



CITY OF NORTH POLE *Alaska*

REGULAR CITY COUNCIL MEETING Monday, April 7, 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**
Proclamation
Choose Respect
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**
 - a. Ordinance 14-03, An Ordinance requesting to purchase replacement vehicle for Statewide Drug Enforcement Unit (SDEU) using State of Alaska invitation to bid process
 - b. Ordinance 14-04, An Ordinance to accept a \$708,529.89 Alaska Department of Environmental Conservation Municipal Matching Grant for the Wastewater Treatment Plant Rehabilitation project and to accept an amendment to USKH, Inc.'s engineering contract to provide bidding and construction management services for the Wastewater Treatment Plant Rehabilitation Project
- 12. New Business**
 - a. Resolution 14-07 , The City of North Pole's Position on Resolution for Sulfolane Contamination Within Its Boundary's
 - b. Resolution 14-08, A Resolution of Gratitude to the Richard P. Thompson Family for the Generous Donation of a Mounted Muskox and Buffalo to the Community of North Pole.
- 14. Council Comments**
- 15. 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 Monday, March 17, 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 Monday, March 17, 2014 to order at 7:00 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 Mayor Ward

INVOCATION

Invocation was given by Councilwoman Holm

APPROVAL OF AGENDA

Mr. McGhee moved to Approve the Agenda of March 17, 2014

Seconded by Mr. Welch

Discussion

None

Mr. McGhee moved to Amend the agenda to consent the following items:

Old Business

- a. Ordinance 14-02, An Ordinance of the City of North Pole, Alaska amending Title 4, Chapter 4.10.010, User Fees

New Business

- a. Approval of supplemental contract #8902 between the Alaska Railroad Corporation and the City of North Pole for a permit for public road crossings, public roadways and bicycle paths
- b. Ordinance 14-03, An Ordinance requesting to purchase replacement vehicle for Statewide Drug Enforcement Unit (SDEU) using State of Alaska invitation to bid process

Seconded by Mr. Welch

PASSED

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

NO – 1 –

Absent – 0

On the agenda as amended

PASSED

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

NO – 1 –

Absent – 0

APPROVAL OF MINUTES

Mr. McGhee moved to Approve the minutes of March 3, 2014

Seconded by Ms. Holm

Discussion

None

PASSED

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

NO – 1 –

Absent – 0

COMMUNICATIONS FROM THE MAYOR

Proclamations

Lucas Acker – NPHS – February 2014
Evelyn Jacobson – NPHS – March 2014
Women's History Month

Mayors Remarks 3-17-14

Mark your calendar for Muffins with the Mayor this month! As always the date is the third Friday of the Month from 8-10 AM at North Pole City Hall.

The State of Alaska filed suit against Williams Petroleum and Flint Hills Resources for sulfolane damages due to sulfolane.

I got to participate several weeks ago in career night at Lathrop High school; it was a great opportunity to share my experiences as mayor and as a General Contractor

This week is Arctic Winter Games 2014. If you get a chance check out some of the many venues it is truly an amazing experience. For more information and venue location and times go to <http://awg2014.org/> and download the AWG app. Also see #AWG2014

The North Pole Grange will also be open this week. Check it out!



March 15-22
FAIRBANKS 2014
Arctic Winter Games
Great Spirit • Northern Dreams
Sponsored by Flint Hills Refinery at the

Children of Yamal and Nunavik-Quebec Artifacts

DATE

Sunday, March 16 th	Noon - 7 PM
Monday, March 17 th	11 AM - 6 PM
Tuesday, March 18 th	11 AM - 6 PM
Wednesday, March 19 th	11 AM - 6 PM
Thursday, March 20 th	11 AM - 6 PM
Friday, March 21 st	11 AM - 6 PM
Saturday, March 22 nd	Noon - 7 PM

Printing donated by Design Alaska

North Pole Grange Gallery

**Presentation by Donna Gardino with FMAT's on summer projects*

COUNCIL MEMBER QUESTIONS OF THE MAYOR

Mr. Smith said there are two events in North Pole.

Mayor Ward stated that wrestling is at NPMS and badminton at NPHS this week.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Accountant, Lisa Vaughn

- Working on audit

Mr. McGhee would like to see what the sales tax is after events happen in North Pole.

Ms. Vaughn said she had a spreadsheet with sales tax by month.

Mr. McGhee would like to have a report that Ms. Vaughn creates so that the council can see what the sales tax revenues are by events.

Director of City Services, Bill Butler

Building Department

- Flint Hills Resources submitted permit application for a utility building valued at \$435,000 (building to protect groundwater treatment equipment)
- Residential home addition permit submitted
- Bids submitted to FNSB for NPHS Vocational Wing renovation
 - Bid not yet awarded
 - Bids submitted are in range of \$4.5 to \$5 million
- 2013 issued building permits for projects valued at almost \$12 million
- 2014 pending projects valued at approximately \$5 million

Public Works

- Safeway North Pole has approached City about financially supporting construction of exercise trail
 - Contributions to date for the exercise trail from other sources total:
 - Cash: \$12,000
 - In-kind (land preparation for exercise trail & dog park): \$7,500
- Resolution approved by FNSB to amend prior resolution that granted park authority to the City updated to include dog park and exercise trail (see

attached)

- Resolution gave Borough Lands Department authority to generate a lease agreement for parcel of land for use as part of the exercise trail
- Water rights applications submitted to Department of Natural Resources (DNR) to provide landscape watering at Terry Miller Park, City Hall and planned dog park
 - Purpose is to reduce use of treated drinking water for landscape irrigation
- Hardpack removal may begin before next Council meetings depending upon weather conditions—sun and temperature

Utility Department

- Paperwork submitted to DNR to initiate purchase of land adjacent to wastewater treatment plant (WWTP)
- Request before Council this evening to accept supplemental grant to fund WWTP Rehabilitation Project
 - Proposing to release bid for project in early April 2014
- No new developments related to Compliance Order by Consent for sewer outfall— waiting for feedback from ADEC before can proceed to next step

Natural Gas Utility Board

No updates on Interior Gas Utility

Mr. McGhee's concern is the unsafe area of the bus stops and that they are not removing the snow from the St. Nicholas bus stop and people are standing in the street.

Police Department, Chief Dutra

- 1) Arctic Winter Games Opening ceremonies went well we sent two officers to assist with security.
We are staffing officers at the events with minimal overtime. We conducted sweeps of venues with EOD early this morning all is well.
- 2) Had some fuel thefts in the area please be vigilant and report any suspicious vehicles, specifically trucks or trailers with tanks in the back.
- 3) ProComm is now inside the building putting in our BDA we should easily make the deadline should be installed and tested by Friday.
- 4) I attended Train the Trainer Ethics in Anchorage. I found it to be one of the best trainings in years. I will share some of the topics with council in the next few meetings.

I am excited to report that we have a great department considering some of the issues a lot of other departments are facing. We have a proud ethical and professional group of employees and I am thankful.

- 5) I want to thank Francie and Willy Cork, Jeff Jacobson, Rep. Tammy Wilson for their kind words and recognition of the award I received. I am touched that these people would take time out of their day to acknowledge me. I am thankful and appreciative.

Mr. McGhee asked about the snow around the vehicles in the parking lot and snow that has not been removed.

Mayor Ward asked about the building on 5th Ave and if it had been broken in to.

Mr. Smith said he had seen a transient trying to get funding by the round a bouts.

Fire Department, Chief Lane

- None

Borough Representative, Mayor Ward

- Mayor Ward attended the last meeting and the FNSB Assembly approved the amendment to the resolution to approve the parks in North Pole.
- Nice to give assembly info on what is going on in the City.

Ms. Hunter asked if they discussed the bus stop funding.

Mayor Ward said that the FNSB is coming up with their budget for July 1.

City Clerk

- Public Official Financial Disclosure Statements (POFD) were due on Friday. The deadline was March 15th. Even if you file online you must still submit a copy to my office. We are required to keep them at City Hall. If you have not submitted your POFD, please do so ASAP.
- Mac Haus is willing to come out and do a workshop with the council on the use of the i-pads and help getting them set up. Please let me know when a good time will be for all of you. The only date that is out is April 3rd.
- Thanked Councilman McGhee for his kindness and the flowers.

ONGOING PROJECTS

Mike Welch, Mayor Pro Tem

Mr. Welch attended the Alaska Conference of Mayors in February. He was able to speak with Rep Isaacson and Senator Coghill along with 14 other legislators. He was able to drop off the City of North Pole Legislative Request packets to another 4 individuals. The top four items were:

1. Mixing zone
2. Sulfolane
3. Redesign of City Hall
4. New skid steer loader

Other concerns were the cost of the redesign of City Hall and the NPPD.

CITIZENS COMMENTS

Dr. Michael Fitch, 1814 Carr Ave, Fairbanks, AK

Dr. Fitch introduced himself and stated that he is a doctor that makes house calls and makes it more convenient for people who work.

Dr. Fitch grew up in rural North Carolina before moving to Alaska in 2008 and believes Concierge Medicine has always intrigued him as a solution to improving timely access to quality care in small towns or isolated areas, such as those often found in Alaska. He said that Concierge Medicine of Alaska's philosophy is that a healthier life and the ability to age successfully begins with a solid patient doctor relationship built on effective communication, timely follow-up, attention to our patient feedback as a partner, and a focus on prevention.

Dr. Fitch is a graduate of East Carolina University, Brody School of Medicine, in Greenville, NC. After completing Medical school in 2004, he completed a 3-year specialty training program in Family Medicine at Greenville Hospital System in Greenville, SC.

OLD BUSINESS

Approved by Consent Agenda

NEW BUSINESS

ORDINANCE 14-04, AN ORDINANCE TO ACCEPT A \$708,529.89 ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION MUNICIPAL MATCHING GRANT FOR THE WASTEWATER TREATMENT PLANT REHABILITATION PROJECT AND TO ACCEPT AN AMENDMENT TO USKH, INC.'S ENGINEERING CONTRACT TO PROVIDE BIDDING AND CONSTRUCTION MANAGEMENT

SERVICES FOR THE WASTEWATER TREATMENT PLANT REHABILITATION PROJECT

Bill Butler introduced the ordinance and explained that this project has been in the works for over 4 years. He also informed council on the history of the project and the different funding that went with it. He said the full funding package is before them now for the Phase 1 part of the project.

Mr. Smith asked about the meetings that were held for this project.

Mr. Butler said that USKH does meet with the contractors and the City. He said it is expensive but it won't be any cheaper.

Mr. Smith asked if the City has used them in the past.

Mr. Butler said that they have worked with USKH before on previous projects and they work to keep their engineers onsite.

Mayor Ward asked Mr. Butler to point out about the fiscal note.

Mr. Butler said that the City is looking at losing the FRR from FHR and 7 months of it this year. He said the City is being proactive and they realize that they will be losing funding this year. The City has 1.3 million in reserves and will be spending it on a needed project.

Mayor Ward went over the fiscal note for the project that was submitted to the council with the ordinance.

Mr. Butler said that the funding for the project must be spent by February 2015 or the City will lose the money. He also went over the cost of the project and different alternates that they could negotiate. A 10% contingency is built into the project.

Public Comment

None

Mr. McGhee *moved to* Introduce and Advance Ordinance 14-04, An Ordinance To Accept A \$708,529.89 Alaska Department Of Environmental Conservation Municipal Matching Grant For The Wastewater Treatment Plant Rehabilitation Project And To Accept An Amendment To USKH, Inc.'S Engineering Contract To Provide Bidding And Construction Management Services For The Wastewater Treatment Plant Rehabilitation Project

Seconded by Mr. Welch

Discussion

None

PASSED

Yes: 7 – McGhee, Welch, Holm, Smith, Hunter, McCarthy, Ward

No: 0

Absent: 0

Executive Session

Mr. McGhee *moved to* Recess into Executive Session to consider potential claims related to sulfolane contamination.

Seconded *by* Mr. Welch

Passed Unanimously

Mr. McGhee *moved to* extend the rules to 10:15 p.m

Seconded *by* Mr. Welch

Passed Unanimously

Mr. McGhee *moved to* extend the rules until 10:30 p.m.

Seconded *by* Mr. Welch

Passed Unanimously

Council came out of Executive Session at 10:19 p.m. and reconvened the public meeting.

COUNCIL COMMENTS

None

ADJOURNMENT

Mr. McGhee adjourned the meeting at 10:19 p.m.

Seconded *by* Mr. Welch

The regular meeting of March 17, 2014 adjourned at 10:19 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, April 7, 2014.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

*Office of the Mayor
City of North Pole*

Proclamation

WHEREAS, every Alaskan is precious and has the right to freedom, safety, and dignity; and

WHEREAS, the epidemic of sexual assault, domestic violence, and child sexual abuse has afflicted Alaska for too long, tearing apart families and weakening communities. The Choose Respect initiative is a call to action – to break the silence and stand up against these horrific crimes; and

WHEREAS, the rates of sexual assault, domestic violence, and child sexual abuse in our state are staggering and unacceptable; nearly 60 percent of women in Alaska have experienced intimate partner or sexual violence in their lifetime; and

WHEREAS, domestic violence not only devastates the primary victim, it harms children exposed to these crimes as well. Children who have witnessed violence in their homes can endure lasting physical, psychological, and emotional scars. They often suffer from depression, anxiety, aggression, and substance abuse, and may perpetuate the circle of violence by becoming abusive in their own future relationships; and

WHEREAS, the Choose Respect initiative promotes respect for ourselves and others, and encourages Alaskans to speak out when witnessing acts or the results of domestic and sexual violence. By openly expressing regard for others, supporting preventative and protective efforts in our communities, and standing up for victims and survivors, we will stop this epidemic; and

WHEREAS, through focused education and prevention efforts, increased law enforcement and criminal penalties, and enhanced service provider networks, we will better protect victims and hold offenders accountable for their actions; and

WHEREAS, together, we can send a strong message of hope and healing to victims and survivors and prevent future suffering. Over 150 Alaskan communities have already joined the effort to end domestic violence, sexual assault, and child sexual abuse, and create a safer, stronger Alaska.

NOW, THEREFORE, I, Bryce J Ward, Mayor of the City of North Pole, Alaska, do hereby concur with the State of Alaska to proclaim on March 27, 2014 that Alaskans, individually and collectively:

Choose Respect

CITY OF NORTH POLE

ORDINANCE 14-03

**AN ORDINANCE REQUESTING TO PURCHASE REPLACEMENT VEHICLE
FOR STATEWIDE DRUG ENFORCEMENT UNIT (SDEU) USING STATE OF
ALASKA INVITATION TO BID PROCESS**

WHEREAS, the North Pole Police Department needs to replace the vehicle currently being used by the Statewide Drug Enforcement Unit Officer. The current vehicle is a 2001 Dodge pickup purchased in 2010 from a Federal seizure. This vehicle is experiencing significant mechanical issues and high mileage which, as of the end of February, 2014 was at 122,804 miles on the odometer; and

WHEREAS, the North Pole Police Department purchased the 2001 Dodge pickup using Justice seizure funds and the departments plans on using similar funds to replace the vehicle. Currently the department has funds available in three separate account to offset all the costs associated with the purchase; and

WHEREAS, the attached spreadsheet generated by the State of Alaska, Division of General Services procurement website, documents the base bid price for the 2014 Ford Expedition from Cal Worthington is \$30,430. The NPPD plan on adding the tow package for \$338 and the shipping costs FOB Fairbanks is \$307. This brings the total base cost of the vehicle to \$31,075. The NPPD will add aftermarket undercover lights and siren to the vehicle for \$1,695, bringing the entire cost to \$32,770; and

WHEREAS, Alaska Statute 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 NPMC requires that the Mayor or his designee must certify in writing. The State of Alaska's ITB for Class 152 Large SUV's (attached) did meet the minimum requirements for Requests for Bids in the NPMC, Chapter 4.16, Purchasing, Section A, Competitive Sealed Bidding (attached).

NOW, THEREFORE, BE IT ORDAINED by the North Pole City Council:

Section 1. Classification. This ordinance is of a special nature and shall not be included in the North Pole Code of Ordinances.

Section 2. Amending the 2014 Budget. Amending Fund 21, Fund 24, and Fund 33 as per the fiscal note attached:

SEE ATTACHED FISCAL NOTE

Section 3. Effective Date. This ordinance shall be effective at 5:00 p.m. of the first City business day following its adoption.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 7th day of April, 2014.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

PASS/FAIL

Yes

No:

Absent:



City of North Pole, Alaska

Fiscal Note Year:

Accompanying Ordinance/Resolution #: ORD 14-03

Originator / Sponsor Name: Mayor Bryce Ward

Date: 3-12-14

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

FUND	Account Description	Account #	Debit	Credit
FUND 21	ABADE Revenue	21-00-00-5900		17,296.26
	ABADE Expense	21-00-00-7001	17,296.26	
FUND 33	IRS Forfeit Revenue	33-00-00-5900		6,367.27
	IRS Forfeit Expense	33-00-00-7000	6,367.27	
FUND 24	State Forfeit Revenue	24-00-00-5900		9,106.47
	State Forfeit Expense	24-00-00-7000	9,106.47	
Total			32,770.00	32,770.00

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 an undercover SUV for use by the SDEU officer. This vehicle would replace the 2001 Dodge pickup which is starting to have significant issues. Funds would come from revenue generated from illegal drug and alcohol cases. This purchase is an authorized expense. Once this new vehicle arrives we will sell the 2001 dodge and place these funds back into FUND 21 where they came from. The overall cost of the New SUV is 32,770.

Prepared By: BRUCE WARD Date: 3/13/14

Finance Approval: [Signature] Date: 3-12-14

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.



**North Pole Police Dept.
125 Snowman Ln.
North Pole, AK 99705**

**Chief Steve Dutra
Phone: 907-488-8459
Fax: 907-488-5299**

March 7, 2014

To: North Pole City Council
Kathy Weber, NP City Clerk

Re: Purchase of Replacement Vehicle for SEDU using State of Alaska invitation to bid


The North Pole Police Department needs to replace the vehicle currently being used by the SEDU Officer. The current vehicle is a 2001 Dodge pickup purchased in 2010 from a Federal Seizure. This vehicle is starting to experience significant mechanical issues and high mileage which, as of the end of February, was at 122,804.

We purchased this truck using Justice Seizure funds and we plan on using similar funds to replace the vehicle. Currently we have funds available in three separate accounts to offset all the costs associated with this purchase.

The attached spreadsheet generated by the State of Alaska Division of General Services procurement website documents the base bid price for the 2014 Ford Expedition from Cal Worthington is \$30,430.00. We plan on adding the tow package for \$338.00 and the shipping costs FOB Fairbanks is \$307.00. This brings the total base cost of vehicle to \$31,075.00. We will add aftermarket undercover lights and siren to the vehicle for \$1,695.00 bring the entire cost to \$32,770.00.

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 in writing. The State of Alaska's ITB for Class 152 Large SUV's (attached) did meet the minimum requirements for requests for bids in the Municipal Code Chapter 4.16, Purchasing, Section A, Competitive Sealed Bidding (attached).

I am requesting permission to purchase this vehicle. Thank you for your time.


Chief Steve Dutra

CLASS 152
LARGE SUV

Vendor: Alaska Sales & Service
Contact: Ron Eastman
Address: 1300 East 5th Avenue
Anchorage, Alaska 99501
Phone: 265-7555
Fax: 265-7507
ron@aksales.com



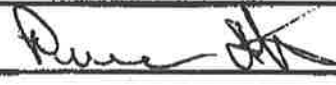
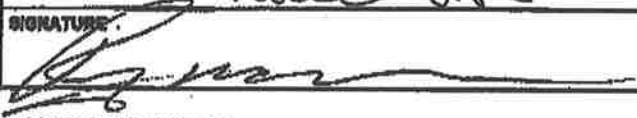
UNIT COST
\$ 37,292.00

AVAILABLE OPTIONS	Additional Cost	Comments/Notes
OEM Stereo with CD and Hands Free Communication System	\$ 375.00	
OEM Backup Camera system	Not Available	Not Available
3rd Row Seat 40/20/40 Fold Down	Standard	
OEM Auto Start	\$ 395.00	Dealer Installed Not OEM
Deep Tint Glass	Standard	Standard
OEM Front Tow Hooks	Standard	Standard
OEM Trailer Hitch Package	Standard	Standard
Anti-Freeze-Long Life Coolant to a minimum -50 degree prot	\$ 95.00	
Shipping to Fairbanks	\$ 295.00	
Shipping to Juneau SOA orders delivered to SOA shop	SOA No Charge	All others \$300.00

Vendor: Cal Worthington Ford
Contact: Ray Marcum
Address: 431 Unga Street
Anchorage, Alaska 99501
Phone: 793-8213
Fax: 793-8255
fleetoil@aol.com

UNIT COST
\$ 30,430.00

AVAILABLE OPTIONS	Additional Cost
OEM Stereo with CD and Hands Free Communication System	\$ 338.00
OEM Backup Camera system	Not Available
3rd Row Seat 40/20/40 Fold Down	\$ 764.00
OEM Auto Start	\$ 294.00
Deep Tint Glass	Standard
OEM Front Tow Hooks	Standard
OEM Trailer Hitch Package	\$ 338.00
Anti-Freeze-Long Life Coolant to a minimum -50 degree	\$ 75.00
Shipping to Fairbanks	\$ 307.00
Shipping to Juneau	SOA No Charge

		STATE OF ALASKA HQ, STATE EQUIPMENT FLEET (Contracting Authority) 2200 E. 42nd Avenue Anchorage, Alaska 99501		 CA1900-14-1	
ORDERING DEPARTMENT: HEADQUARTERS, STATE EQUIPMENT FLEET 2200 E. 42ND AVENUE ANCHORAGE, ALASKA 99501 (907) 260-0793 PHONE / (907) 260-8801 FAX		DATE OF CONTRACT: OCTOBER 24, 2013		DATE INITIAL CONTRACT BEGINS: OCTOBER 24, 2013	
CONTRACTOR: CAL WORTHINGTON FORD ADDRESS: 431 UNGA STREET, ANCHORAGE, ALASKA 99501		DATE INITIAL CONTRACT ENDS: OCTOBER 31, 2018		NUMBER & PERIOD OF RENEWALS: 5 YEAR CONTRACT	
CONTACT NAME: RAY MARCUM PHONE NUMBER: 907-793-6213 E-MAIL: FLEETOL@AOL.COM		RENEWALS EXPIRE (MONTH):		ISSUED IN ACCORDANCE WITH BID # SEP- 1900 DATED: SEPTEMBER 10, 2013	
		ESTIMATED VALUE OF INITIAL TERM: \$1,000,000.00			
SEND INVOICES IN DUPLICATE TO: STATE EQUIPMENT FLEET, 2200 E. 42ND AVENUE, ANCHORAGE AK 99501					
THIS ORDER CONSTITUTES A BINDING COMMITMENT BETWEEN THE STATE AND THE CONTRACTOR LISTED HEREON. UNAUTHORIZED MODIFICATION WITHOUT THE EXPRESSED PRIOR APPROVAL OF THE CONTRACTING AUTHORITY WILL RESULT IN A FINANCIAL OBLIGATION ON THE CONTRACTOR AND/OR UNAUTHORIZED STATE PERSONNEL MAKING THE CHANGE.					
DESCRIPTION					
LIGHT DUTY VEHICLE CONTRACT					
SECTION I SPECIAL TERMS & CONDITIONS					
SECTION II STANDARD TERMS & CONDITIONS					
SECTION III SPECIFICATIONS					
SECTION VI BID PRICE SCHEDULE					
CONTRACTING AUTHORITY NAME & TITLE DUANE FELTON, CONTRACTING OFFICER II		SIGNATURE 			
CONTRACTOR AUTHORITY NAME & TITLE RAY MARCUM Commercial SALES		SIGNATURE 			
IMPORTANT: 1. Contract award number and ordering department name must appear on all invoices and documents relating to this order. 2. The State is registered for tax free transactions under Chapter 35, IRS Code Registration No. 50-601168. Items are for the exclusive use of the State and not for resale.					

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. A dealer window sticker is acceptable showing all components.
- 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.

**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 contract.

1.0 INTENT: 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 $\frac{1}{4}$ 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 liquidated 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.

- 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/manufacturer 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 \$80.00 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.

- (*) Cal Worthington Ford 1950 Gambell Anchorage AK 99501
- Seekins Ford 1625 Seekins Ford Drive Fairbanks AK 99701
- Stanley Ford 6625 Mallard St. Juneau AK 99801

Provide contact name and contact information for Warranty Administrator:

- (*) Cal Worthington Ford - Terry Warner 907-257-2180
- Stanley Ford - Jolene Jensky 866-583-8805

Provide documentation of factory certified and trained personnel:

- (*) All Ford Dealership Technicians are trained and certified

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 vehicle 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 repair 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 improvements 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

- 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.

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 (Incentive):**

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.

**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 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.
- 4.0 AMENDMENTS:** Contract terms shall not be waived, altered, modified, supplemented or amended without prior written approval of the Contracting officer.
- 5.0 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.
- 6.0 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.
- 7.0 CERTIFICATION OF COMPLIANCE WITH AMERICAN'S WITH DISABILITIES ACT OF 1990:**
- 7.1** 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.
- 7.2** 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.
- 8.0 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.
- 9.0 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.
- 10.0 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.
- 11.0 CONTRACT ADMINISTRATION:** The administration of this contract, including any/all changes, is the responsibility of the Contracting Officer, HQ State Equipment Fleet.
- 12.0 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.
- 13.0 CONTRACT FUNDING:** Bidders are advised that funds are available for the initial purchase and/or the first term of

SECTION II
STANDARD TERMS AND CONDITIONS

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.

- 14.0 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.
- 15.0 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.
- 16.0 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.
- 17.0 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.
- 18.0 HUMAN TRAFFICKING:**
- 18.1** By signature on this contract, the offeror certifies that:
- 18.1.1** 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
- 18.2** The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: www.state.gov/tip/
- 18.3** Failure to comply with this requirement will cause the state to reject the bid or proposal as non-responsive, or cancel the contract.
- 18.4** This pertains to goods and services above \$50,000.00.
- 19.0 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.
- 20.0 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.
- 21.0 INSURANCE:**
- 21.1** 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

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STANDARD TERMS AND CONDITIONS

conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or 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.

21.2 Proof of insurance is required for the following:

21.2.1 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.

21.2.2 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.

21.2.3 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.

21.3 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.

22.0 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.

23.0 NEW EQUIPMENT: Equipment offered in this contract 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 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.

24.0 ORDER DOCUMENTS: Except as specifically allowed under this contract, 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.

25.0 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.

26.0 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.

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

28.0 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.

29.0 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.

30.0 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

SECTION II
STANDARD TERMS AND CONDITIONS

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.

- 31.0 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).
- 32.0 SUCCESSORS IN INTEREST:** This contract shall be binding upon successors and assigns.
- 33.0 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.
- 34.0 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.
- 35.0 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.

**SECTION III
SPECIFICATIONS**

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 Receiver Hitch Package to be included on all pickups ½ ton rated and larger (Exception: chassis only do not required receiver hitches, all chassis to have trailer wiring to the rear of chassis)
Up-fitter Switches OEM on all ¾ ton rated and larger pickup's and chassis
Spray In Bed Liners (black in color) to be OEM or Dealer installed on all ½ ton rated and larger pickup beds
OEM Front Tow Hooks (frame mounted) to be included on all ¾ 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 when available with the exception of auto starts and spray in bed liners which may be installed at dealer.
All items listed, as a mandatory requirement must be OEM installed unless noted in class requirements.
All items listed and advertised by the manufacture as standard equipment shall be included on all vehicles
ARO on all units is 180 days.

**SECTION III
SPECIFICATIONS**

EQUIPMENT REQUIREMENTS	
ALL WHEEL DRIVE (AWD):	All Wheel Drive vehicles do not require a low range transfer case option and are not required to be driver selectable. When in AWD, both front and rear axles do not require power. AWD is not acceptable when 4x4 is specified.
BACK UP CAMERA:	OEM backup camera system
OEM HANDS FREE COMMUNICATION SYSTEM:	System to be OEM and include all required components or manufacturer required packages to be compatible with most all major manufactures cellular devices.
CENTER CONSOLE:	Includes console with cup holders, tray compartment and a compartment door, if available.
LIMITED SLIP LOCKING Differential:	1/2 ton through 1 ton pickups and chassis are required to have a limited slip axle or locking differential (can be automatic or driver controlled) in the minimum requirements. If a limited slip axle or locking differential is not available your bid will be considered non compliant.
OPTIONAL EQUIPMENT:	A list of equipment that the State may choose to add to an individual vehicle, in addition or in place of the Required Equipment. Vendors are required to provide pricing for all Optional Equipment, if available. All equipment shall be factory installed unless specified in this document.
PICKUP BOX LENGTH:	The following definitions pertain to all pickup truck configurations listed throughout the bid. Short Bed - Shortest pickup bed offered by the manufacturer Standard Bed - Bed shall be no shorter than 6ft and no longer than 7ft in length measured at the bed floor inside the box. Long Bed - Longest bed available from the manufacturer
PICKUP CAB CONFIGURATION:	The following pickup truck cab configurations shall be used throughout the bid: Regular Cab - Seating for at least two or three occupants, two cab doors Extended Cab - Four cab doors, including second row seating. Crew Cab - Four full size cab doors. Largest cab configuration offered (except Dodge Mega Cab) Examples of extended cab pickup trucks All Ford pickup trucks = Super Cab Ram 1/2 ton = Quad Cab Ram 3/4 ton and larger = Crew Cab All GM pickup trucks = Double Cab Examples of crew cab pickup trucks Ford 1/2 ton and larger = Super Crew/Crew Cab All GM pickup trucks = Crew Cab Ram 1/2 ton = Crew Cab Ram 3/4 ton and larger = Crew Cab
REQUIRED EQUIPMENT:	The minimum list of options that shall be included for all vehicles for that specific Bid Item Number. All equipment shall be factory installed unless specified in this document.
SPRAY IN BED LINER:	OEM or dealer installed spray in bed liner is required Spray in bed liners are to be black in color and have a minimum thickness of 2/16 (0.125) inch. Installation: Over rail style, interior ftrigate, and front bed wall installation is required. Exception - trucks with factory plastic or metal pickup box top rail protectors shall remain in place, on these trucks under-rail style installation shall be used
STABILITY CONTROL SYSTEM:	Stability control systems are not an acceptable substitute for a limited slip axle or traction control system. Electronic stability control (ESC) is a computerized technology that improves the safety of a vehicle's stability by detecting and minimizing slides.
TRACTION CONTROL SYSTEM:	Traction control systems are not an acceptable substitute for a limited slip axle or locking differential. Traction control is a computerized technology that utilizes the vehicles brake system and engine to assist in controlling wheel spin electronically.
PRIVACY GLASS:	Glass shall be darker than the standard window tint offered, and the darkest available as provided by the OEM manufacturer for each vehicle. All windows, minus the windshield and driver/passenger side windows shall be covered. Only factory supplied and installed privacy glass is acceptable.
VEHICLE KEYS (4):	Each vehicle shall be supplied with four factory keys. All keys and transmitters shall be fully programmed, cut, and/or coded into vehicle security system.
4x4:	All 4x4 vehicles shall come equipped with a low range transfer case option. The torque distribution shall be driver selectable. When the vehicle is in 4x4 mode, both front and rear axles shall have power. All 4x4 vehicles shall come equipped with electronic transfer case shift control with auto locking front hubs.
SSV (Special Service Vehicle):	The following items are required in this package, Minimum 5.0 liter Engine, 220 amp alternator, cloth 40/Black/40 front seat, with center section deleted, Vinyl Rear Bench Seat

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.

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.

Publications: One (1) set, per Section I, paragraph 7.0.

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 contract, the F.O.B. point is Anchorage Alaska

REQUIRED DELIVERY OF ITEMS UNDER THIS CONTRACT: Maximum 180 days after receipt of order (ARO).

Attachment on File as Submitted by Vendors:

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

Alaska Safety, Inc.

Quotation# **022338**

4725 Gambell Street
Anchorage, AK 99503
Phone: (907) 561-5661 Fax: (907) 561-8484

Account ID 00001526	Contact Chief Dutra	
Customer PO None	Telephone (907) 488-6902	Facsimile (907) 488-5299

Bill To:

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

Ship To:

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

Special Order ☐ Drop Ship ☐

Quote Date 02/21/2014	Comments Undercover 2014 Expedition			Special Instructions		Terms NET 30
Ship Via PRI. MAIL	Date Required 02/21/2014	FOB Destination	Prepared By CV	Order#	Salesperson Clint VanNoy	
Quantity	Item#	Description			Price	Total
1 EACH	PE3920	Remote Compact Siren			\$150.00	\$150.00
1 EACH	FDES100	*New DynaMax Speaker 100W Compact Siren Speaker			\$180.00	\$180.00
1 EACH	FDESB-U	Universal Bail Bracket, all vehicles Speaker Bracket			\$20.00	\$20.00
2 EACH	SOELUC2S010J	*Universal Hide-a-Way LED Crnr LED- R/B Red/Blue Split Undercover LED Inserts for headlights			\$75.00	\$150.00
2 EACH	SOELUC2S01OW	*Universal Hide-a-Way LED Crnr LED White undercover LED inserts			\$75.00	\$150.00
2 EACH	SOEPLTSWSJ	Pilot LED Single Windshield Light R/B			\$125.00	\$250.00
1 HOUR	LABOR	Install Shop Labor Install above equipment for covert operations. Equipment must be invisible to the public.			\$795.00	\$795.00

Comments

This quotation is good for 30 days from the date listed above. Thank you for the opportunity!

Sub Total	\$1,695.00
EXMT 0% Tax	\$0.00
Freight	\$0.00
Grand Total	\$1,695.00
Deposit	\$0.00
Balance	\$1,695.00

Approved By: _____ Date _____

CITY OF NORTH POLE
BALANCE SHEET
FEBRUARY 28, 2014

ABADE - DEPT OF JUSTICE

ASSETS

21-0000-1000 CASH - COMBINED

17,296.26

TOTAL ASSETS

17,296.26

LIABILITIES AND EQUITY

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:

21-0000-3000 FUND BALANCE

17,296.26

BALANCE - CURRENT DATE

17,296.26

TOTAL FUND EQUITY

17,296.26

TOTAL LIABILITIES AND EQUITY

17,296.26

CITY OF NORTH POLE
BALANCE SHEET
FEBRUARY 28, 2014

IRS FORFEITURES

ASSETS

33-0000-1000 IRS FORFEITURES - CASH

6,367.27

TOTAL ASSETS

6,367.27

LIABILITIES AND EQUITY

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:

33-0000-3000 FUND BALANCE

6,367.27

BALANCE - CURRENT DATE

6,367.27

TOTAL FUND EQUITY

6,367.27

TOTAL LIABILITIES AND EQUITY

6,367.27

CITY OF NORTH POLE
BALANCE SHEET
FEBRUARY 28, 2014

ABADE - STATE FORFEITURES

ASSETS

24-0000-1000 CASH - COMBINED

20,330.76

TOTAL ASSETS

20,330.76

LIABILITIES AND EQUITY

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:

24-0000-3000 FUND BALANCE

37,962.76

REVENUE OVER EXPENDITURES - YTD

(17,632.00)

BALANCE - CURRENT DATE

20,330.76

TOTAL FUND EQUITY

20,330.76

TOTAL LIABILITIES AND EQUITY

20,330.76

CITY OF NORTH POLE
REVENUES AND EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 2 MONTHS ENDING FEBRUARY 28, 2014

ABADE - STATE FORFEITURES

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>DEPARTMENT 00</u>					
24-00-00-5900	TRANSFER IN	.00	.00	17,632.00	17,632.00	.0
	TOTAL REVENUE	.00	.00	17,632.00	17,632.00	.0
24-00-00-7091	TRANSFER OUT	17,632.00	17,632.00	17,632.00	.00	100.0
	TOTAL EXPENDITURES	17,632.00	17,632.00	17,632.00	.00	100.0
	NET REVENUE OVER EXPENDITURES	(17,632.00)	(17,632.00)	.00	17,632.00	.0

**CITY OF NORTH POLE
ORDINANCE 14-04**

**AN ORDINANCE OF THE CITY OF NORTH POLE TO ACCEPT A GRANT
INCREASE OF \$708,529.89 FROM THE ALASKA DEPARTMENT OF
ENVIRONMENTAL CONSERVATION FOR MUNICIPAL MATCHING GRANT
#63323 FOR THE WASTEWATER TREATMENT PLANT REHABILITATION
PROJECT AND TO AMEND THE ENGINEERING CONTRACT WITH USKH, INC.
BY \$237,620 TO PROVIDE BIDDING AND CONSTRUCTION MANAGEMENT
SERVICES FOR THE WWTP REHABILITATION PROJECT**

WHEREAS, the cost to finance the WWTP Rehabilitation Project is estimated to cost \$2,754,279.00; and

WHEREAS, the Alaska Department of Environmental Conservation (ADEC) originally awarded the Utility Municipal Matching Grant (MMG) #63323 in the amount of \$1,075,140.00 for the Wastewater Treatment Plant (WWTP) Rehabilitation Project; and

WHEREAS, the ADEC has offered a supplemental award of \$708,529.89, bringing the total MMG #63323 award to \$1,783,669.89; and

WHEREAS, the Utility received Alaska Clean Water Fund #633031 for \$302,500.00 for emergency generators for the wastewater utility, approximately \$206,182.00 of which will be used for the WWTP Rehabilitation Project; and

WHEREAS, MMG #63323 requires a minimum 30% match equaling \$558,247.95; and

WHEREAS, the funds available from the MMG, ACWF and 2014 Utility Capital Budget funds total \$2,691,617; and

WHEREAS, the 2014 Utility Capital Budget contains \$701,766 available for the WWTP Rehabilitation Project, but the Utility estimates it will lose \$38,511 of Industrial Facility Repair and Replacement (FRR) income resulting from the planned closure of the Flint Hills Resources North Pole Refinery; and

WHEREAS, the Utility needs to transfer \$101,766.00 from Utility Retained Earnings to the Utility Capital Budget to offset the expense associated with the purchase of the land adjacent to the WWTP and the estimated loss of FRR income to fully fund the \$2,754,279.00 WWTP Rehabilitation Project; and

WHEREAS, the Utility engaged in a professional services agreement with USKH, Inc. fully funded with grants from the USDA and ADEC for to conduct a comprehensive assessment of the WWTP and to provide engineering and design for the WWTP Rehabilitation Project; and

WHEREAS, USDA's funding restrictions did not allow its grant funds to be used for bidding or construction management services; and

WHEREAS, USKH has proposed to provide bidding and construction management services for the construction phase of the WWTP Rehabilitation Project at a cost of \$237,620.00, which is included in the total \$2,754,279.00 estimated cost of the WWTP Rehabilitation project; and

NOW, THEREFORE, BE IT RESOLVED, by the North Pole City Council of the City of North Pole that the City agrees to the following:

- Accepts the Alaska Department of Environmental Conservation supplemental award to MMG #63323 in the amount \$708,529.89
- Accepts the conditions contained in the grant amendment (attached)
- Accepts responsibility to operate and maintain the improvements at the WWTP funded with MMG #63323
- Approves a cash match to MMG #63323 totaling \$764,429 drawn from Utility Department funds as indicated in the attached fiscal note
- Approves the professional services agreement amendment with USKH totaling \$237,620.00 to provide bidding and construction management services for the WWTP Rehabilitation Project (attached)

NOW, THEREFORE, BE IT ORDAINED by the North Pole City Council:

Section 1. Classification. This ordinance is of a special nature and shall not be included in the North Pole Code of Ordinances.

Section 2. Amending the 2014 Utility Budget. See attached fiscal note:

Section 3: Effective Date. This ordinance shall be effective at 5:00 p.m. of the first City business day following its adoption.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 7th day of April, 2014.

Bryce Ward, Mayor

ATTEST

Kathryn M. Weber, MMC
North Pole City Clerk

PASSED/FAILED

Yes

No

Absent



City of North Pole, Alaska

Fiscal Note Year: 2014

Accompanying Ordinance/Resolution #: Ordinance 14-04

Originator / Sponsor Name: Mayor Bryce Ward

Date: 3-12-14

Does the Ordinance or Resolution have a fiscal impact?

yes

no

Fund- Dept. Title	Account Description	Account #	Debit	Credit
	Please see attached			

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).

Budget adjustments for the waste water treatment plant rehabilitation including grant matches. Transfers of monies to fund 3 utility capital projects from vehicle fleet transfers including budget adjustments for the loss of flow from the North Pole Refinery and transfers from retained earnings.

Prepared By: Bryce Ward **Date:** 3/12/14

Finance Approval: [Signature] **Date:** 3-13-14

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.

Fund-Dept	Account Description	Account #	Debit	Credit	Description
27	FRR Industrial Sewer	27-12-00-5805	38,511.00		Reduction in FRR monies due to Flint Hills Shut down
27	Transfer from Retained Earnings	27-12-00-5900		38,511.00	Transfer in monies from retained earnings to offset shutdown
27	Transfer out to Fund 3	27-12-00-7091	35,500.00		Sewer Backhoe monies moved into capital projects
27	Transfer out to Fund 55	27-12-00-7091		35,500.00	Sewer Vehicle Replacement funds reduced (no backhoe purchase)
25	Transfer out to Fund 3	25-10-00-7091	35,500.00		water Backhoe monies moved into capital projects
25	Transfer out to Fund 55	25-10-00-7091		35,500.00	water Vehicle Replacement funds reduced (no backhoe purchase)
27	Transfer out Fund 3	27-12-00-7091	62,663.00		Transfer from Sewer reserves to Capital Projects utility
27	Transfer from Retained Earnings	27-12-00-5900		62,663.00	Transfer from retained earnings amount needed to do WWPT rehab
55	Transfer from Fund 27 Sewer reserve (operator Truck)	55-00-00-5900	2,500.00		
55	Transfer from Fund 25 Water reserve (operator Truck)	55-00-00-5900	2,500.00		
55	Transfer from Fund 27 sewer reserve (Backhoe)	55-00-00-5900	33,000.00		Reduce transfer into Fund 55 because monies moved to Capital Projects
55	Transfer from Fund 25 water reserve (Backhoe)	55-00-00-5900	33,000.00		Reduce transfer into Fund 55 because monies moved to Capital Projects
55	Transfer from Public Works (Backhoe)	55-00-00-5900	33,000.00		Reduce to \$0 because removed from budget during amendments in December
55	Purchase backhoe	55-00-00-7901		99,000.00	Reduce to \$0 because removed from Public Works budget and other monies moved to cap proj.
55	Purchase Utility truck	55-00-00-9701		5,000.00	Reduced because vehicle purchase was less than budgeted

Summary

Transfer to Fund 3 Expense sewer reserves	27-12-00-7091	549,184.00
Transfer to Fund 3 Expense water reserves	25-10-00-7091	324,748.00
land purchase		-109,503.00
total available funds		764,429.00

USKH Contract Amendment
NORTH POLE WWTP CONSTRUCTION SUPPORT SERVICES

Work Plan Item	Estimated Fee	Basis
<p>Following construction oversight fee estimated is based upon the construction of North Pole WWTP beginning Early summer 2014. Work is estimated to be predominately complete by October of 2014, with final work extending into winter, or possibly being completed in spring / early summer 2015. Bulk of construction expected within a 6 month period, 8-10 months overall, including commissioning and shakedown on controls. Project includes architectural and structural construction, large mechanical and electrical component, treatment equipment, and large controls and instrumentation components.</p>		
Procurement Support	\$7,870.00	<p>The City of North Pole will provide solicitation, advertisement, and other City procurement requirements. USKH will assist with the prebid conference, answer typical bidders questions, prepare addenda as required, and evaluate bids.</p> <p>USKH will distribute / publish the bidding documents via electronic plansroom / document exchange system. (Submittal Exchange).</p>
Plans and Specs	\$2,540.00	USKH will print 6 sets full size and 12 sets half size, plus 12 bound spec books for selected contractor.
Submittal Exchange Document Management Service	\$4,540.00	The project will be loaded into a internet based document sharing portal, Managed by "Submittal Exchange Inc". Owner, Engineer, and Contractor will be issued accounts on the document portal. All submittals, DCVRS, logs, and similar documents will be routed through, filed, and managed by this service. Fee shown is one time set up fee for life of project.
Submittal and Document Review	\$28,480.00	Includes all product data submittals, shop drawings, and control submittals, <u>assumes that 50% will have to be returned</u> for corrections.
Inspections and Construction Assistance, to include		
Preconstruction Meeting	\$5,950.00	Directed by USKH, held at the City offices. Attended by USKH lead engineer, inspectors, and discipline engineering /architectural leads.
Inspections	\$81,760.00	Based on <u>3 inspections per week</u> , for a six month field construction period. Includes reports and photos, travel, etc. Includes pre, substantial and final inspections by all relevant engineering and architectural disciplines.
Weekly Construction Progress Mtg	\$27,330.00	Based on 18 meetings, typically 2 hours per mtg.
Process Pay requests	\$11,800.00	Based on 8 pay requests.
Review and Process DCVRS, Change Orders, Etc	\$23,520.00	Assumes 30-40 DCVRS over course of season, two change order requests, substantial mechanical and electrical questions.
Materials Testing	\$0.00	None expected for scope of construction.
Project Management, Regular Contractor Communications and Interactions	\$24,840.00	Typical management tasks and miscellaneous contractor interactions. Estimated at 4-8 hours per week for an 8 month duration.
Record Drawings	\$18,990.00	Plan set has 50 drawings, expect minor revisions to approximately half. This also includes compilation of a project record file for the City, close out documentation, approvals to operate at ADEC.
Permitting	\$0.00	Included within design scope and fee.
Public Involvement	\$0.00	Not included, available on request.
Total Estimated Fee	\$237,620.00	



THE STATE
of ALASKA
GOVERNOR SEAN PARNELL

Department of Environmental
Conservation

DIVISION OF WATER

Post Office Box 111800
Juneau, Alaska 99811-1800
Main: 907.465.5300
Fax: 907.465.5177

March 7, 2014

Mr. Bryce Ward
Mayor
City of North Pole
125 Snowman Lane
North Pole, AK 99705

Grant Offer Amendment #1: Treatment Plant Rehabilitation Project (MMG#63323)

Dear Mayor Ward:

In accordance with AS 46.03.030, the Department of Environmental Conservation (Department) is pleased to offer the City of North Pole (Grantee) a grant increase of funds not to exceed \$708,529.89 for Phase II of the project. Phase II includes influent prescreening, electronic control upgrades, and effluent discharge upgrades.

This increase, when added to the previous grant of \$1,075,140.00 brings the total grant on this project to \$1,783,669.89.

The estimated cost for this project, as provided by the Grantee, is \$2,754,279.00. However, pursuant to AS 46.03.030(e), the grant amount is limited to the available appropriation of \$1,783,669.89, and 70 percent of eligible project costs. To receive the full amount of grant funding available, eligible project costs must total at least \$2,548,099.84 (70 percent of this amount is equal to the funding available in this grant.)

This grant is administered by the Department using funds which were included in the State fiscal year 2011 capital budget bill (SB230).

This grant is 100% funded by state general funds.

This offer is expressly conditioned upon the terms and limitations contained herein, in the original February 15, 2013 grant offer, in 2 AAC 45.010 (enclosed), in 18 AAC 73 (enclosed), and is based upon estimated eligible project costs as itemized below:

Project Cost Summary	Estimated Eligible Project Costs <u>Original</u>	Estimated Eligible Project Costs <u>Amend # 1</u>
1. Administrative	\$6,950.00	\$13,745.00
2. Engineering Design	\$0.00	\$68,727.00
3. Engineering Construction	\$100,000.00	\$261,164.00
4. Construction	\$1,289,968.00	\$1,929,551
5. Equipment	\$0.00	\$206,182
6. Other	\$0.00	\$0
7. Project Contingencies	\$138,997.00	\$274,910
8. Total Estimated Eligible Project Costs	\$1,535,915.00	\$2,754,279
9. State Grant	\$1,075,140.00	\$1,783,669.89

Adjustment of expenditures within the budgeted cost items is allowed. If actual project costs are less than the total estimated eligible matching costs, the grant will be reduced to the extent necessary to comply with the percentage limitation set forth in this offer.

Grant payments will be made when expenses have been incurred and documentation has been provided to the Department along with the payment request form, unless a payment schedule is established as a special condition of this grant. Payments will normally be made monthly, but no more frequently than twice per month. All requests for payment must be submitted on the enclosed Request for Payment form. The Request for Payment form can also be found at:

<http://dec.alaska.gov/water/munigrant/forms.html>.

The Grantee should scan the Request for Payment Form and backup documentation and e-mail it both to the project engineer for eligibility review, and to the Municipal Administrative Team (MAT) at:

(Engineer E-mail Address)
DEC.Water.MGL.MAT@alaska.gov

Mail the original signed Request for Payment Form to the address noted below; backup documentation to the pay request does not need to be mailed.

If the Grantee does not have scanning capability, the Request for Payment Form and backup documentation should be mailed to:

Alaska Department of Environmental Conservation
Division of Water, Municipal Matching Grants & Loans Program
Attn: MAT (Municipal Administrative Team)
P.O. Box 111800
410 Willoughby Avenue, Suite 303
Juneau, AK 99811-1800

Pay request(s) totaling less than one thousand dollars will be held for payment until the one thousand dollar threshold is met. Upon the threshold being met, the Department will proceed with payment.

GENERAL GRANT CONDITIONS

Amendment # 1 changes the title of General Grant Condition # 11 "Project Start Date" to read "Construction Start Date".

Amendment # 1 adds the sentence "State Fiscal Year 2011 funds (\$1,783,669.89) must be spent by February 15, 2015" to General Grant Condition # 12 "Project End Date".

SPECIAL GRANT CONDITIONS

None.

By accepting this grant amendment, the Grantee agrees to comply with the procedures and requirements contained in the Construction Grants Regulations (18 AAC 73 appended), as well as all grant conditions contained herein and in the original grant offer dated February 15, 2013.

Please carefully review this grant amendment, the related grant conditions, and the enclosed regulations. If satisfactory, sign and return the original, along with a formal resolution accepting the grant enacted by the City of North Pole.

In the resolution the Grantee must agree to accept responsibility to operate and maintain the proposed wastewater utility improvements and agree to the terms and conditions of this grant amendment.

Mail signed originals (grant amendment and resolution) to the following:

Alaska Department of Environmental Conservation
Division of Water, Municipal Matching Grants & Loans Program
Attn: MAT (Municipal Administrative Team)
P.O. Box 111800
410 Willoughby Avenue, Suite 303
Juneau, AK 99811-1800

Acceptance of the grant amendment is required within six months (180 days) of the date the grant amendment is offered to prevent revocation of the grant amendment. No payment can be made until this grant amendment is signed by the Grantee and by the Department. Nothing in this offer, whether or not accepted, may be deemed to constitute a contractual obligation on the part of the Department until a resolution of acceptance has been received.

The Department is pleased to offer this assistance to the people of North Pole.

Sincerely,



Michelle Hale
Director

Enclosures: 2 AAC 45.010
18 AAC 73.010 Construction Grant Project Eligibility
Request for Payment

cc: The Honorable John B. Coghill Jr., Alaska State Senate
The Honorable Tammie Wilson, Alaska State House of Representatives
Mike Phillips, ADEC Project Engineer

BY SIGNING BELOW, THE PARTIES AGREE TO BE BOUND BY THE TERMS OF THIS AGREEMENT.

Alaska Department of Environmental Conservation

Luke Canady

Finance Officer

Date

Signature

City of North Pole

Printed Name

Title

Date

Signature

CITY OF NORTH POLE
COMBINED CASH INVESTMENT
FEBRUARY 28, 2014

COMBINED CASH ACCOUNTS

99-0000-1009	MT. MCKINLEY-CENTRAL TREASURY	2,932,033.83	
99-0000-1011	XPRESSBILLPAY ACH	96,766.89	
99-0000-1070	CD - (BONDS) TIME VALUE INVEST	162,000.00	
99-0000-1175	CASH CLEARING - UTILITIES	(1,910.98)	
99-0000-1177	CASH CLEARING - IMPRV DIST	3,044.04	
TOTAL COMBINED CASH		3,191,933.78	
99-0000-1000	CASH COMBINED	(3,191,933.78)	
TOTAL UNALLOCATED CASH			.00

CASH ALLOCATION RECONCILIATION

1	ALLOCATION TO GENERAL FUND	1,490,740.70	
2	ALLOCATION TO UTILITY FUND	747,148.00	\$747,148.00
3	ALLOCATION TO CAPITAL PROJECTS FUND	(202,923.86)	\$274,910.55
4	ALLOCATION TO ASSESSMENT FUND	177,528.39	+\$577,738.61
5	ALLOCATION TO BUILDING DEPARTMENT	111,209.32	\$1,599,797.16
16	ALLOCATION TO FIRE DEPARTMENT FUND	3,567.10	-\$202,923.86
17	ALLOCATION TO BUCK NYSTROM MEMORIAL FUND	500.00	\$1,396,873.30
18	ALLOCATION TO NORTH POLE COMMUNITY ICE RINK	10,973.25	
20	ALLOCATION TO NORTH POLE FESTIVAL	8,252.36	
21	ALLOCATION TO ABADE - DEPT OF JUSTICE	17,296.26	
22	ALLOCATION TO AHSO PROJECT AL2009-09-01-03	(10,993.45)	
23	ALLOCATION TO BYRNE GRANT JAG 13-023-D	(36,747.04)	
24	ALLOCATION TO ABADE - STATE FORFEITURES	20,330.76	
25	ALLOCATION TO WATER RESERVES	274,910.55	
27	ALLOCATION TO SEWER RESERVES	577,738.61	
31	ALLOCATION TO CAPITAL PJTS - GENERAL FUND	(7,607.21)	
32	ALLOCATION TO SISTER CITY	300.00	
33	ALLOCATION TO IRS FORFEITURES	6,367.27	
36	ALLOCATION TO IMPOUND LOT	5,376.00	
TOTAL ALLOCATIONS TO OTHER FUNDS		3,193,967.01	
ALLOCATION FROM COMBINED CASH FUND - 99-0000-1000		(3,191,933.78)	
ZERO PROOF IF ALLOCATIONS BALANCE			2,033.23

CITY OF NORTH POLE
BALANCE SHEET
FEBRUARY 28, 2014

UTILITY FUND

ASSETS

02-0000-1000	CASH - COMBINED	747,148.00	
02-0000-1030	ACCOUNTS RECEIVABLE	169,454.49	
02-0000-1031	ALLOW/DOUBTFUL ACCOUNTS	(5,635.79)	
02-0000-1037	ACCOUNTS REC - CONTRACT PYMNTS	4,739.85	
02-0000-1038	IPP RECEIVABLE	11,595.76	
02-0000-1100	LAND	390,414.93	
02-0000-1105	CONSTRUCTION IN PROCESS	4,737,883.52	
02-0000-1110	EQUIPMENT	1,777,077.98	
02-0000-1115	ACCUMULATED DEPRECIATION	(756,832.07)	
02-0000-1120	UTILITY PLANT	36,657,527.61	
02-0000-1125	ACCUMULATED DEPRECIATION	(23,534,746.06)	
02-0000-1130	CONTRACT PAYMENT	(43,880.67)	
02-0000-1580	SUSPENSE	(.25)	
TOTAL ASSETS			20,154,747.30

LIABILITIES AND EQUITY

LIABILITIES

02-0000-2150	ACCRUED VACATION TIME	22,899.63	
02-0000-2450	WATER/SEWER SERVICE DEPOSITS	30,448.68	
02-0000-2500	HIGHWAY PARK REVENUE BOND	518,844.10	
02-0000-2525	ADWF NOTE	300,000.00	
02-0000-2550	BOND INTEREST PAYABLE	13,053.08	
02-0000-2700	DEFERRED REVENUE-GVEA	101,092.23	
TOTAL LIABILITIES			986,337.72

FUND EQUITY

02-0000-3105	CONTRIBUTED CAPITAL	26,199,096.16	
02-0000-3110	AMORTIZATION	(15,820,902.77)	
UNAPPROPRIATED FUND BALANCE:			
02-0000-3000	RETAINED EARNINGS	8,782,142.12	
	REVENUE OVER EXPENDITURES - YTD	8,074.07	
BALANCE - CURRENT DATE		8,790,216.19	
TOTAL FUND EQUITY			19,168,409.58
TOTAL LIABILITIES AND EQUITY			20,154,747.30

CITY OF NORTH POLE
BALANCE SHEET
FEBRUARY 28, 2014

CAPITAL PROJECTS FUND

ASSETS

03-0000-1000	CASH - COMBINED	(	202,923.86)	
03-0000-1050	GRANT RECEIVABLES	(	85,505.41)	
TOTAL ASSETS			(	288,429.27)

LIABILITIES AND EQUITY

FUND EQUITY

03-0000-3001	UNRESTRICTED FUNDS	(	1,411.46)	
UNAPPROPRIATED FUND BALANCE:				
03-0000-3000	FUND BALANCE	(	220,677.11)	
	REVENUE OVER EXPENDITURES - YTD	(	66,340.70)	
BALANCE - CURRENT DATE			(	287,017.81)
TOTAL FUND EQUITY			(	288,429.27)
TOTAL LIABILITIES AND EQUITY			(	288,429.27)

CITY OF NORTH POLE
REVENUES AND EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 2 MONTHS ENDING FEBRUARY 28, 2014

CAPITAL PROJECTS FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>WWTP ENGINEERING & DESIGN</u>					
03-64-00-7002 W WATER DESIGN & ENGIN - PLAN	60,300.00	60,300.00	.00	(60,300.00)	.0
TOTAL EXPENDITURES	60,300.00	60,300.00	.00	(60,300.00)	.0
<u>TECHITE SEWER MAIN</u>					
03-69-00-5001 TECHITE - GRANT REVENUE	(6,040.70)	(6,040.70)	.00	6,040.70	.0
TOTAL REVENUE	(6,040.70)	(6,040.70)	.00	6,040.70	.0
NET REVENUE OVER EXPENDITURES	(66,340.70)	(66,340.70)	.00	66,340.70	.0

CITY OF NORTH POLE
BALANCE SHEET
FEBRUARY 28, 2014

WATER RESERVES

ASSETS

25-0000-1000 CASH - COMBINED

274,910.55

TOTAL ASSETS

274,910.55

LIABILITIES AND EQUITY

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:

25-0000-3000 RETAINED EARNINGS

246,691.57

REVENUE OVER EXPENDITURES - YTD

28,218.98

BALANCE - CURRENT DATE

274,910.55

TOTAL FUND EQUITY

274,910.55

TOTAL LIABILITIES AND EQUITY

274,910.55

CITY OF NORTH POLE
REVENUES AND EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 2 MONTHS ENDING FEBRUARY 28, 2014

WATER RESERVES

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
25-10-00-5825 FRR RESIDENTIAL WATER	16,250.84	16,250.84	81,120.00	64,869.16	20.0
25-10-00-5830 WATER BASE	11,968.14	11,968.14	106,128.00	94,159.86	11.3
25-10-00-5900 TRANSFER IN FROM RETAINED EARN	.00	.00	150,000.00	150,000.00	.0
TOTAL REVENUE	28,218.98	28,218.98	337,248.00	309,029.02	8.4
25-10-00-7091 TRANSFER OUT	.00	.00	337,248.00	337,248.00	.0
TOTAL EXPENDITURES	.00	.00	337,248.00	337,248.00	.0
NET REVENUE OVER EXPENDITURES	28,218.98	28,218.98	.00 (	28,218.98)	.0

CITY OF NORTH POLE
BALANCE SHEET
FEBRUARY 28, 2014

SEWER RESERVES

ASSETS

27-0000-1000 CASH - COMBINED

577,738.61

TOTAL ASSETS

577,738.61

LIABILITIES AND EQUITY

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:

27-0000-3000 RETAINED EARNINGS

542,852.67

REVENUE OVER EXPENDITURES - YTD

34,885.94

BALANCE - CURRENT DATE

577,738.61

TOTAL FUND EQUITY

577,738.61

TOTAL LIABILITIES AND EQUITY

577,738.61

CITY OF NORTH POLE
REVENUES AND EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 2 MONTHS ENDING FEBRUARY 28, 2014

SEWER RESERVES

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>DEPARTMENT 12</u>					
27-12-00-5805 FRR INDUSTRIAL SEWER	9,164.23	9,164.23	63,511.00	54,346.77	14.4
27-12-00-5825 FRR SEWER	14,807.11	14,807.11	63,511.00	48,703.89	23.3
27-12-00-5830 SEWER BASE	10,914.60	10,914.60	72,000.00	61,085.40	15.2
27-12-00-5900 TRANSFER IN FROM RETAINED EARN	.00	.00	300,000.00	300,000.00	.0
TOTAL REVENUE	<u>34,885.94</u>	<u>34,885.94</u>	<u>499,022.00</u>	<u>464,136.06</u>	<u>7.0</u>
27-12-00-7091 TRANSFER OUT	.00	.00	499,021.00	499,021.00	.0
TOTAL EXPENDITURES	<u>.00</u>	<u>.00</u>	<u>499,021.00</u>	<u>499,021.00</u>	<u>.0</u>
NET REVENUE OVER EXPENDITURES	<u>34,885.94</u>	<u>34,885.94</u>	<u>1.00</u>	<u>(34,884.94)</u>	<u>34885</u>

CITY OF NORTH POLE
REVENUES AND EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 2 MONTHS ENDING FEBRUARY 28, 2014

UTILITY FLEET RESERVES

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>DEPARTMENT 00</u>					
55-00-00-5900 TRANSFER IN	.00	.00	129,000.00	129,000.00	.0
TOTAL REVENUE	.00	.00	129,000.00	129,000.00	.0
55-00-00-7001 UTILITY TRUCK	.00	.00	30,000.00	30,000.00	.0
55-00-00-7002 BACKHOE	.00	.00	99,000.00	99,000.00	.0
TOTAL EXPENDITURES	.00	.00	129,000.00	129,000.00	.0
NET REVENUE OVER EXPENDITURES	.00	.00	.00	.00	.0

Pending Utility truck purchase: \$25,695

CITY OF NORTH POLE

RESOLUTION 14-07

THE CITY OF NORTH POLE'S POSITION ON RESOLUTION FOR SULFOLANE CONTAMINATION WITHIN ITS BOUNDARY'S

WHEREAS, it is understood that cleanup of the watershed to 14ppb or less is impractical for a majority of the area contaminated with sulfolane within the City of North Pole; and,

WHEREAS, the City supports the cleanup level of 14ppb and a de facto drinking water standard of 14ppb; and,

WHEREAS, the City will advocate that all occupied properties in City boundary's that have been contaminated with sulfolane are connected to North Pole Utilities water system to ensure public health; and,

WHEREAS, areas contaminated and currently undeveloped that are not currently serviced by the water utility should have a water main constructed within reasonable distance of all effected properties to ensure public health; and,

WHEREAS, the City will not operate a water system outside of its borders; and,

WHEREAS, the City will sell water to another business or entity at an established price at the city border; and,

WHEREAS, the City supports reasonable construction dewatering effluent levels higher than 14 ppb in areas provided with a local water system and best management practices (BMP)'S for meeting the sulfolane cleanup standard; and,

WHEREAS, the City supports development of a zoning overlay, to ensure sulfolane is identified for future generations; and,

WHEREAS, the City supports creation of a monitoring fund to monitor the movement of the plume; and,

WHEREAS, The City would consider annexation of affected properties to operate an expansion of our water utility system;

NOW, THEREFORE BE IT RESOLVED the North Pole City Council takes the above positions in regards to sulfolane contamination within its boundary's

**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 14-08

**A RESOLUTION OF GRATITUDE TO THE RICHARD P.
THOMPSON FAMILY FOR THE GENEROUS DONATION OF A
MOUNTED MUSKOX AND BUFFALO TO THE COMMUNITY OF
NORTH POLE.**

Whereas, The Richard P. Thompson family wishes to donate a mounted head of a MuskoX and a mounted head of a Buffalo to the community of North Pole; and

Whereas, the Richard P. Thompson family also wishes these items to remain in the Public Domain of the Community of North Pole for the viewing pleasure of the Community and the Richard P. Thompson Family; and

Whereas, The North Pole Grange has agreed to hold these items on display at the Grange Gallery until finding a permanent display location which satisfies the family intent;

NOW, THEREFORE BE IT RESOLVED that the City of North Pole expresses its gratitude to the Richard P. Thompson family for the generous donation and condones the effort undertaken by the North Pole Grange to assist in finding a suitable permanent location for these items.

**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