska, or in the case of fisheries products, the products harvested or processed within the jurisdiction of Alaska, in accordance with AS 36.15.050.

48.0 METHOD OF AWARD:

48.1 DOT/PF is required by law to award "to the lowest responsible and responsive bidder whose bid conforms in all MATERIAL respects to the requirements and criteria set out in the invitation to bid." AS 36.30.170.

48.2 All specifications in this ITB are important and bidders should carefully address each item. Deviation from a specification MAY result in rejection of a bid at the discretion of the Contracting Officer if the deviation is material. A material deviation is one that is significantly different from an essential aspect of a specification.

48.3 The Contracting Officer may be justified in accepting a non-material deviation - it will be determined upon the facts, circumstances, and the proposal in the bid. If a bid deviation has a negligible effect on price, quality, performance, delivery or contract conditions, it is not material and may be waived or corrected by the Contracting Officer. The State reserves the right to waive minor informalities or technical defects, which are not material, when such waiver is in the best interest of the State.

48.4 Nothing in this section shall be construed as depriving the State of its discretion in the matter of determining the lowest responsible bidder.

48.5 A Notice of Intent to Award (ITA) will be issued for all solicitations in accordance with regulations. The notice of intent to award does not constitute a formal award of a contract. Formal award is achieved through execution of the "Offer and Contract Award" section of the Invitation to Bid.

49.0 NEW EQUIPMENT: Equipment offered in response to this ITB must be new equipment. New equipment means equipment that is currently in production by the manufacturer and is still the latest model, edition or version generally offered. The equipment must be warranted as new by the manufacturer and may not have been used for any purpose, other than display (not demonstration), prior to its sale to the State. The State will not accept remanufactured, used or reconditioned equipment, including used or reconditioned components or parts of. It is the

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contractor's responsibility to ensure that each piece of equipment delivered to the State complies with this requirement. A contract's failure to comply with this requirement will cause the State to seek remedies under breach of contract.

50.0 NON-RESPONSIVE BIDS:

50.1 Bids will be considered non-responsive and shall be rejected for the following:

- 50.1.1 Failure to sign the bid.
- 50.1.2 Failure to submit the bid at the place and time required in the solicitation.
- 50.1.3 Failure to have a valid Alaska Business License at the time of bid opening.
- 50.1.4 Failure to acknowledge amendments requiring signature.
- 50.1.5 Failure to provide product literature, brochures, or a letter of clarification, when specifically required by the Invitation to Bid.
- 50.1.6 Bids which specify "Offered Delivery Time" in excess of "Required Delivery" number of calendar days after the receipt of an order.

51.0 ORDER DOCUMENTS: Except as specifically allowed under this ITB, an ordering agency will not sign any vendor contract. The State is not bound by a vendor contract signed by a person who is not specifically authorized to sign for the State under this ITB. The State of Alaska Purchase Order, Contract Award and Delivery Order are the only order documents that may be used to place orders against the contract(s) resulting from this ITB.

52.0 PAYMENT: Payment for agreements under \$500,000 for the undisputed purchase of goods or services provided to a State agency will be made within 30 days of the receipt of a proper billing or the delivery of the goods or services to the location(s) specified in the agreement, whichever is later. A late payment is subject to 1.5% interest per month on the unpaid balance. Interest will not be paid if there is a dispute or if there is an agreement, which establishes a lower interest rate or precludes the charging of interest.

53.0 PREFERENCE QUALIFICATION LETTER: Regarding preferences 6 and 7 above, the Division of Vocational Rehabilitation in the Department of Labor and Workforce Development maintains lists of Alaskan; [1] employment programs that qualify for preference, and [2] individuals who qualify for preference as Alaskan's with disabilities. In accordance with AS 36.30.321(i), in order to qualify for one of these preferences, a bidder must add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, a bidder must have sold supplies of the general nature solicited to other state agencies, governments, or the general public.

As evidence of an individual's or a business' right to a certain preference, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of the preferences 6 or 7 above, an individual or business must be on the appropriate Division of Vocational Rehabilitation list at the time the bid is opened, and must attach a copy of their certification letter to their bid. The bidder's failure to provide this certification letter with their bid will cause the State to disallow the preference.

54.0 PRICE EXTENSION: In case of error in the extension of prices in the bid, the unit prices will govern.

55.0 PRICES: The bidder shall state prices according to the requirements of this ITB. Prices quoted for commodities or services must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity or service can be utilized without further cost.

56.0 PRODUCT EQUIVALENT SUBSTITUTION: Bidders may submit bids for substantially equivalent products unless the Invitation to Bid provides that a specific brand is necessary because of compatibility requirements. In those instances where the ITB specifies "a name brand or State approved equivalent", bidders must request approval of a product equivalent substitution NO LATER THAN 10 days prior to the bid opening date. A written response will be provided by the Contracting Officer.

57.0 PRODUCT IDENTIFICATION: Bidders must clearly identify all products bid. Brand name and model or number must be shown for the prime unit as well as attachments where applicable. The State reserves the right to reject any bid when the product information submitted with the bid is incomplete and/or is not easily ascertainable from the bid documents or through independent verification.

58.0 PRODUCT LITERATURE:

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- 58.1 ANNOTATED LITERATURE: Bidders must annotate their product literature to identify for the State the location of the supporting information regarding each product specification set out in this ITB. A bidder's failure to comply with this clause, within the time set by the State, will cause the State to consider the offer non-responsive and reject the bid.
- 58.2 Product brochures, descriptive literature and other supporting documentation may be required in some solicitations. Descriptive literature is for the purpose of providing a reference to the product offered. While it is not practicable to require documentation to support every single item of a specification, it is sometimes necessary to require the bidder to provide product literature that will help the Contracting officer to determine the bidder's compliance with important specifications.
- 58.3 Requirements for product literature will vary from bid to bid. Certain specification items may be marked with an asterisk (*) indicating that descriptive literature or supporting documentation (such as a letter of clarification) will be required.
- 58.4 When product literature is required by the ITB, please provide a minimum of one (1) complete set to aid in bid review and evaluation.
- 58.5 Failure to provide product literature or brochures when required WILL result in your bid being deemed non-responsive.
- 58.6 A bidder's signature on the contract offer and award is taken as a promise to comply with the ITB specifications. In case of a difference between the literature and the specifications, the specifications will govern.
- 58.7 The State does not honor disclaimer statements often evident in manufacturer's published specification sheets or brochures. Such disclaimers will not release the successful bidder from providing the specified item, at the time of acceptance by the State.
- 59.0 PROPRIETARY INFORMATION AND STATEMENTS OF CONFIDENTIALITY:**
- 59.1 Except as set forth in this provision, all information in all bids will be made public under AS 36.30.530 not later than the time of issuance of a notice of intent to award.
- 59.2 If the offeror submits information considered by it to constitute a trade secret or proprietary data, such information may be expressly designated as such, and must be accompanied by the offeror's certification that (1) the information has consistently been maintained by its owner as a trade secret or as proprietary information, (2) the owner of the information has taken due care to protect it from release to non-privileged persons, and (3) to the best knowledge of the offeror, the information has not lost its status as trade secret or proprietary information, whether by lack of diligent protection, release to any non-privileged person or otherwise.
- 59.3 **Absence of such certification, any claim of confidentiality will be ignored, and the bidder may not hold any reasonable expectation of confidentiality.**
- 59.4 Any information so certified will be held confidential so long as the contracting officer concurs that it constitutes a trade secret or proprietary data, and deems it not critical to determination of the price, quantity, or delivery terms bid, or the responsiveness of the bid.
- 59.5 By submission of a bid, the offeror consents to the contracting officer's exercise of reasonable judgment as to concurrence with any assertion of confidentiality, and waives any and all claims for release of information that the contracting officer reasonably deems not confidential notwithstanding a certified assertion of confidentiality.
- 59.6 A certified assertion of confidentiality in which the contracting officer concurs, with respect to information the contracting officer deems critical to determination of the price, quantity, or delivery terms bid, or the responsiveness of the bid, will cause the bid to be rejected as a non-responsive bid.
- 60.0 PROTESTS:** A bidder may protest the Intent to Award a contract pursuant to this Invitation to Bid in accordance with provisions in Alaska Statute AS 36.30.560. The protest must be filed in writing within ten (10) days of the notice of Intent to Award, and must include the following information: (1) the name, address, and telephone number of the protester; (2) the signature of the protester or the protester's representative; (3) identification of the contracting agency and the solicitation or contract at issue; (4) a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and (5) the form of relief requested. Protests must be filed

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with: Contracting officer, State Equipment Fleet Purchasing, 2200 East 42nd Ave, Room #311, Anchorage, AK 99508. Protests and any subsequent appeal will be processed per AS 36.30.

61.0 QUANTITIES: The State reserves the right to reduce or increase the quantity of items ordered under any contract resulting from this Invitation to Bid.

62.0 REJECTION OF BIDS: All bids or proposals may be rejected prior to award for the following reasons:

- 62.1 the supplies or services being procured are no longer required;
- 62.2 ambiguous or otherwise inadequate specifications were part of the solicitation;
- 62.3 the solicitation did not provide for consideration of all factors of significance to the State;
- 62.4 prices exceed available money and it would not be appropriate to adjust quantities to accommodate available money;
- 62.5 all otherwise acceptable bids or proposals received are at unacceptable prices;
- 62.6 there is reason to believe that the bids or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith; or
- 62.7 the award is not in the best interests of the State.

63.0 SEVERABILITY: If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

64.0 SHIPPING DAMAGE: The State will not accept or pay for damaged goods. The contractor must file all claims against the carrier(s) for damages incurred to items in transit from the point of origin to the ultimate destination. The State will provide the contractor with written notice when damaged goods are received.

65.0 SIGNATURE ON BID: BIDS MUST BE SIGNED IN INK BY AN OFFICIAL OF THE BIDDING ORGANIZATION authorized to bind the bidder to its provisions. Signature certifies, under penalty of perjury under the laws of the United States, that the price(s) submitted was/were independently arrived at without collusion, and that neither bidder nor bidder's firm, association or corporation of which bidder is a member, has either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with this bid per 2AAC12.800.

66.0 STANDARD AND SPECIAL TERMS AND CONDITIONS: The terms and conditions of this section are standard to State of Alaska, Department of Transportation and Public Facilities, Statewide Equipment Fleet contracts for the purchase of goods. There may also be other special terms and conditions in an Invitation to Bid or Request for Proposal which apply only to this contract. In the event of a conflict between the standard and special terms and conditions, the Special Terms and Conditions take precedence.

67.0 SUBCONTRACTOR(S): Within five (5) working days of notice, the apparent low bidder must submit a list of the subcontractors that will be used in the performance of the contract. The list must include the name of each subcontractor and the location of the place of business for each subcontractor and evidence of each subcontractor's valid Alaska business license. Subcontractors can only be changed per AS 36.30.115 (b).

68.0 SUBMITTING BIDS: Envelopes containing bids must be sealed, marked, and addressed as shown in the example below. Do not put the ITB number and opening date on the envelope of a request for bid information. Envelopes with ITB numbers annotated on the outside will not be opened until the scheduled bid opening.

Bidder's Return Address	STAMP
<div style="text-align: center;"> Department of Transportation & Public Facilities HQ State Equipment Fleet 2200 E. 42nd Avenue, Room #311 Anchorage, AK 99508 </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> Bid No.: SEF- _____ Opening Date: _____ </div>	

ELECTRONIC BID SUBMISSION: Bids may be emailed to duane.felton@alaska.gov, no later than the date and time listed on page one of this ITB as the deadline for receipt of bids, and must contain the ITB number in the subject line of the email. Emailed bids must be submitted as an attachment in PDF format. Please note that the **maximum** size of a single email (including all text and attachments) that can be received by the state is **20mb (megabytes)**. If the email containing the bid exceeds this size, the bid must be sent in multiple emails that are each less than 20 megabytes and each email must comply with the requirements described above. The state is not responsible for unreadable, corrupt, or missing attachments. It is the bidder's responsibility to contact the issuing office at (907) 269-0788 to confirm that the bid has been received. Failure to follow the above instructions may result in the bid being found non-responsive and rejected.

FAX BID SUBMISSION: Bids may be faxed to (907) 269-0801, no later than the date and time listed on page one of this ITB as the deadline for receipt of bids. It is the bidder's responsibility to contact the issuing office at (907) 269-0788 to make arrangements prior to faxing the bid and to confirm that the bid has been received. Failure to follow the above instructions may result in the bid being found non-responsive and rejected.

69.0 SUCCESSORS IN INTEREST: This contract shall be binding upon successors and assigns.

70.0 SUITABLE MATERIALS: All materials, supplies or equipment offered by a bidder shall be new, unused, of recent manufacture, and suitable for the manufacturer's intended purpose unless the specifications allow for used, rebuilt or remanufactured equipment.

71.0 SUPPORTING INFORMATION:

71.1 The State strongly desires that bidders submit all required technical, specification, and other supporting information with their bid, so that a detailed analysis and determination can be made, by the contracting officer that the product offered meets the ITB specifications and that other requirements of the ITB have been met. However, provided a bid meets the requirements for a definite, firm, unqualified, and unconditional offer, the State reserves the right to request supplemental information from the bidder, after the bids have been opened, to ensure that the products offered completely meet the ITB requirements. The requirement for such supplemental information will be at the reasonable discretion of the State and may include the requirement that a bidder will provide a sample product(s) so that the State can make a first-hand examination and determination.

71.2 A bidder's failure to provide this supplemental information or the product sample(s), within the time set by the State, will cause the State to consider the offer non-responsive and reject the bid.

72.0 TAXES: Prices quoted in bids must be exclusive of federal, state, and local taxes. If the bidder believes that certain taxes are payable by the State, the bidder may list such taxes separately, directly below the bid price for the affected item. The State is exempt from Federal Excise Tax because articles purchased are for the exclusive use of the State of Alaska.

73.0 TIMELINESS OF BID: Sealed bids must be received and time-stamped by the Procurement Office prior to the time set for receipt of bids. Bids received after bid-closing time will not be considered. Bidders must ensure that their bid and any amendments requiring signature are delivered prior to the scheduled bid opening time. **LATE BIDS WILL NOT BE ACCEPTED.**

74.0 USE OF LOCAL FOREST PRODUCTS: In a project financed by state money in which the use of timber, lumber and manufactured lumber is required, only timber, lumber and manufactured lumber products originating in this state from Alaska forests shall be used unless the use of those products has been determined to be impractical, in accordance with AS 36.15.010 and AS 36.30.322..

75.0 WARRANTY: Unless otherwise stated, all equipment shall be new and current model and shall carry full factory warranties. Bidder warrants all goods delivered to be free from defects in labor, material and manufacture and to be in compliance with bid specifications. All implied or expressed warranty provisions of the Uniform Commercial Code apply. All warranties shall be for and benefit the State.

SPECIFICATIONS

Minimum Requirements to be included on all vehicles:
(Other minimum requirements may be requested for individual class specifications)

Color: OEM White (Any other color requires prior authorization)
Darkest of OEM Manufactures Standard Cloth Upholstery Interior, (cloth or cloth with vinyl trim would be acceptable)
Transmission: Automatic with overdrive where available (manufactures recommended with engine selected)
½ ton and Larger Rated Vehicles to Have Limited Slip or Locking Differential (automatic or driver controlled)
OEM Trailer Hitch Package (Exception: chassis only not required) OEM Trailer Hitch Package to be included on all pickups ½ ton rated and larger (Exception: chassis only not required) AM3
Up-fitter Switches OEM on all ¾ ton rated and larger pickup's and chassis
Spray In Bed Liners to be OEM or Dealer Installed Spray In Bed Liners to be OEM or Dealer Installed on all ½ ton rated and larger pickup beds AM3
OEM Front Tow Hooks (frame mounted) to be included on all 3/4 ton rated and larger pickup's and chassis
ABS Brakes (4 Wheel Anti-Lock)
Power Steering
AM/FM Stereo
One Electric Power Port 12 Volt - Minimum
Daytime running lights to be included on all vehicle classes where available
Engine Block Heater with 3 Prong plug secured and accessible from the front grill or bumper area
Anti-Freeze-Long Life Coolant to a minimum -35 degree protection
Vehicle Keys (4) AS REQUIRED PER DEFINITION TAB
Tires: all season, standard for GVWR, with spare tire and wheel assembly
To include full size spare tire and wheel when available, or space saver when required by manufacture
Gas tank must be no less than ¼ full when delivered to State receiving facility
FOB Anchorage (Unless otherwise noted)
All available options are to be OEM Installed
All items listed, as a mandatory requirement must be OEM Installed.
All items listed and advertised by the manufacture as standard equipment shall be included on all vehicles
ARO on all units is 180 days.

SEE “Amendment 2 SEF-1900 Light Duty Bidder Worksheet.xls” FOR BID SCHEDULE. IT IS MANDATORY THAT THE BID SCHEDULE BE COMPLETED IN THE FORMAT PROVIDED.

SECTION IV
BID PRICE SCHEDULE

BID SCHEDULE INSTRUCTIONS:

All bids must include both unit pricing and extensions and be otherwise complete in the format requested.

DELIVERY: Indicate, in the space(s) provided, the time required to make delivery after the receipt of an order (ARO). Failure to make an entry in the space(s) provided will be construed as an offer to deliver within "Required Delivery" NUMBER of calendar days ARO. Bids which specify deliveries in excess of "Required Delivery" NUMBER of calendar days ARO will be considered non-responsive and the bid(s) will be rejected.

The materials, equipment or services bid will conform to and meet the requirements of the Contract Bid Documents and are hereby incorporated into this document:

Complete the attached bid price sheets and return with other bid documents as required in Section II – Standard Terms and Conditions, paragraph 13.

Attachment:
Spreadsheet "Amendment 2 SEF-1900 Light Duty Bidder Worksheet.xls"

The actual F.O.B. point for all items purchased under this contract shall be Anchorage, Fairbanks, or Juneau Alaska. Ownership of and title to the ordered items remains with the contractor until the items have been delivered at their final destination and are accepted by the State.

For pricing purposes of this ITB, the F.O.B. point is Anchorage Alaska

Required Delivery: Maximum **180 days** after receipt of order (ARO).

Offered Delivered Time: _____ Days ARO.

Publications: One (1) set, per Section I, paragraph 8.0.

SECTION IV
BID PRICE SCHEDULE

THIS IS NOT AN ORDER

SEALED BIDS MUST BE SUBMITTED TO THE STATE EQUIPMENT FLEET PRIOR TO BID OPENING AT WHICH THEY WILL BE PUBLICLY OPENED.

IMPORTANT NOTICE: If you received this solicitation from the State's "Online Public Notice" web site, you must register with the Procurement Officer listed on this document to receive subsequent amendments. Failure to contact the Procurement Officer may result in the rejection of your offer.

BIDDER'S NOTICE: By signature on this form, the bidder certifies that:

(1) the bidder has a valid Alaska business license, or will obtain one prior to award of any contract resulting from this ITB. If the bidder possesses a valid Alaska business license, the license number must be written below or one of the following forms of evidence must be submitted with the bid:

- a canceled check for the business license fee;
- a copy of the business license application with a receipt date stamp from the State's business license office;
- a receipt from the State's business license office for the license fee;
- a copy of the bidder's valid business license;
- a sworn notarized affidavit that the bidder has applied and paid for a business license;

(2) the price(s) submitted was arrived at independently and without collusion and that the bidder is complying with:

- the laws of the State of Alaska;
- the applicable portion of the Federal Civil Rights Act of 1964;
- the Equal Employment Opportunity Act and the regulations issued thereunder by the State and Federal Government;
- all terms and conditions set out in this Invitation to Bid (ITB).

If a bidder fails to comply with (1) at the time designated in the ITB for opening the State will reject the bid. If a bidder fails to comply with (2) of this paragraph, the State may reject the bid, terminate the contract, or consider the contractor in default. Bids must be submitted under the name as appearing on the person's current Alaska business license in order to be considered responsive.

If a contract award is made by the State of Alaska, the undersigned offers and agrees to furnish materials, equipment and services in compliance with all terms and conditions specified in ITB/Contract. Submittal of this document with authorized signature constitutes full understanding and a promise to comply with all specifications, terms and conditions of ITB/Contract.

TO BE COMPLETED BY BIDDER:		
COMPANY SUBMITTING BID	ADDRESS	ALASKA BUSINESS LICENSE NO:
AUTHORIZED SIGNATURE	CITY, STATE, ZIP	DOES YOUR BUSINESS QUALIFY FOR PREFERENCES?
PRINTED NAME	PHONE/FAX	<input type="checkbox"/> YES <input type="checkbox"/> NO
DATE	E-MAIL ADDRESS	DOES YOUR BUSINESS QUALIFY FOR THE VETERANS PREFERENCES?
		<input type="checkbox"/> YES <input type="checkbox"/> NO

Revised 03/14/2012

Chapter 4.16
PURCHASING

4.16.040 Competitive sealed bidding.

A. Competitive Sealed Bidding.

1. All items purchased by the City in excess of \$20,000 (twenty thousand dollars) shall be awarded by competitive sealed bidding.
2. An invitation for bids shall be issued and shall include specifications, and all contractual terms and conditions applicable to the procurement.
3. Adequate public notice of the invitation for bids shall be given a reasonable time prior to the date set forth therein for the opening of bids which shall provide for a minimum of at least fifteen calendar days. Such notice may include publication in a newspaper of general circulation a reasonable time prior to bid opening. The public notice shall state the date and time of the bid opening.
4. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. The amount of each bid, together with the name of each bidder shall be recorded; the record and each bid shall be opened to public inspection.
5. All bid awards shall be made by the City Council. Written notice shall be sent to the selected bidder who meets the criteria and requirements as outlined in the invitation for bids.
6. Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on such bid mistakes, may be permitted where appropriate. Mistakes discovered before bid opening may be modified or withdrawn by written or telegraphic notice received in the office designated in the invitation for bids prior to the time set for bid opening. After bid opening, corrections in bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence that mistake was made, the nature of the mistake and the bid price actually intended. However, downward correction of a bid, which would displace the apparent low bidder, shall only be permitted if the error made and the intended bid price can be determined solely from the bid documents. Upward correction of a bid, established from the bid documents or other evidence, shall be permitted only if the corrected bid is not within two percent of the next low responsive bid. All decision to permit the correction or withdrawal of bids, or to cancel awards of contracts based on bid mistakes, shall be supported by a written determination made by the City.
7. The contract shall be awarded with responsible promptness by written notice to the lowest responsible and responsive bidder whose bid meets the requirement and criteria set forth in the invitation for bids. In the event all bids for a construction project exceed available funds and the low responsive and responsible bid does not exceed such funds by more than five percent, the City is authorized, when time or economic considerations preclude resolicitation or work of a reduced scope, to negotiate an adjustment of the bid price with the low responsive and responsible bidder.

B. Competitive Sealed Proposals.

1. When the City Council determines that the use of competitive sealed bidding is either not practicable or not advantageous to the City, a contract may be entered into by use of the competitive sealed proposals method.

2. Proposals shall be solicited through a request for proposals.
3. Adequate public notice of the request for proposals shall be given including publication in a newspaper of general circulation at least fifteen days prior to the deadline for proposals.
4. No proposals shall be handled so as to permit disclosure of the identity of any offeror or the contents of any proposal to competing offers during the process of negotiation. The proposals shall be open for public inspection only after contract award by the City Council.
5. The request for proposals shall state the relative importance of price and other evaluation factors.
6. Award shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City taking into consideration price and the evaluation factors set forth in the request for proposals. No other factors or criteria shall be used in the evaluation. The contract file shall contain the basis on which the award is made.

C. Cancellation of Invitations for Bids or Requests for Proposals. An invitation for bids, a request for proposals or other solicitation may be cancelled, or any or all bids or proposals may be rejected in whole or in part as may be specified in the solicitation, when it is for good cause and in the contract file. Each solicitation issued by the City shall state that the whole or part may be rejected for good cause when in the best interest of the City. Notice of cancellation shall be sent to all businesses solicited. The notice shall identify the solicitation, explain the reasons for cancellation and, where appropriate, explain that an opportunity will be given to compete on any resolicitation or any future procurement of similar items.

D. If a bidder or offeror who otherwise would have awarded a contract is found nonresponsible, a written determination of nonresponsibility setting forth the basis of the finding shall be prepared by the City. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of nonresponsibility with respect to such bidder or offeror. A copy of the determination shall be sent promptly to the nonresponsible bidder or offeror. The final determination shall be made part of the contract file and be made a public record.

E. The City Council may award contracts based upon requests for bids or requests for proposals issued by another entity provided the requests for bids or requests for proposals meet the minimum requirements detailed in subsection (A) of this section for bids or subsection (B) of this section for proposals and provided:

1. The Mayor or his designee certify in writing to the City Council that the request for bids or request for proposal process of the entity issuing the request satisfies the minimum requirements detailed in subsection (A) of this section for bids or subsection (B) of this section for proposals.
2. The submitting party to whom a contract is to be awarded agrees to honor the prices and conditions contained in their original submission in response to the request for bids or request for proposals.
3. The submitting party agrees that this section, award of contracts, and purchasing supersede those of the party to whom they originally submitted the bid or proposal and shall apply to the submitting party. (Ord. 13-18 § 2, 2014; Ord. 05-05 § 2, 2005; Ord. 00-15 § 2, 2000; Ord. 99-13 § 2, 1999; Ord. 87-2 § 2, 1987; Ord. 84-3 § 2-12, 1984)

125 Snowman Ln
North Pole, Alaska
99705
907-888-4444
907-488-8584

**City of North Pole
Office of the Mayor**

Memo

To: Kathy Weber, North Pole City Council
From: Mayor Ward
cc:
Date: January 28, 2014
Re: Copy Machine Lease

Madam Clerk and Council,

Please consider the trade in of our folding machine and copy machine for an upgraded model with reduced monthly payments. Currently the City of North Pole leases a folding machine and the Cannon Copier in the front office, the copier is very frequently used and the folding machine almost never.

The folding machine was used more in the past when the City mailed our bills locally; our utility bills are now outsourced. In an effort to reduce monthly cost and dispose of equipment not use I have contacted Arctic Office Products about buy out options, they have provided the following information regarding the buyout options for the two pieces of equipment we own (see attached). In discussions regarding disposal of the folding machine the best option was to extend the lease and upgrade the copy machine, including updates to the copy fees schedule.

The new contract would save the city on lease payments, maintenance and copy fees. The city would save 129.99 month (folding machine) and \$11.04 a month on the new copy machine. We would also save \$51.33 a month on service agreements for a total monthly savings of \$192.76 a month. On top of the lease and maintenance savings we would also see an average monthly savings of \$180-\$200 for copier fees. Currently we have a copy package for 15,000 B&W copies a month and pay 8 cents a page for color copies, The new plan would better fit our copy usages and has a base rate almost a third of the fees we now pay. (see attached)

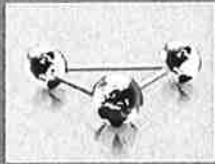
The total expected savings for the City would be \$192.76 per month (lease and maintenance) and 180-200 per month (copies and toner fee) for a grand total of approximately \$380 per month or \$4,500 per year.

Thank you for the consideration, Mayor Ward

City of North Pole copy rates comparison old plan- new plan

	Annual	Monthly	Copies under plan	Overage	Base Plan	Overage Charge	Grand Total	monthly savings
average	B&W	56592	4716	15000	\$ 0.0133	\$ 200.00	\$ -	
	COLOR	26724	2227	0	\$ 0.0800	\$ -	\$ 178.16	
	category totals				\$ 200.00	\$ 200.00	\$ 378.16	
average new	B&W	56592	4716	4410	\$ 0.0105	\$	\$ 3.21	
	COLOR	26724	2227	570	\$ 0.0550	\$ 77.66	\$ 91.14	
	category totals				\$ 77.66	\$ 77.66	\$ 172.01	\$ 206.15
NOV	B&W	126000	10500	15000	\$ 0.0133	\$ 200.00	\$ -	
	COLOR	44304	3692	0	\$ 0.0800	\$ -	\$ 295.36	
	category totals				\$ 200.00	\$ 200.00	\$ 495.36	
NOV new	B&W	126000	10500	4410	\$ 0.0105	\$	\$ 63.95	6090
	COLOR	44304	3692	570	\$ 0.0550	\$ 77.66	\$ 171.71	3122
	category totals				\$ 77.66	\$ 77.66	\$ 235.66	\$ 313.32
							\$	\$ 182.05

prepared by Mayor Bryce Ward



A Complete Digital Imaging Solution

Prepared For the City of North Pole

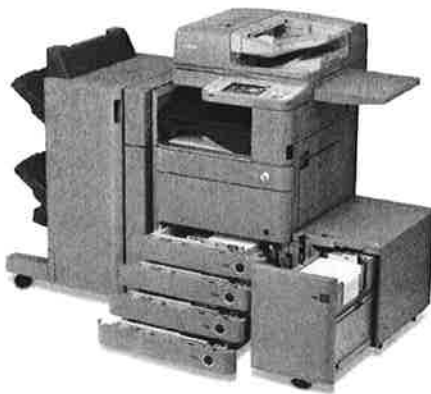
Prepared By

Dan Burton, Account Executive
Greg Martin, VP Copier Sales
Butch Lewis, Senior Systems Engineer

T 907.792.1138 – Anchorage
T 907.459.0349 – Fairbanks
F 907.276.2322
dburton@arcticooffice.com
January 22, 2014



imageRUNNER
ADVANCE
C5255 / C5250



Arctic Office Products

Objective and Recommended Solution



Customer Objective

To address all of the following concerns as well as provide for future growth

Current Situation

- The folding unit requires too much manual intervention to operate and the desire is to consolidate this lease with the copier lease and get rid of the folding unit while paying less money.
- Unreliability with excessive downtime on the folding unit
- Need to keep all of the current features offered by the Canon copier and try to save on costs at the same time

Current Volume Summary	
<u>Black & White on C4580i</u>	<u>4,410/mo.</u>
<u>Color on C4580i</u>	<u>570/mo.</u>

Current Monthly Cost	
<u>4,410 x .0167</u>	<u>\$73.65</u>
<u>570 x .0971</u>	<u>\$55.35</u>
<u>C4580i Lease</u>	<u>\$404.04</u>
<u>Folding Unit Lease</u>	<u>\$129.00</u>
<u>Total Per Month:</u>	<u>\$662.04</u>

Objective and Recommended Solution

Recommended Solution

- Canon imageRUNNER ADVANCE C5250
- Cassette Feeding Unit-AD2
- Staple Finisher-J1
- External 2/3 Hole Puncher-B2
- PCL Printer Kit-AR1
- Super G3 Fax Board-AE2

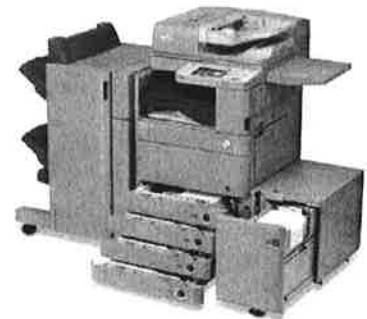


Photo shown with optional accessories

Product Highlights Include:

- C5255: 55/51 pages per minute BW/Color
- C5250: 50/45 pages per minute BW/Color
- Color network printing and scanning standard
- 150-Sheet Single-Pass Duplexing Automatic Document Feeder
- Standard 2GB RAM, Maximum 2.5GB
- Standard 160GB HDD, Maximum 1TB HDD



**imageRUNNER
ADVANCE
C5255 / C5250**

Power Requirements

120V AC/60Hz/20 AMP - NEMA 5-20P

Overview of the imageRUNNER ADVANCE C5255/C5250 Series



Product Features & Benefits

The **imageRUNNER ADVANCE C5255/C5250 Series** offers a complete suite of functionality and can easily integrate with virtually all kinds of office environments. The following is a summary of the key features that these devices offer.

- **Advanced imageCHIP Architecture**

Canon's latest generation color imagePlatform architecture is built around two Canon custom Boards, with up to 2.5GB RAM and either an 160GB Hard Disk, or an optional 1TB HDD. Main Board: Canon proprietary board dedicated to image control. Canon image handling technology enables advanced image quality in Copy/Print/Scan. Accelerator Board: Board dedicated to system control. Dedicated CPU enables high speed network, UI response, USB connection. Riser Board: Connects the CPU and the SOC. With the high speed I/F, the Riser Board the two main boards to communicate seamlessly.

Benefit: Enables high-speed processing of image data, as well as efficient handling of multiple tasks, which leads to increased productivity and ability to meet deadlines.

- **Accurate, Consistent Color When You Want It**

Canon's pQ Toner is oil-free and utilizes small particles containing micro-dispersed wax so that toner fixes evenly and lays flat, resulting in sharp, vivid, dense images and a smooth finish. The pQ Toner has a smaller and finer grain compared to the C5185 series toner. The smaller size produces higher image quality and higher detail. With the pQ Toner and oil less fusing, fuser marks no longer appear on the final output.

Benefit: The latest toner technology eliminates the raised toner or "3D effect" on the page. The smaller grain size, oil less fusing technology, and no raised toner affect enable the imageRUNNER ADVANCE C5200 Series models to produce high image quality – true 1200 x 1200 dpi.

- **Fast Scanning in Color & B/W**

For fast and reliable scanning, the imageRUNNER ADVANCE C5235/C5240 Series includes a standard 100-sheet Duplexing Automatic Document Feeder (DADF) that is capable of scanning images in full color at up to 51 impressions per minute.

Benefit: The Color imageRUNNER ADVANCE system's fast scanning feature enables it to handle color documents at the same speed as B/W documents. Scan at up to 120ipm (single-pass duplex).

Robust Input, Throughput and Output Features

The ability to deliver copy/print output at speeds of up to 55/50 pages-per-minute in black and white, and up to 51/45 ppm in color output. Each model ships with a standard 150-sheet Single-Pass Duplexing Automatic Document Feeder and paper capacity of 1,200 sheets that can be upgraded to support a maximum capacity of 5,000 sheets through six sources. Customers have a choice of three finishers that provide extensive stacking capabilities, multi-position stapling, saddle-stitched booklet output, and optional hole punching for professional-looking output.

Benefit: Flexibility to accommodate all job types on one machine, space savings, professional output and deadline control.



- **Digital Copy Features**

As a digital copier, the imageRUNNER ADVANCE C5255/C5250 Series offers a host of basic and advanced features to meet the demands of any office environment. In addition to traditional capabilities such as Job Build and Copy Reservation, features include Copy and Store, Job Block Combination, Sample Set, Automatic Creep Correction and optional Secure Watermark.

Benefit: With advanced copy features, users can experience high levels of productivity, improved workflow, and efficiency when using the Color imageRUNNER ADVANCE system.

- **Scan, Store and Collaborate**

Designed to streamline workflow and meet each user's needs, these models let you easily save, store, and access scanned documents in different locations. Simply select a destination and scan the original. Using built-in spaces like Mail Box and Advanced Box, or external spaces such as memory media or another networked location, you can choose the most efficient way to work.

Benefit: Canon's new built-in document sharing solutions enhances the ability of multiple users to collaborate. Files can be stored in Advanced Box shared folders and accessed from multiple locations including a PC or other networked imageRUNNER ADVANCE systems. When privacy is required, files can be saved to personal folders.

- **4-Line Fax Support**

Up to 4 lines can be added for high volume fax environments that have or need multiple fax lines. Each line can support both send and receive functions, or sending can be prohibited on specified lines, freeing them up for incoming faxes. When multiple fax lines are installed, faxes will be sent from what has been determined as the priority fax line, or the sender can select which fax line to send the fax from. Job forwarding conditions can be set for individual fax lines.

Benefit: Improves ability to handle large volumes of fax documents. Reduces busy signals to keep important information flowing. Helps save cost and space by consolidating multiple standalone fax devices into one shared device.



Arctic Office Products

■ Document Distribution Features

The imageRUNNER ADVANCE C5255/C5250 Series supports a host of document distribution features including standard color network (TWAIN) scanning with Color Network ScanGear and optional single-line or multi-line Super G3 Fax capabilities. With the standard Color Universal Send feature, documents can be scanned and “pushed” to other destinations electronically. URL Send feature enables scanned documents to be stored on the device while sending **only the URL** of the document to a recipient for retrieval. The Universal Send PDF Advanced Feature Set, which includes Searchable PDF (OCR) mode and Trace & Smooth PDF functionality with PDF High Compression to significantly reduce file size and network traffic. In addition, users can incorporate eCopy’s powerful suite of document distribution products to address the needs of larger organizations and enterprises with high-volume recipient populations.



Benefit: URL Send keeps Mail Box and network speed optimal. PDF searchable (OCR) enables users to easily locate key text in documents sent from the device. Trace & Smooth PDF mode enables users to convert the text of a scanned image to scalable outline data. The outline data is less jagged at the edge and the extracted outline data can be used in Adobe Illustrator. Enhanced flexibility to accomplish more on one device without purchasing additional software. Save money. Get more done.

■ Robust Security

The imageRUNNER ADVANCE C5200 Series models offer multilayered solutions that help business meet their goals of privacy and protection, yet keep work flowing. From installation to retirement, this series has solutions that safeguard your confidential information and support security compliance.

Benefit: Access Management System: Limit access by user, group or role. You can even limit access only for specific functions such as Universal Send. Document Scan Lock and Tracking: Embed hidden tracking information in a document to restrict unauthorized copying or scanning, and to track the origin. Adobe® Lifecycle® Rights Management ES integration: Protect access to documents throughout their duration. After documents are scanned, specify security policies and select authorized recipients. Trusted Platform Module: Safeguard vulnerable settings such as passwords with a new security chip featuring tamper-resistant hardware. Data Encryption and Erase options: Disguise information before it’s written to the hard drive, and permanently remove it by overwriting when the job is complete. Removable Hard Disk Drive: With this option, the Hard Disk Drive can be removed and placed in a secure location when not in use.

■ Customization Capabilities

Canon MEAP (Multifunctional Embedded Application Platform) architecture allows the system to incorporate unique applications that run embedded within the device for total integration with customer workflows. **

Benefit: Whether the need to customize your device is current or in the future, you will already have the platform to make it happen. If desired, a MEAP application can be developed around your workflow to further optimize it. Helps your firm gain a competitive edge processing customer invoices, forms, claims, and almost any other workflow you may have - faster than other firms.

**Note: Customized MEAP applications require additional investment.

Overview of the AOP Performance Package



Arctic Office Products is proud to offer the AOP Performance Package as part of this complete digital imaging solution. The AOP Performance Package guarantees that your investment is backed by the best available service and genuine OEM parts and supplies to keep you up and running smoothly.

- **15 full-time, factory certified service technicians in Anchorage**
- **Local service dispatch & fast response time**
- **Preventative maintenance at manufacturer's recommended intervals**
- **Genuine supplies in-stock with fast delivery**

Freedom & Flexibility

To further benefit customers that lease our equipment, Arctic Office Products offers the AOP Performance Package separately from the equipment lease. This gives customers the freedom to adjust the plan as their needs evolve, and prevents them from becoming "locked in" to a plan that does not suit their needs.

For even more flexibility, the AOP Performance Package can be adjusted or cancelled at any time.*

Your AOP Performance Package covers all maintenance including parts & labor, all toner and/or drum cartridges, and preventative maintenance.



**Your AOP Performance Plan includes the
ESP Digital QC Power Filter**

A \$200 Value

Visit **WWW.REALPOWERPROTECTION.COM** to learn more

For more information on the AOP Performance Package please contact your AOP representative

*Cancellation requires 10 days written notice. Adjustments must meet minimum requirements and must be approved by Arctic Office Products.

imageRUNNER ADVANCE C5255/C5250 Series
Price Quote Summary for Selected Items



Monthly Cost Comparison		
	Current	Proposed
Lease Payment	<u>\$533.04</u>	<u>\$391.61</u>
Maintenance	<u>\$128.99</u>	<u>\$77.66</u>
Total	<u>\$662.03</u>	<u>\$469.27</u>
<u>Monthly Savings:</u>		<u>\$192.76</u>

Proposed Timeline

Contract signing	TBD
Pre-installation meeting & site survey	TBD
Delivery of equipment	TBD
Key-operator training	TBD

Why Arctic Office Products?



The top 5 reasons to purchase your next copier from Arctic Office Products

Alaska's choice for over 60 years

Arctic Office Products has been owned and operated by the same local family since 1946. We employ over 100 Alaskans including 15 factory certified technicians in Anchorage to keep our customers' machines up and running to manufacturer specifications.

A large inventory of parts & toner

We know that your time is valuable, and that's why we stock a very large amount of genuine parts and toner locally. This means that when a copier is down our customers are not forced to wait for the necessary parts to be shipped, saving them time and money.

The personal service you expect

When our customers call for service they are greeted by a friendly associate right here in Anchorage. They are never required to leave a voice message or email, and never suffer the hassle of having service dispatched from an out-of-state call center.

We work hard to keep you running smoothly

Arctic Office Products adheres to a strict preventative maintenance schedule for each and every machine that we service. Our proactive approach to maintenance maximizes uptime for our customers and ensures that they get the most out of their purchase.

Guaranteed fast service

When it comes time to order toner or other supplies, our customers can expect prompt delivery. We guarantee that in-stock items will arrive the very next day on one of our 6 delivery vans servicing the Anchorage area, which means that our customers never have to go without the supplies that make their copier work.



Customer Acceptance

Prepared For
City of North Pole
Bryce Ward

January 22, 2014
Expires: **February 15, 2014**

Canon imageRUNNER ADVANCE C5250 Price Quote Summary

Model	Description	Purchase Price
iRC5250	Canon 50/45 PPM Color Multifunction Printer	\$19,483.00
	Cassette Feeding Unit-AD2	Included
	Staple Finisher-J1	Included
	External 2/3 Hole Puncher-B2	Included
	PCL Printer Kit-AR1	Included
	Super G3 Fax Board-AE2	Included
	Lease Buyout/Upgrade on Canon C4580i	Included
	Lease Buyout/Upgrade on Folding Unit M3000	Included
	Delivery, Installation & Training	Included
	Total	\$19,483.00

Monthly Lease Payment: \$391.61
*60 Month FMV Lease Rate

AOP Performance Package: 4,410 black and 570 color impressions per month: \$77.66
Black overages billed at \$.0105
Color overages billed at \$.055

Customer Acceptance

Signature

Date

Please send acceptance to:

Dan Burton
dburton@arcticoffice.com
Fax: 907.276.1265
Anchorage: 907.792.1138
Fairbanks: 907.459.0349
Arctic Office Products
100 West Fireweed Lane
Anchorage, AK 99503

Bryce Ward

From: Daniel J. Burton <DBurton@ArcticOffice.com>
Sent: Friday, January 24, 2014 1:24 PM
To: Bryce Ward
Subject: Lease buyouts

Bryce,

The buyouts on each lease agreement are:

USBank
M3000 Folding Unit
Buyout: \$2,475.65

CFS
Canon C4580i
Buyout: \$8,403.20

Total Buyouts: \$10,878.85

If you factor in your current maintenance costs over 24 months: $\$128.99 \times 24 = \$3,095.76$
Add that to the above buyouts: \$13,974.61
Divide that by 24 months: \$582.26

If you bought the leases out and kept the existing copier and amortized that payment over the course of 2 additional years... you'd still pay more than the \$469.27 per month listed below. You'd have an older, slower piece of equipment and pay more to keep it.

Looks like a win-win to upgrade the lease agreements, get rid of the folding unit, get a brand new copier AND save money.

Monthly Cost Comparison		
	Current	Proposed
Lease Payment	<u>\$533.04</u>	<u>\$391.61</u>
Maintenance	<u>\$128.99</u>	<u>\$77.66</u>
Total	<u>\$662.03</u>	<u>\$469.27</u>
<u>Monthly Savings:</u>		<u>\$192.76</u>

Dan

Dan Burton

Account Executive

Arctic Office Products

(907) 792-1138 - Anchorage Direct

(907) 459-0349 - Fairbanks Direct

(907) 727-4725 - Cell

dburton@arcticoffice.com

www.arcticoffice.com



Arctic Office Products

ARCTIC OFFICE PRODUCTS

Office department store

100 W. Fireweed Lane

100083 • Anchorage, Alaska 99510

Machines • Furniture: (907) 276-2322

Supplies: (907) 274-7567

FAX (907) 279-4359

ORIGINAL

DATE

NUMBER

11/25/13 3078672-0

SALESMAN 187 TIME 17:05:00

WRITER 1 PAGE 1

FEDERAL #92-0019909

PD #SYS 13904

CHARGE

INVOICE (A)

ROUTE: ZARB

CUSTOMER # 36957 DEPT

CITY OF NORTH POLE*

125 SNOWMAN LANE

NORTH POLE

AK 99705

Renae

907-488-3002

THIS IS A CONTRACT/METER SERVICE BILLING
FOR THE FOLLOWING MACHINE(S):

QTY UNIT D EXTENDED PRICE

IRC45801

CAN COPIER, COLOR (1388B015AA)

SYSTEM #

13904

SERIAL #

TPW00744

1 EA N

295.36

;125 SNOWMAN LANE

11/25/13

208046 CURRENT READING METER 2

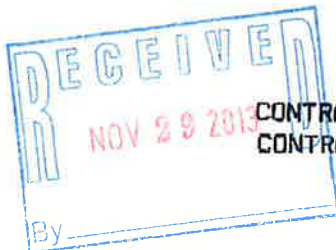
10/22/13

204354 PREVIOUS BILLING

3692 COPIES USED

COPIES ALLOWED

3692 EXCESS COPIES @ .080000 A COPY



CONTRACT DATES 03/26/13 TO 03/25/14

CONTRACT CBFP PURCHASED COPIER, BASE + CLICKS

INCL: PARTS/LABOR/DRUM/TONER

TERMS: NET 15 PAST DUE: 1.5% PER MONTH

SUB-TOTAL

295.36

RECEIVED BY

X

DATE

REC'D

11

TOTAL

\$

295.36

ARCTIC OFFICE MACHINE
100 W FIREWEED LANE
ANCHORAGE, AK 995032604

11/27/2013 13:02:12
MID: 000000002916287
TID: 04337166

409200635889

CREDIT CARD

VISA SALE

CARD: XXXXXX XXXXX0402
INVOICE 0044
Batch # 000275
APP Code: 617220
Entry Mode: Manual
Model: Online
Tax Amt: 90.00
Card Code: 11

\$295.36

SALE AMT

I agree to pay above
total amount according
to card issuer agreement
(Merchant Agreement)
Credit Voucher

MERCHANT COPY

ORIGINAL

ARCTIC OFFICE PRODUCTS
 Arctic office department store
 100 W. Fireweed Lane
 99510 Anchorage, Alaska
 Machines • Furniture: (907) 276-2322
 Supplies: (907) 274-7567
 FAX (907) 279-4359

DATE	NUMBER
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11/26/13 3079025-0
 SALESMAN 187 TIME 17:02:12
 WRITER 1 PAGE 1
 FEDERAL #92-0019909
 PO #SYS 13904

CUSTOMER # 36957 DEPT

CITY OF NORTH POLE*

125 SNOWMAN LANE
NORTH POLE

AK 99705

CHARGE
 INVOICE (P)
 ROUTE: ZFRB

Renee
907 488 3002

THIS IS A CONTRACT/METER SERVICE BILLING
 FOR THE FOLLOWING MACHINE(S):

QTY	UN T	D	EXTENDED PRICE
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IRC45801

CAN COPIER, COLOR (1388B015AA)

SYSTEM # 13904

SERIAL #

TPW00744

1 EA N

200.00

;125 SNOWMAN LANE

P.O. # SYS 13904

NOVEMBER CONTRACT BILLING

CONTRACT DATES 03/26/13 TO 03/25/14

CONTRACT CBFP PURCHASED COPIER, BASE + CLICKS
 INCL: PARTS/LABOR/DRUM/TONER



TERMS: NET 15 DAY DUE: 1.5% PER MONTH

SUB-TOTAL 200.00

RECEIVED BY **X**DATE
REC'D / /

TOTAL \$ 200.00

ARCTIC OFFICE MACHINE
 100 W FIREWEED LANE
 ANCHORAGE, AK 995022604

11/27/2013 12:23:29
 MID: 000000002918287
 TID: 04337166
 409200638889

CREDIT CARD
 VISA SALE

CARD: XXXXXXXXXX0402
 INVOICE 0013
 Batch #: 000275
 App Code: 517232
 Entry Mode: Manual
 Mode: Online
 Tax Amt: \$0.00
 Card Code: M

SALE AMT \$200.00

I agree to pay above
 total amount according
 to card issuer agreement
 (Merchant Agreement if
 Credit Voucher)

MERCHANT COPY

Thank you
 for your payment!



MAINTENANCE AGREEMENT

CITY OF NORTH POLE
125 SNOWMAN LANE
NORTH POLE, AK

ATTN:
PLEASE SEND PO# / DO# IF APPLICABLE.

Phone: 907-
Fax: 907-488-3002



Arctic Office Products

100 West Fireweed Lane
Anchorage, AK 99503

BEGINNING METER READ:
EFFECTIVE: 03/26/13 – 03/25/14

Model	Serial Number	Agreement Rate	Description
IRC4580I	TPW00744	\$200.00 PER MONTH AND \$.0133 B/W COPY OVER 15,000 \$.08 PER EACH COLOR COPY	INCLUDES: PARTS, LABOR, TONER AND DRUM
SYS# 13904			

1. In consideration of the performance and observance by Customer of the terms and conditions hereof, Company agrees, subject to the terms and conditions hereof, to:

- Perform all maintenance, including the cleaning, lubrication and ordinary adjustments necessary to maintain the above described equipment in good condition
- Replace all mechanical and electrical parts becoming worn after the date of this agreement (with the exception of consumable items and exclusions listed above) without charge unless damage or wear to parts is caused by fire, act of God, vandalism or customer misuse or neglect. Prior authorization must be obtained from the Customer for the replacement of repair parts not covered under the terms of this agreement. No additional charge shall be made for labor unless the cause of replacement or repair of parts is due to fire, act of God, vandalism, or Customer misuse or neglect.

c. When, in the Company's opinion, an overhaul becomes necessary, an itemized estimate covering the cost, including material and labor, will be presented for Customer's approval before overhaul work is started. The customer in addition to the annual service agreement rate will pay the cost of the overhaul for such equipment. Should the Customer elect not to have the equipment over-hauled, when in the Company's opinion it is necessary, the agreement will not be renewed.

2. Customer agrees to:

- Exert reasonable care in the operation of equipment and perform the factory recommended Customer care and cleaning program, as described in the operating instructions, which is necessary to keep the equipment in good operating condition.
- Provide all consumable supply items as frequently as recommended by the operating manual and/or Company representative for maximum copy quality.

3. a. All calls will be performed during the Company's normal working hours. Calls requested for other than the Company's normal working hours will be charged to the Customer at the Company's then current rate for after-hour service. Solely the company will determine the availability of manpower for such service.

b. The rate shown above is for performing service only at the location listed above. Should the Customer relocate the equipment to a different zone, the rate will be decreased or increased accordingly for the balance of the term.

c. Customer is responsible to provide adequate environmental conditions including proper ventilation and power. Where electronic components are damaged due to faulty power or inadequate environment, their replacement or repair will be at the Customer's expense. The attachment of the covered equipment to another

machine or device by mechanical, electrical or electronic means without the express written consent of the Company shall void this agreement.

4. The agreement does not include any accessory equipment, including lock box attachments, not itemized in the equipment description portion of this agreement.

5. When applicable, Federal, State, and local taxes (except taxes based on net income) are to be borne by the Customer, whenever these are levied, including the chargeable service performed on chargeable parts installed.

6. This agreement is to be effective for the period specified above. This period of coverage of this agreement for all equipment begins upon approval by the Company of the mechanical and operational condition of the equipment and subsequent delivery to the Customer of a copy of this agreement duly executed by Company and Customer.

7. The term will be extended automatically for successive 12 month term unless you send us written notice you do not want it renewed at least ninety (90) days before the end of any term.

8. In the event the payment for this contract becomes delinquent over 60 days, the terms and conditions stated within shall become null and void until such time the payment for the contract has been received in full

9. This agreement shall automatically be renewed annually with an increase / decrease based on copy volume and/or amount of service provided.

10. This Agreement covers the hardware only. It does not cover your network or any printing or scanning issues arising from changes to your network. Our Systems Engineers are available to handle these issues for \$145 per hour.

For an additional charge of \$25 per month you will receive up to 3 hours of Systems Engineer time per year to help your IT professional diagnose printing and scanning issues related to changes made to your network after initial install of equipment. If your 3 hour per year time is exhausted you can purchase additional Systems Engineer time at a discounted rate of \$100 per hour.

☐ Yes, I want this additional coverage. ☐ No, I do not want this additional coverage.

*****PLEASE NOTE LINE 10*****

THIS CONTRACT WILL BE AUTOMATICALLY RENEWED FOR ANOTHER YEAR UPON THE EFFECTIVE DATE SHOWN ABOVE.

PLEASE SEND PO# / DO# IF APPLICABLE.

IF YOU HAVE ANY QUESTIONS OR WISH TO CANCEL THE CONTRACT, PLEASE CALL ROBIN @ 907-792-1125.

CITY OF NORTH POLE

RESOLUTION 14-01

A RESOLUTION URGING THE SECRETARY OF THE UNITED STATES AIR FORCE, THE CHIEF OF STAFF OF THE UNITED STATES AIR FORCE, AND THE COMMANDER OF THE PACIFIC AIR FORCES TO BASE F-35 AIRCRAFT ASSIGNED TO THE PACIFIC AIR FORCES AT EIELSON AIR FORCE BASE.

WHEREAS the United States Air Force, as a matter of critical importance, shall make an upcoming decision to base the F-35 Joint Strike Fighter in the Asia-Pacific Theater; and

WHEREAS the United States Air Force recently, based on the best interests of the United States National Security Strategy, decided to forego the proposed relocation of the 18th Aggressor Squadron (F-16s) from Eielson Air Force Base; and

WHEREAS the citizens of North Pole, Alaska commend the Air Force's leadership on the 18th Aggressor Squadron decision; and

WHEREAS the strengths of Eielson Air Force Base are consistently recognized by the Pacific Air Forces (PACAF), United States Pacific Command (PACOM), and joint and coalition partners around the world; and

WHEREAS Eielson Air Force Base plays an essential role in the successful execution of the United States national security strategy by enabling United States military assets to reach 95 percent of the industrial world within nine hours; and

WHEREAS any aircraft placed at Eielson Air Force Base are a substantial asset to PACAF and PACOM; and

WHEREAS Eielson Air Force Base serves a critical function in reinforcing the Pacific region and defending the Asia-Pacific Theater; and

WHEREAS Eielson Air Force Base, through the 168th Air Refueling Wing's KC-135 tankers, in the event of conflict in the Pacific region, is at the forefront of protecting the United States' interests as the guarantor of the Northern Air Refueling Bridge; and

WHEREAS Eielson Air Force Base is the ideal installation for basing F-35s in the Asia-Pacific Theater; and

WHEREAS the F-35 is planned to replace the A-10 air-to-ground mission support for ground forces; and

WHEREAS Fort Wainwright is home to significant Army combat maneuver forces that require training that includes joint, air-to-ground support; and

WHEREAS Eielson Air Force Base provides a gateway to Joint Pacific Alaska Range Complex (JPARC); and

WHEREAS stationing the F-35 at Eielson Air Force Base would further advance training in JPARC with military service members from Joint Base Elmendorf-Richardson (JBER), Fort Wainwright and our allies around the world; and

WHEREAS Eielson Air Force Base has unfettered access to an unparalleled training environment and the largest restricted training airspace in the United States, and

WHEREAS Eielson Air Force Base anchors the world's largest joint air, land, sea, subsea, space and electromagnetic training assets; enjoys minimal airspace congestion throughout Alaska; and enables joint training venues that support large Army-Navy-Air Force live fire exercises, force-on-force training, unmanned aerial vehicle operations, and supersonic flights; and

WHEREAS Eielson Air Force Base has a storage capacity for 24 million gallons of jet fuel and its runway can provide year-round handling for the largest aircraft of the United States, its military allies and strategic partners; and

WHEREAS Eielson Air Force Base helps to secure important oil infrastructure, including the Trans-Alaska Pipeline System, which supplies a significant portion of the nation's energy needs; and

WHEREAS, as a self-contained base, Eielson Air Force Base produces its own heat and electricity from locally mined coal, uses its own water supply and water treatment facility, and is supplied jet fuel directly from a dedicated refinery; and

WHEREAS, as compared to other overseas Pacific installations, Eielson Air Force Base is more cost-effective to maintain; and

WHEREAS Eielson Air Force Base employs approximately 2,500 military personnel and has an annual economic effect of approximately \$252 million, making it a critical component of the local and regional economies of Interior Alaska; and

WHEREAS Alaska citizens have continually proven their support of all military service members; and

WHEREAS Alaskans salute and respect all military service members; therefore,

BE IT RESOLVED that the City of North Pole strongly urges the Secretary of the Air Force; Chief of Staff, United States Air Force; and Commander, Pacific Air Forces to base F-35 Joint Strike Fighters at Eielson Air Force Base.

**PASSED AND APPROVED BY A DULY CONSTITUTED QUORUM OF
THE NORTH POLE CITY COUNCIL THIS 3rd DAY OF February, 2014**

Bryce J Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC, City Clerk

CITY OF NORTH POLE

RESOLUTION 14-02

**A RESOLUTION SUPPORTING THIS GENERATION MINISTRIES (TGMS)
REQUEST FOR STATE FUNDING TO PURCHASE AND RENOVATE AN OFFICE
BUILDING IN THE NORTH POLE AREA.**

WHEREAS, TGM has been working effectively for years to prevent suicide and encourage wellness through building relationships and reaching young people through community outreach; and

WHEREAS, TGM efforts include custom tailored outreach with the goal to bring healing to the contributing factors to suicide, such as depression, hopelessness, abuse, and substance use; and

WHEREAS, TGM has a volunteer staff of 7 passionate full-time workers and is need of office space for their increased opportunity and vision; and

WHEREAS, a facility would provide outreach fleet storage (boats and automobiles), staff housing, mission team temporary housing, video and audio space, office space, outreach prep and staging, youth music band space and a base for overall daily operations; and

WHEREAS, TGM constructed Camp Nahshii, in the Yukon Flats Region, a summer camp focused on healing of young native people and teaching cultural heritage; and

WHEREAS, the citizens of North Pole, Alaska support the efforts of such organizations such as TGM to reach out to those in our community and state; and

BE IT RESOLVED that the City of North Pole support legislative funding for This Generation Ministries (TGM) to purchase and renovate an office building in North Pole.

**PASSED AND APPROVED BY A DULY CONSTITUTED QUORUM OF THE NORTH
POLE CITY COUNCIL THIS 3rd DAY OF February, 2014**

Bryce J Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC, City Clerk

January 28, 2014

To whom it may concern:

My name is Eva Nageak, daughter to Benjamin and Bonnie Nageak. I was born and raised in Barrow, Alaska.

In 2009 I met the founders of This Generation Ministries, Ron Pratt and his wife Yolanda and their staff. Since then I have volunteered my time and served out at Camp Nahshii with them, have been a part of their informational DVD, and will be speaking at one of their up coming benefit brunches. I have no hesitation when it comes to serving with them because I know from personal experience that they are making an impact in the state of Alaska, specifically with the youth. I have been with them during suicide prevention outreaches when youth leave I can see such a transformation in them that they walk differently.

Back in 2009 my youngest brother committed suicide and This Generation Ministries has been by my side every since- whether its through prayer or just listening to my stories of my younger brother and crying with me. We live in a state that is plagued with suicide and I am confident that This Generation Ministries is turning those statistics around, one person at a time, even if its through encouraging someone else who is doing suicide prevention in Alaska.

TGM's passion is to see people set free from the bondages of drugs and alcohol and receive healing from past hurts.

I would love to see TGM's opportunities brought to the next level! They are currently in need of a facility to base their operations out of. This building would house and repair their boats they use in the summer to haul youth to Camp Nahshii, it would be a place where volunteer work teams to Alaska can stay a day or two, and a place where TGM's studio can be. I urge you to support their request for funds for a building in the capitol budget.

Eva M Nageak

Eva Nageak
P.O. Box 56325
North Pole, AK 99705
(907)250-8529

THIS GENERATION MINISTRIES

January 22, 2014

Dear Mayor Bryce,

Subject: Capital Budget request concerning suicide-prevention efforts

TGM has been working effectively for years to prevent suicide through building relationship and reaching young people through our focused community outreaches **statewide** since 2006. Our efforts include custom tailored outreach with the goal to bring healing to the contributing factors to suicide, such as depression, hopelessness, abuse, and substance use. We have seen a difference. We have seen lives saved.

With a volunteer staff of 7 passionate full-time workers since TGM's inception, our efforts have been primarily out of our home. With increasing vision and opportunity, we recognize the need for a permanent facility to base our operations. We have submitted a request for consideration in the State Capital Budget in the amount of \$375,000 to assist us in securing facilities in the North Pole area.

We believe a facility will allow for the **expansion** of the vast array of outreach and services we currently provide, although these have been limited. It is a miracle what we have been able to accomplish simply using the space we have. With a facility we would continue to develop leaders to reach Alaska, expand our media outreach by providing videography and musical training for at-risk youth, increase our presence in the villages, and effectively host volunteer teams who partner with us to build our camps/ community services such as Camp Nahshii.

A facility will provide outreach fleet storage (both boats and automobiles), staff housing, mission team temporary housing, video and audio studio space, office space, outreach prep staging area, outreach storage, youth musician/band space, and a base for overall daily operations of the organization.

We are looking at property and a 11,878 square foot building located on 5th Ave in North Pole. The property has been on and off the market for the past 8 years and needs renovations. The last recent list price for the building was \$375,000.00. Please consider supporting our request in the State Capital Budget with a letter of support to insure that our suicide-prevention efforts continue in our state with greater success.

Respectfully,

Ron Pratt, President & Founder



WWW.TGMALASKA.COM

550 Beaver Blvd., North Pole, Alaska 99705 /// 907.978.5822

This Generation Ministries is a 501(c)3 nonprofit organization, Federal Tax ID# 01-0883680

THIS

Imparting Hope, Promoting Life, Providing Tools, Building Relationship

GENERATION MINISTRIES

What We Provide

We seek to come along side communities in Alaska in their efforts in reach their young people. Our team of full-time staff have a passion to bring hope and be a resource to your community.

Here a some tools we offer to impact this generation:

Youth Conferences

2-3 day conferences usually with music/media incorporated. Speakers from this generation impart tools for relational success. Opportunity for individual prayer and mentoring.



Camps

Winter/Summer camps usually take place in established locations.

- *Winter Xtreme, Fairbanks, AK*
- *Camp Nahshii, Yukon Flats Region*

Internship opportunities available for ages 18+. Send a work team to help develop camps through our [Teams2AK](#) program.

School Assemblies

1 day in school program usually with music and media. Speakers share life stories and cover topics relevant to the demographic, such as hope for drug/alcohol abusers, worthless feelings, depression, and more. Optional night rallies off campus usually provided.



Generation of Change

2-5 day Youth Rally with music, tournaments, night rallies, and whatever fits the particular community. Speakers from this generation impart tools for living empowered.

For more info, please contact:

Ron Pratt

907.978.5822

2006tgm@gmail.com

A Changed Life, Changes Lives!

FIELD DETAIL

5TH AVE & BEAVER BUILDING



MLS #	107176	Lot Size	Under 1 ac
Status	ACTIVE	Approx. Sq. Ft. Building	10,001-20,000
Type	MULTI-PURPOSE	To Show	CLL/CLO
Address	427 5TH AVENUE		
Address 2			
City	North Pole		
State	AK		
Zip	99705		
Area	CITY OF N.P.		
Class	COMMERCIAL/INDUSTRIAL		
Asking Price	\$375,000		
Sale/Rent	For Sale		
IDX Include	Yes		

GENERAL

# of Parking Spaces	12	Restrooms	4.00
Licensee	DAVID SOMERS - (907) 456-7653 ext. 101	Listing Office 1	SOMERS & ASSOCIATES, INC. - Main (907) 456-7653
Listing Licensee 2	APRIL FRICK	Listing Office 2	SOMERS & ASSOCIATES, INC. - Main (907) 456-7653
Commission to Selling Off	3	Subd. Township/Range	Beaver
Lot (Tax Lot)	18 and 19	Block (Section)	12
Listing Date	12/27/2007	Expiration Date	12/28/2008
Owner	MAC FCU	Owner Phone	NA
Year Built	1977	Zoning	Multiple-Family Residential /Professional Office District
Overlay		Lot Sq. Ft.	23,766
Building Sq. Ft.	11878	# of Acres	0.545592
CCRs Y/N	Yes	Sign Y/N	Yes
Annual Gross Income		Annual Expenses	
Annual Net Op Income		APOD Y/N	
No. Living Units		Off Market Date	
Mapping		Tax ID	
Update Date	12/28/2007	Status Date	12/28/2007
HotSheet Date	12/28/2007	Price Date	12/28/2007
Input Date	12/28/2007	Associated Document Count	0
Original Price	\$375,000	Cumulative DOM	183
Days On Market	91	Price/Sq Feet	\$31.57

FINANCIAL

Directions	Take the Richardson to a Right on 5th Avenue, property is on the Right.	Taxes	4772.65
Mill Rate	16.335	Internet Y/N	Yes
Tax Parcel	0114391	FNSB Map #	
HOA Dues/Mo.	0	Assessments Y/N/UNK	Unknown
Min. Earnest Money	2%	Possession	recording

SOLD STATUS

How Sold		Contract Date 1	
Closing Date		Sold Price	
Selling Licensee 1		Sell Team	
Selling Office 1		Selling Office 2	
Selling Licensee 2		Selling Licensee 3	
Selling Office 3		Additional Comments	

REMARKS

GREAT VALUE HERE. OVER \$700,000 HAS ALREADY BEEN INVESTED IN THIS PROFESSIONAL OFFICE BUILDING PROJECT. APPROXIMATELY HALF THE BUILDING IS MOSTLY COMPLETE AND HAS BEEN IN SERVICE. CALL LICENSEES FOR ACCESS AND ADDITIONAL INFORMATION.

ADDENDUM

This building is being sold strictly AS-IS.

DISCLAIMER

This information is not guaranteed. Interested parties are advised to independently verify this information through personal inspection or with appropriate professionals.

State Capital Request Draft

Grant Recipient: This Generation Ministries

Project Title:

TGM Facility in North Pole

FY2014 State Funding Request: \$475,000

Future funding may be requested.

Brief Project Description: Funds to purchase and renovate property and building in North Pole, District 1.

Funding Plan:

Total Project Cost: \$475,000.00

Funding Already Secured: \$0(projected) (includes in-kind volunteer help)

FY2016: State Funding Request: \$475,000.00

Project Deficit: \$0

Funding Details:

FY15- Donations from in and outside Alaska, in-kind donations in the form of volunteer labor and pledges.

We receive funding from in and out of state non-profit organizations, individuals, regional & village native corporations, and we are pursuing grant options in Alaska.

Detailed Project Description & Justification:

TGM has been working effectively for years to prevent suicide and encourage wellness through building relationship and reaching young people through our focused community outreaches **statewide**.

Since TGM's inception our efforts have been based out of our home. With increasing vision and opportunity, we recognize the need for a permanent facility to base our **statewide** youth outreach operations. We submit for your consideration to include in the Capital Budget a request of \$475,000 to assist us in securing facilities in the North Pole area.

We believe a facility will allow for the **expansion** of the vast array of outreach and services we currently provide, although these have been limited. It is a miracle what we have been able to accomplish simply using the space we have. With a facility we would continue to develop leaders to reach Alaska, expand our media outreach by providing videography and musical training for at-risk youth, increase our presence in the villages, and effectively host volunteer teams who partner with us to build our camps/ community services such as Camp Nahshii. A new facility will serve these needs, as well as ensure the longevity and effectiveness of our outreach to the youth of Alaska.

A facility will provide outreach fleet storage (both boats and automobiles), staff housing, work team housing, video and audio studio space, office space, outreach prep staging area, outreach storage, youth musician/band space, and a base for overall daily operations of the organization.

We are looking at property and a 11,878 square foot building located on a 23,766 square foot lot on 5th Ave in North Pole, AK. The property has been on the market for the past 7 years and needs renovations. The most recent list price for the building was \$375,000.00. The building has since been unlisted, but has not sold yet.

Estimated budget: \$375,000 to purchase the land and building.
\$100,000 for renovations, permits & licensing

Project Timeline:

Purchase/secure property: 6-12 months

Renovate facility: 18 months

Relocate operations: 2 months

Total timeline: 32 months

Entity Responsible for Ongoing Operation and Maintenance of this Project:

This Generation Ministries - Ron Pratt, President and Founder

Grant Recipient Contact Information:

Name: Keeley Kaveolook

Title: Office Admin

Address: 550 Beaver Blvd
North Pole, Ak 99705

Phone Number: 907.978.5836

Email: jerinkeeley@gmail.com

CITY OF NORTH POLE

RESOLUTION 14-03

**A RESOLUTION OF THE COUNCIL OF THE CITY OF NORTH POLE,
ALASKA, SUPPORTING LEGISLATIVE ACTION TO ADOPT THE
RECOMMENDATION CONTAINED IN RESOLUTION 13 -01 OF THE
ALASKA WORKERS' COMPENSATION BOARD.**

WHEREAS, the Alaska Workers' Compensation Board is a public organization that is accountable to the residents, Legislature and Governor of Alaska and that acts as the lead agency for adjudicating disputes under the Alaska Worker's Compensation Act, to ensure quick, efficient and fair payments of benefits to injured workers at a reasonable cost to employers; and,

WHEREAS, despite a 14.2% decline in the frequency of worker's compensation claims over the past 5 years, Alaska has seen its workers' compensation premium rates climb to the highest in the nation; and,

WHEREAS, workers' compensation medical costs have increased 25% over the last 5 years and are the primary driver in the increase in premium with \$0. 75 of every \$ 1. 00 spent on workers' compensation benefits being spent on medical cost; and,

WHEREAS, identical medical services paid by a workers' compensation claim versus private insurance or self -pay is often multiples higher; and,

WHEREAS, Resolution 13 -01 of the Alaska Workers' Compensation Board identifies changes needed to address the escalating workers' compensation costs

while protecting the rights of workers to fair and reasonable compensation when injured while working; and,

WHEREAS, legislative action to implement the changes recommended in Resolution 13 -01 of the Alaska Workers' Compensation Board is in the best interest of the City of North Pole, its residents, and its employers.

BE IT RESOLVED the North Pole City Council supports legislative action to adopt the recommended changes outlined in Resolution 13 -01 of the Alaska Workers' Compensation Board.

**PASSED AND APPROVED BY A DULY CONSTITUTED QUORUM OF
THE NORTH POLE CITY COUNCIL THIS 3rd DAY OF February, 2014**

Bryce J Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC, City Clerk

RESOLUTION NUMBER 13-01
RESOLUTION IN SUPPORT OF ADDRESSING SYSTEM COSTS
UNDER THE ALASKA WORKERS' COMPENSATION ACT

WHEREAS, the Alaska Workers' Compensation Board (Board) is a public organization that is accountable through its members to the residents, the Legislature, and the Governor of Alaska;

WHEREAS, the Board acts as the lead state agency for adjudicating disputes under the Alaska Workers' Compensation Act, to ensure quick, efficient, and fair payments of benefits to injured workers at a reasonable cost to employers;

WHEREAS, Alaska's workers' compensation premium rates are the highest in the nation according to the October 2012 Oregon Workers' Compensation Premium Rate Ranking Summary;

WHEREAS, medical costs comprise \$.75 of each dollar spent on workers' compensation benefits;

WHEREAS, medical benefit costs have risen 25% over the last 5 years despite a 14.2% decline in the frequency of workers' compensation claims over the same period;

WHEREAS, research is clear that inappropriate opioid use is an epidemic damaging lives and driving up costs, as stated in the August 28, 2013 joint policy recommendations of the International Association of Industrial Accident Boards and Commissions, the American College of Occupational and Environmental Medicine; the National Association of Insurance Commissioners, the National Alliance for Model State Drug Laws, and the National Council of Insurance Legislators;

WHEREAS, rehabilitation and reemployment of injured workers costs employers \$12.9 million in CY2012, with fewer than 8% of eligible injured workers successfully completing retraining;

NOW THEREFORE BE IT RESOLVED that the Board respectfully requests that the Alaska State Legislature amend the Alaska Workers' Compensation Act to provide the following:

1. That all fees and charges for medical treatment be subject to regulation by the Board;
2. That the physician fee schedule be based on Centers for Medicare and Medicaid Services (CMS) resource based relative value scale (RBRVS) increased by a board specified conversion factor;
3. That the outpatient hospital/ambulatory surgical center fee schedule be based on CMS ambulatory payment classification increased by a board specified conversion factor;

4. That the inpatient hospital fee schedule be based on CMS Medicare severity diagnostic related group (MSDRG) increased by a board specified base rate;
5. That the Board evaluate board specified conversion factors and rates every two years;
6. That air ambulance services be reimbursed at a board specified rate;
7. That medical providers be required to bill payers within 180 days of date of service;
8. That medical providers must submit a claim for disputed payment within 60 days of the disputed payment;
9. That reimbursement for out-of-state services be the lower of the workers' compensation fee schedule in the jurisdiction where the service is provided or the workers' compensation fee schedule adopted in Alaska;
10. That durable medical equipment not included in a covered medical procedure be reimbursed at manufacturer's invoice plus a board specified markup.
11. That reimbursement for prescription drugs be based on manufacturer's invoice plus a board specified mark-up and dispensing fee;
12. That prescription drugs dispensed by a physician include the manufacturer's national drug code (NDC) assigned by the U.S. Food and Drug Administration, and are subject to the same prescription drug formulary as retail pharmacies; and
13. Authorize the Board to adopt regulations relating to the prescription of opioids.

BE IT FURTHER RESOLVED that the Board respectfully requests that the Alaska State Legislature amend the Alaska Workers' Compensation Act to authorize the department, in adopting or amending a regulation that incorporates a document or other material by reference, to incorporate future amended versions of a document or other material if it is one of the following:

1. *Current Procedural Terminology Codes*, produced by the American Medical Association;
2. *Healthcare Common Procedure Coding System*, produced by the American Medical Association;
3. *International Classification of Diseases*, published by the American Medical Association;
4. *Relative Value Guide*, produced by the American Society of Anesthesiologists;
5. *Diagnostic and Statistical Manual of Mental Disorders*, produced by the American Psychiatric Association;
6. *Current Dental Terminology*, published by the American Dental Association;
7. *Resource Based Relative Value Scale*, produced by CMS;
8. *Ambulatory Payment Classifications*, produced by CMS;
9. *Medicare Severity Diagnosis Related Groups (MSDRG)*, produced by CMS;
10. *National Correct Coding Initiative Edits* produced by CMS; or
11. Any other document or material the board incorporates by reference.

BE IT FURTHER RESOLVED that that the Board respectfully requests that the Alaska State Legislature amend the Alaska Workers' Compensation Act to provide the following:


1. Transition from emphasis on retraining to emphasis on stay-at-work/return-to-work and on a voluntary basis, provide an initial consultation with the employer, the employee, and the employee's treating physician to determine the physical demands of the employer and the physical capacities of the employee to determine whether a stay-at-work/return-to-work plan can be implemented.
2. A repeal of the 90 day mandatory reemployment evaluation under AS 23.30.041, and return to evaluations on the request of either the employer or the employee.
3. Adopt the following:
 - a. Strengthen criteria by eliminating reemployment services by non-credentialed individuals and eliminating reemployment services being administered by firms not principally owned by credentialed individuals.
 - b. Authorize the Board to establish fees for reemployment specialist services.
 - c. Increase the benefit under .041(l) from \$13,300 to \$18,600, and adjust to cpi annually.
 - d. If found eligible, provide two choices
 - i. accept retraining with limit of 2 years and maximum benefit under .041(l), or
 - ii. accept a one-time cash payment of the maximum benefit under .041(l) plus 50%.
4. Increase evaluation time from 30 days to 60 days.
5. Provide statutory provision for RBA reconsideration with 30 days of decision.
6. Amend the statute to allow employers to controvert based on noncooperation & follow regular claim process.


BE IT FURTHER RESOLVED that copies of the Resolution be promptly transmitted to the Governor, the President of the Senate, the Speaker of the House, and the Chairman of the Senate and House Labor and Commerce Committees.


CERTIFICATION

The Alaska Workers' Compensation Board held a meeting duly and regularly called, noticed, and convened this 27th day of September, 2013, and the foregoing Resolution was adopted at said meeting.


Signed this 27th day of September, 2013



Michael Monagle,
Chair


Stacy Allen,
Labor Member

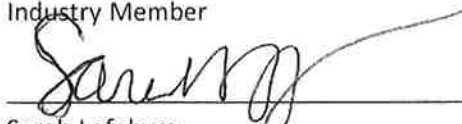

Brad S. Austin,
Labor Member



Pamela Cline,
Labor Member


Chuck Collins,
Industry Member


Linda Hutchings,
Industry Member



David Kester,
Industry Member

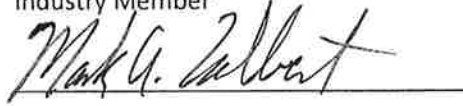

Sarah Lefebvre,
Industry Member

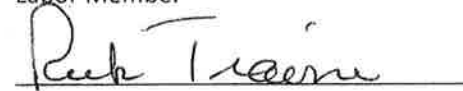

Krista Lord,
Industry Member

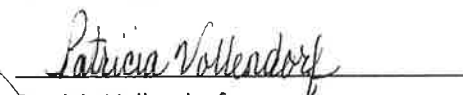

Ronald Nalikak,
Industry Member


ABSENT
Michael O'Connor,
Industry Member

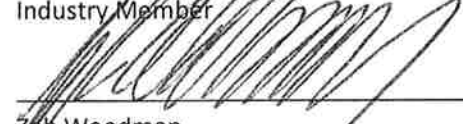

Amy Steele,
Industry Member


Mark Talbert,
Labor Member


Rick Traini,
Labor Member


Patricia Vollendorf,
Labor Member


Robert Weel,
Industry Member


Zeb Woodman,
Labor Member

Support Comprehensive Workers' Compensation Reform

Sponsor:

Gary Strannigan

Gary Strannigan

1001 Fourth Avenue, Floor 27

Seattle, WA 98154

Proxy:

Position Statement:

Enact systemic changes to the Alaska workers' compensation insurance statutes to reduce the cost of insurance for employers while emphasizing effective treatment programs that promote injury recovery and the return to full employment for injured workers.

Benefits to Business:

Reducing workers' compensation costs in Alaska will benefit all Alaskans. Reduced costs will make Alaska businesses more competitive. A reformed system will improve treatment programs, promote injury recovery and return to full employment by injured workers.

Arguments for position:

Alaska's workers' compensation costs are the highest in the nation. Every employer is impacted by workers' compensation and having the highest rates in the nation makes Alaska less competitive in creating and maintaining jobs.

Supporters:

The business community will benefit from reduced costs and increased labor pool.

Opposition:

Businesses who profit from workers' comp claims may oppose reform. Workers who would prefer not to return to work may oppose reform.

Action Required:

Support systemic reform including: - evidence based treatment guidelines - return to work guidelines - direction of care - fee guidelines based on federal benchmarks - effective and streamlined dispute resolution system

Fiscal Impact:

Alaska employers will save money on workers' compensation costs. Injured Alaskan workers will maintain long term earning potential. State and federal safety net programs will experience reduced costs from injured workers not able to return to the workforce.

Title: Worker's Compensation Reform

Position Statement

The Greater Fairbanks Chamber of Commerce encourages the Alaska State Legislature and the Governor to enact reform to the Workers' Compensation Statutes to improve the balance between providing quick, efficient and fair compensation to injured workers at a reasonable cost to employers. The current system is delivering benefits at exorbitantly high costs to employers, and ineffectively administers the claims of injured workers.

Support for the Position

- Alaska Workers' Compensation premium rates are the highest in the nation, having been #1 or #2 five times in the last 9 years.
- Medical benefit costs have risen 25% over the last five years, while the same time period showed a 14.2% decline in the frequency of workers' compensation claims. Significant cost factors include fees for services, over-utilization of services, and changes in prescription drug use and dispensing. Medical costs are disproportionate to overall claim costs, and far exceed nationwide averages.
- While claim frequency declined 32.6% in the 10 year period through 2010, indemnity payments only declined 13.9% for the same time frame.
- Alaska's newly implemented Fee Schedule is the most generous in the nation, compensating some services at 400%+ over private pay insurance rates.
- Legal costs related to workers' compensation claims rose 68.6% from 2000 – 2010, during which time disputed claims dropped 18.1%, scheduled hearings declined 8.3%, and issued Decision & Orders declined 21.7%.
- The Reemployment Benefits system completed retraining for only 8% of eligible employees, at a cost of \$12.9M in 2012.

Action Required for the Position

Adopt legislation to address the major medical cost drivers – the medical fee schedule, over-utilization of services, opioid use, physician dispensing of pharmaceuticals.

Adopt legislation to improve the management of claims, addressing indemnity factors including an emphasis on Return-to-Work/Stay-At-Work, and the legal costs associated with workers' compensation claims.

Adopt legislation to address the Reemployment Benefits process, including a repeal of the 90 day mandatory reemployment evaluation, stricter criteria for reemployment specialist credentialing, implementation of reemployment specialist fee schedules, and an increase to the reemployment benefit limit.

Fiscal Impact of the Position

The current trajectory in workers' compensation costs is unsustainable. The upward trends adversely impact Alaskan commerce, making Alaska businesses less competitive, and negatively affect the quality of life for injured workers. To ensure a viable economic environment, both businesses and employees need reform to occur. If business cannot compete with Outside competition, Alaskans can't be put to work.