



CITY OF NORTH POLE *Alaska*

REGULAR CITY COUNCIL MEETING Monday, March 17, 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**
Proclamations
Lucas Acker – NPHS – February 2014
Evelyn Jacobson – NPHS – March 2014
Women's History Month

*Presentation by Donna Gardino with FMATS on summer projects

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

12. 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
- c. 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

13. Executive Session - To consider potential claims related to sulfolane contamination

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 3, 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 3, 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 Councilman McGhee

APPROVAL OF AGENDA

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

Seconded by Mr. Welch

Discussion

None

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

- a. Ordinance 14-02, An Ordinance of the City of North Pole, Alaska amending Title 4, Chapter 4.10.010, User Fees
- b. Resolution 14-06, An ordinance of the of the City of North Pole accepting a maintenance agreement between the State of Alaska Department of Transportation and Public Facilities and the City of North Pole for thirty two decorative streetlights on Badger Road and Santa Claus Lane

Seconded by Ms. Hunter

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 February 18, 2014

Seconded by Mr. Welch

Discussion

None

PASSED

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

NO – 1 –

Absent – 0

COMMUNICATIONS FROM THE MAYOR

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.

I am continuing my efforts with the Fairbanks Chamber of Commerce and was selected to sit on the ‘Instate oil refining committee’ The Fairbanks Chamber has approved a resolution supporting the states effort in supporting instate refining. (see emails for copy of resolution)

Governor Parnell made the announcement last week that the State would work to absolve a new buyer of the North Pole Refinery of future liability pertaining to sulfolane cleanup. North Pole needs to keep the refinery viable, however; cleanup of the sulfolane contamination is still a pressing issue.

Last week the Air Force came out with the basing criterion for the F-35 basing selection. Of the five bases chosen Eielson and Elmendorf were chosen. The next step a basing site survey team will visit each base and narrow the field to three bases. It was a bit of a shock to see Elmendorf on the list especially when General Carlisle (PACAF) stated that the Air Force would not bed F-35's and F-22's at the same base. Either way, we must remain positive and show off our strengths over Elmendorf AFB.

There has been lots of discussion regarding Flint Hills Resources, today at the Fairbanks Chamber of Commerce previous governor Frank Murkowski spoke and told the board that he has an offer to buy Flint Hills for just over \$140,000,000. Jeff Cook from Flint Hills was present and said 'the Devil is in the details' Leaving all of us wondering what that really meant. The message has been relayed that there are several businesses interested in the North Pole Refinery; however the details are what make or break the deal.

I have been in contact with the Alaska Rail Road in regard to the outstanding contract payments not paid for the years of 2009-2011. The contract is for the upgrades done at the cross way and 8th ave crossings and maintenance. The railroad has tentatively agreed to have the three years delinquent payments added to the end of the contract so long as we continue to honor our contract. The new agreement will come before council as soon as it has been drafted and reviewed by our legal.

Last week I was out of town for the ESGR BOSS lift to Guam. It was a very educational experience and gave me new insight into the dynamic of our Guard and Reserve units. We toured four branches of the military, Army, Navy and Air Force, including the Coast Guard which is now under Department of Homeland Security. I learned the difference between a Reserve unit and a Guard Unit and that driving a Humvee in a combat situation is harder than it looks. Tom Hewitt with News 13 in Fairbanks went along with us and did several stories on the trip.

COUNCIL MEMBER QUESTIONS OF THE MAYOR

Ms. Hunter asked about an email they received about Lisa Vaughn.

Ms. Weber stated that it was something that they would need to be apprised of at a later date.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Accountant, Lisa Vaughn

None

Director of City Services, Bill Butler

March 3, 2014 City Council Report

Bill Butler

Director of City Services

Building Department

- No new permit applications since last council meeting
- FNSB released a request for bids for renovation of NPHS Vocational Wing
 - A major project that will exceed \$1 million
 - Bids will be opened March 13

Public Works

- Repair of dump truck cost \$14,000
 - Vehicle maintenance budget is in deficit by ~\$3,000
- FNSB delayed release of bus shelter request for proposals until last week.
 - Bid opening March 20
 - Plan is still to construct shelters in summer 2014
 - Plans call for electric at North Pole's shelter—can use for electronic schedule and heat.

Utility Department

- Utility 2013 annual report will be included in this month's utility bills
 - Purpose of the report is to keep utility customers informed
 - Copy of the report is attached
- Had first Compliance Order by Consent (COBC) meeting to begin formalizing steps to resolve problem with sewer system outfall
 - City's approval to purchase land adjacent to WWTP was viewed positively by ADEC as City being proactive
 - Utility's focus is still on dry discharge channel as priority solution
 - First step in COBC will be to obtain a sewer discharge permit to land
 - ADEC going to require Utility to analyze multiple options—this will be expensive
- With approval of February 18 minutes will begin the process to purchase land adjacent to WWTP
 - Submission of City Charter and resolution passed on February 18, with February 18 minutes will start process to purchase the land
 - Have presented suggestion to Borough to exchange some land in vicinity of WWTP with one another to make each entities' land more useable (see map on back)

Natural Gas Utility Board

- Gas utility held its Design Charrette at North Pole City Hall on Monday, February 24
 - The Charrette appeared to function positively by informing agencies and businesses that could affect permitting related to installing pipes in the ground
- Board's president and manager are in Anchorage meeting with AIDEA to discuss 2014-2021 financing
- Without release of state funding to IGU it cannot move forward with engineering and design

Police Department, Chief Dutra

- Chief Dutra presented Officer Bruce Milne his Basic Certificate.

- Chief Dutra will be out of town for Ethics training in Anchorage.
- Stats for February 2014 are before council tonight.
- Officer Bean, is the new DUI Officer.
- Our BDA project is delayed due to equipment ordering. Procomm promised to be complete before March 31st deadline.
- Arctic Winter Games is coming to North Pole and the department will be adding more officers during that time.

Fire Department, Chief Lane

- Chief Lane spoke about the Great Alaska ShakeOut that will take place later this month. Mr. McGhee stated that this was an out of date pamphlet and that there are new studies out there and requested that Chief Lane look for newer information. Mr. Smith asked when the Shake House would be back in the vicinity.
- Ms. Holm asked about volunteers. Chief Lane said he has talked with daycares & schools.
- Mr. Smith asked about St. Baldericks and when it was. Chief Lane said that it starts on March 15th.
- Mr. Smith asked how the department likes the new ambulance. Chief Lane said that it was put into the fleet immediately and the crew likes it. He was in Nebraska this past week.
- Arctic Winter Games is getting ready to start this month. Wrestling and Badminton will be held in North Pole. There are approximately 2000 athletes that will compete.

Borough Representative, Mayor Ward

None

City Clerk

- Public Official Financial Disclosure Statements (POFD) are before you tonight. The deadline is March 15th. Even if you file online you must still submit a copy to my office. Please come and see me if you need any assistance.
- 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.
- A very special thank you to Tom Blair and Cody Lougee for the beautiful book case they made and installed in the file room to store our Ordinances, Resolutions, and minutes.
- I will be out of the office from March 5 – 7 but still available by phone and email on the 6th & 7th.

ONGOING PROJECTS

North Pole Economic Development – Nadine Winters

- Ms. Winters gave the council a copy of a draft Radius Study put together by NPEDC.
- Will be working on a new website
- Rewriting bylaws of North Pole Economic Development
- Bumper stickers and support forms were given to the Clerk for the front counter for support of the F-35's. They are trying to register 10,000 people in the FNSB for their support of the F-35's. There are also banners that have been made to put on business websites and they can contact Ms. Winters.

Mr. Welch asked if council could have a workshop with Ms. Winters on the Radius Study.

March 6, 7, & 8th NPEDC will host the North Pole Sled race at Morning Star Park.

CITIZENS COMMENTS

None

OLD BUSINESS

None

NEW BUSINESS

Consent Agenda

COUNCIL COMMENTS

Mr. McGhee – be careful on the roads as it is deceiving and can be dangerous.

Mr. Welch – last week was a hectic week in Juneau. He was fortunate to meet with 18 different lawmakers. He also attended the Conference of Mayors and then had the opportunity to meet with other lawmakers on Thursday and Friday.

Ms. Holm – thanked the NPMS students for coming to the council meetings and to the department heads for doing a good job.

Ms. Hunter – Goodnight.

Mr. Smith – thanked everyone for coming out and to NPMS students for attending the meetings.

Mr. McCarthy – thanked everyone for coming tonight.

Mayor Ward - Goodnight

ADJOURNMENT

Mr. McGhee adjourned the meeting at 7:57 p.m.

Seconded by Mr. Welch

The regular meeting of March 3, 2014 adjourned at 7:57 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, March 17, 2014.

Bryce J. Ward, Mayor

ATTEST:

Kathryn M. Weber, MMC
North Pole City Clerk

Office of the Mayor
City of North Pole

Proclamation

WHEREAS, Lucas Acker is a senior at North Pole High School and is the nephew of Sue & Max Wade of North Pole; and

WHEREAS, Lucas is a talented video production - sound & picture editor. His team has won two statewide awards with Lucas be awarded as the Best State Editor; and

WHEREAS, Lucas is a compassionate, trustworthy, and faithful young man who shows concern for others and is always willing to lend a helping hand; and

WHEREAS, Lucas has helped at his church with children's activities and programs. He was the first teen to be awarded Ranger Leader in the Boys Youth Royal Rangers Program and volunteered to help promote "No texting & Driving" at a local Allstate office during an open house at the X-the Text table; and

WHEREAS, Lucas has earned the Fairbanks Film Festival Best Editor award, Chemistry Student of the Year, Video Production movie into Super Bowl and Student of the Month in Arts & Productivity; and

WHEREAS, Lucas is an amazing young man who has overcome tragedy in his life and has a healthy outlook and big dreams for himself; and

WHEREAS, the City of North Pole desires to recognize the outstanding students in the community,


NOW, THEREFORE, I Bryce J. Ward, Mayor of the City of North Pole, do hereby proclaim Lucas Acker the:

North Pole City Council
High School Student of the Month
for the Month of February, 2014.




Bryce J. Ward, Mayor

ATTEST:


Kathryn M. Weber, MMC
North Pole City Clerk



Office of the Mayor
City of North Pole

Proclamation

WHEREAS, Evelyn Jacobson is a junior at North Pole High School and is the daughter of David Ogden of North Pole; and

WHEREAS, Evelyn is focused and self disciplined which makes her a great student. She is a member of the Academic Decathlon team and volunteers her time at the Fairbanks Rescue Mission and North Pole Elementary School; and

WHEREAS, Evelyn is an intelligent and hard working student who has achieved academic excellence. She has received awards for Mentor of the Month, Student of the Month for English, and many other achievement awards and academic letters; and

WHEREAS, the City of North Pole desires to recognize the outstanding students in the community.

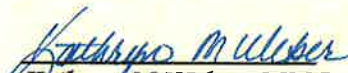
NOW, THEREFORE, I, Bryce J. Ward, Mayor of the City of North Pole, do hereby proclaim Evelyn Jacobson the:

*North Pole City Council
High School Student of the Month
For March, 2014*



Bryce J. Ward, Mayor

ATTEST:



Kathryn M. Weber
Kathryn M Weber, MMC
North Pole City Clerk



The White House

PRESIDENTIAL PROCLAMATION

Women's History Month, March 2014

Throughout our Nation's history, American women have led movements for social and economic justice, made groundbreaking scientific discoveries, enriched our culture with stunning works of art and literature, and charted bold directions in our foreign policy. They have served our country with valor, from the battlefields of the Revolutionary War to the deserts of Iraq and mountains of Afghanistan. During Women's History Month, we recognize the victories, struggles, and stories of the women who have made our country what it is today.

This month, we are reminded that even in America, freedom and justice have never come easily. As part of a centuries-old and ever-evolving movement, countless women have put their shoulder to the wheel of progress -- activists who gathered at Seneca Falls and gave expression to a righteous cause; trailblazers who defied convention and shattered glass ceilings; millions who claimed control of their own bodies, voices, and lives. Together, they have pushed our Nation toward equality, liberation, and acceptance of women's right -- not only to choose their own destinies -- but also to shape the futures of peoples and nations.

Through the grit and sacrifice of generations, American women and girls have gained greater opportunities and more representation than ever before. Yet they continue to face workplace discrimination, a higher risk of sexual assault, and an earnings gap that will cost the average woman hundreds of thousands of dollars over the course of her working lifetime.

As women fight for their seats at the head of the table, my Administration offers our unwavering support. The first bill I signed as President was the Lilly Ledbetter Fair Pay Act, which made it easier for women to challenge pay discrimination. Under the Affordable Care Act, we banned insurance companies from charging women more because of their gender, and we continue to defend this law against those who would let women's bosses influence their health care decisions. Last year, recognizing a storied history of patriotic and courageous service in our Armed Forces, the United States military opened ground combat units to women in uniform. We are also encouraging more girls to explore their passions for science, technology, engineering, and mathematics and taking action to create economic opportunities for women across the globe. Last fall, we finalized a rule to extend overtime and minimum wage protections to homecare workers, 90 percent of whom are women. And this January, I launched a White House task force to protect students from sexual assault.

As we honor the many women who have shaped our history, let us also celebrate those who make progress in our time. Let us remember that when women succeed, America succeeds. And from Wall Street to Main Street, in the White House and on Capitol Hill -- let us put our Nation on the path to success.

NOW, THEREFORE, I, BARACK OBAMA, President of the United States of America, by virtue of the authority vested in me by the Constitution and the laws of the United States, do hereby proclaim March 2014 as Women's History Month. I call upon all Americans to observe this month and to celebrate International Women's Day on March 8, 2014, with appropriate programs, ceremonies, and activities. I also invite all Americans to visit www.WomensHistoryMonth.gov to learn more about the generations of women who have left enduring imprints on our history.

IN WITNESS WHEREOF, I have hereunto set my hand this first day of March, in the year of our Lord two thousand fourteen, and of the Independence of the United States of America the two hundred and thirty-eighth.

BARACK OBAMA

MARCH 13, 2014

28TH LEGISLATURE
SECOND SESSION

REP. DOUG ISAACSON

WEEKLY UPDATE FROM THE DISTRICT 1 OFFICE IN OUR
STATE'S CAPITAL

THIS WEEK IN THE LEGISLATURE...



Representative Doug Isaacson



Education and Energy for Alaskans

It's been a busy session! Many have called this the education session and due to the numerous emails, phone calls, and visits we've received from citizens and teachers alike, I understand that Alaskans agree that **education** is a priority. I support education and would like to see an increase in our Base Student Allocation.

The news of the **Flint Hills** closure rocked the foundation of our community and the effects have been felt as far as Juneau, and will continue to be felt across the state. Since the announcement, we have had frequent and open dialogue with Governor Parnell and representatives from Flint Hills. We are actively working towards a solution for our citizens and will continue to promote instate refining industry in Alaska.

Energy remains my number one priority. Last week I attended the National Energy Conference in Washington DC and personally delivered the recently passed HJR 19, the resolution supporting the placement of F35's in Alaska, to the Pentagon. If you haven't added your name to the list of supporters to bring the F35s to Eielson, please go to www.AlaskaF35s.com and join us. When I did it, we were somewhere around 700 names, I know we have a lot more supporters, so please spread the word.

Finally, please join me next **Saturday, March 22nd, from 10:00am to Noon**, at my North Pole office. We will be hosting an open house to answer any question you may have and to enjoy a cup of Mochalicious coffee together.

I continue to encourage you to please contact me with any ideas or suggestions and know that we are working hard for you.

ALASKA'S FIRST HOUSE DISTRICT

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907.465.4527 • 800.491.4527
rep.doug.isaacson@akleg.gov



Bernie Karl, Chena Power and Hot Springs Resort, preparing for his presentation.

Energy Alaska Solutions for Alaskans

Representative Isaacson, Energy Committee Co-Chair, showcased sustainable community solutions for Alaskans. Yesterday in the Energy Committee, Bernie Karl, proprietor, Chena Power and Hot Springs Resort, offered solutions for the issues of energy, local food sources, and waste solutions. Chena Hot Springs uses geothermal energy at its resort to heat the buildings, generate electricity, grow produce, raise livestock, and manufacture bio-bricks from recycled paper. Mr. Karl is an entrepreneur employing 85 hardworking individuals that make Chena Hot Spring Resort sustainable. Hear the presentation [here](#).

Committees

State Affairs

This week in State Affairs we heard [HB 366](#)- Involuntary Commitment, and [HB 235](#)- Confidentiality of APOC Complaints, moved out of committee.

Transportation

Among other things, the committee heard a presentation by Paul Metz on my bill [HB271](#)- Railroad Extension. The presentation was great and all committee members were engaged and interested in the matter.

PERSONAL LEGISLATION

[HJR19](#)- Basing F-35 Aircraft; passed the Legislature and was signed by the Governor on March 4! I had the chance to meet with Gov. Parnell and discuss Alaska and its openness to the military. I personally carried the resolution to the Pentagon last week.

My Chief of Staff and longtime friend Brenda Hewitt was visited by her granddaughters Dasha and Sophia! We spent some time reading and speaking in Russian as they are fluent!



ALASKA'S FIRST HOUSE DISTRICT

www.dougisaacson.org



Team Isaacson!

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www.dougisacson.org

I had the chance to meet with Governor Parnell last week, where he signed HJR19 into effect. We had time to briefly talk about military in Alaska as well as other issues.



THE WEEK AHEAD

HB 282: Landlord and Tenant Act; which aims at making the relationship between landlords and tenants more balanced and productive, is scheduled for a hearing in Labor and Commerce Committee on March 12. **HB 212:** Driver's License Exemption; Military, is scheduled on the House Floor Calendar for later this week.

On a different note, Dasha and Sophia participated as guest pages. If you are visiting the capitol, becoming a guest page is a unique and excellent opportunity for kids to experience the Legislative process firsthand!

We continue to work hard for our constituents and military members alike. Please feel free to contact me or my staff with any questions or concerns. We are always happy to hear from you!

ALASKA'S FIRST HOUSE DISTRICT

www.dougisacson.org



Fairbanks Arts Association 2014 Interior Alaska Mayors' Awards for the Arts Nomination Form



I nominate the following individual or organization:

Nominee Name: _____ If Organization, Contact Name: _____
Mailing Address: _____ City/State/Zip: _____
Email: _____ Phone: _____

Please specify award category:

- ☐ **Arts and Leadership Award:** recognizes individuals or organizations, whose actions have significantly contributed to the promotion of the arts in the Interior.
- ☐ **Volunteer Award:** recognizes individuals or organizations, whose support of the arts through volunteer service, has made a significant impact on the arts in the Interior.
- ☐ **Arts Advocacy Award:** recognizes individuals or organizations who champions the arts in the Interior with advocacy that supports the development of arts programming within the Interior.
- ☐ **Youth Arts Award:** recognizes individuals (regardless of age) or organizations whose efforts advance arts among young people.
- ☐ **Lifetime Achievement Award:** recognizes a lifetime of endeavors in the field of arts.

Verification: Please include two references who may be contacted to verify the scope and extent of the nominee's activities. References cannot include the nominee or relatives of the nominee. An email or phone number is required.

Name: _____ Name: _____
Organization: _____ Organization: _____
Mailing Address: _____ Mailing Address: _____
City/State/Zip: _____ City/State/Zip: _____
Email: _____ Email: _____
Phone: _____ Phone: _____

Nominator contact information:

Name: _____ Organization: _____
Mailing Address: _____ City/State/Zip: _____
Email: _____ Phone: _____

Please attach a 300 word or less nomination statement that addresses why your nominee deserves a Mayor's Award for the Arts. Focus on the activities the nominee has worked on in relation to the award category.

Do not include extra material; it will be discarded.

**All nominations must be postmarked, hand-delivered to the FAA office, or
emailed to the address below no later than March 31, 2014 by 6pm.**

Fairbanks Arts Association, PO Box 72786, Fairbanks, AK 99707

digitalfaa@gmail.com

For any questions please call (907)456-6485 ext.222. The FAA office is located on the first floor of the Alaska Centennial Center for the Arts in Pioneer Park, 2300 Airport Rd., Fairbanks, Alaska.



Fairbanks Arts Association 2014 Interior Alaska Mayors' Awards for the Arts



Alaska's Interior mayors and the Fairbanks Arts Association are soliciting nominations for the Mayor's Awards for the Arts.

This event is free and open to the public.

Eligibility:

Awards are open to all individuals or groups, residing in the interior of Alaska who have made significant contributions to contemporary and/or traditional arts within Alaska's Interior.

A person who receives an award is not eligible to receive the same award within the next four years; they may be nominated for a different category within that time frame.

Fairbanks Arts Association staff are not eligible to be nominated or nominate awardees.

Categories of Awards:

- **Arts and Leadership Award:** recognizes individuals or organizations that have contributed to the promotion of the arts in the Interior.
- **Volunteer Award:** recognizes individuals or organizations, whose support of the arts through volunteer service, has made a significant impact on the arts in the Interior.
- **Arts Advocacy Award:** recognizes individuals or organizations who champion the arts with advocacy that supports the development of arts programming within the Interior.
- **Youth Arts Award:** recognizes individuals (regardless of age) or organizations whose efforts advance arts among young people.
- **Lifetime Achievement Award:** recognizes a lifetime of endeavors in the field of arts.

How to complete a winning nomination:

Assume judges know nothing about the nominee or organization.

Fill out the nomination form and submit up to a 300 word essay. Essays should specifically and concisely address how the individual or organization has helped the Arts in the Interior of Alaska in one of the five categories of awards.

Additional information:

Every nominee will receive a recognition packet.

Every nominator will receive a thank you for his or her effort.

Panel members may not nominate, nor judge family members.

Fairbanks Arts Association may decide not to award in any category if there is a lack of eligible candidates.

All nominations will be reviewed by a committee of Fairbanks Arts Association.

Award recipients will be notified by May 7, 2014.

Nominations must be postmarked, hand-delivered to the FAA office, or emailed to the address below no later than March 31, 2014 by 6pm.

Fairbanks Arts Association, PO Box 72786, Fairbanks, AK 99707

digitalfaa@gmail.com

For any questions please call (907)456-6485 ext.222. The FAA office is located on the first floor of the Alaska Centennial Center for the Arts in Pioneer Park, 2300 Airport Rd., Fairbanks, Alaska.



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Governor Sean Parnell
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Governor@Alaska.Gov

March 11, 2014

The Honorable Mark Begich
United States Senate
Russell Senate Building, Suite SR-111
Washington, DC 20510

Dear Senator Begich,

I am in receipt of your letter related to the Flint Hills North Pole refinery closure, and I do appreciate your concern for our fellow Alaskans and the community of North Pole.

I have been personally engaged in everything from concluding a new royalty agreement last year with Flint Hills that the company applauded us for; to assuring Alaskan jobs are available for refinery workers; to ensuring that our residents are not left holding the bag for Williams' and Flint Hills' contamination actions; to preparing an economic package to bolster refining in Alaska.

There are complex issues surrounding contamination at the Flint Hills refinery. Add to that complexity the thousands of pages of legal proceedings associated with this issue, and you will have to admit that there is no place for rhetoric on this important issue.

Federal laws, regulations, and guidelines, as well as State laws and regulations, govern the technical aspects of how the State and federal agencies have handled this issue. The health and welfare of Alaskans guides the big-picture goals of our regulatory approach – the residents of North Pole want both jobs AND a safe environment.

What I need your help with is the central economic challenge to Alaska – filling the Trans Alaska Pipeline System (TAPS). A far more consequential economic challenge to the Flint Hills refinery has been a declining, steadily cooling, and higher priced oil supply from TAPS.

I have engaged with the Alaska Legislature to create a competitive tax regime for oil produced from State land to put more oil into TAPS. This key reform will end the production decline in TAPS throughput. In your recent visit, you failed to take a strong stand for new oil production in Alaska, despite the national importance of a steady or growing flow through TAPS.

While I, along with our Alaska Legislature, have worked to improve our competitive position on State land, four other world-class oil basins remain off-limits to responsible exploration and development specifically because of Congressional inaction. The 1002 Area, NPR-A, and the Beaufort and Chukchi OCS regions remain effectively locked despite their key importance in refilling TAPS.

The Honorable Mark Begich

March 11, 2014

Page 2

The 1002 Area, likely the safest and easiest oil basin to develop in the United States, remains locked up specifically due to U.S. Senate inaction. Half of the NPR-A was removed through a planning process that flies in the face of Congressional authority, and the nullification of that ill-advised plan again awaits action by the U.S. Senate. Additionally, federal agencies such as the EPA and U.S. Fish and Wildlife have delayed long-planned Alpine satellite field development. Federal agency delay is killing off Alaskan job opportunity. As a member of the Senate Democratic leadership, Alaska needs you to begin to wield some influence to open access to our lands and resources for more Alaskan opportunity.

Finally, despite your supportive statements and press releases, federal management of Alaska's OCS seriously undermines Alaska's future. At least one other investor watching Shell's treatment by federal regulators has already retreated from investing in the Arctic OCS in the near term. Six years after a lease sale, clear regulations have not been promulgated to guide Arctic OCS investment.

Of the six nations with Arctic outer continental shelf, the United States appears determined to move to last place in responsibly developing oil and gas deposits. Alaska could benefit from over \$100 billion in OCS investment, but I need you to join Senator Murkowski and Representative Young in taking a more aggressive role in Congress to reform how our federal government manages this investment. These reforms must not simply be introduced as another piece of legislation; they must become law.

I look forward to working with you on all the topics noted above.

Sincerely,



Sean Parnell
Governor

cc: The Honorable Lisa Murkowski, United States Senate
The Honorable Don Young, United States House of Representatives
The Honorable Luke Hopkins, Mayor, Fairbanks North Star Borough
The Honorable Bryce Ward, Mayor, City of North Pole
Kip Knudson, Director of State and Federal Relations, Office of the Governor

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FOURTH JUDICIAL DISTRICT AT FAIRBANKS

STATE OF ALASKA,

Plaintiff,

v.

WILLIAMS ALASKA PETROLEUM,
INC., an Alaska corporation; THE
WILLIAMS COMPANIES, INC., a
Delaware corporation; FLINT HILLS
RESOURCES ALASKA, LLC, an
Alaska limited liability corporation;
FLINT HILLS RESOURCES, LLC, a
Delaware limited liability corporation,

Defendants.

FILED in the Trial Courts
State of Alaska Fourth District

MAR 06 2014

By _____ Deputy

Case No. 4FA-14-01544 CI

**COMPLAINT FOR DAMAGES, RESPONSE COSTS AND
CIVIL ASSESSMENTS, INJUNCTIVE AND OTHER RELIEF**

Plaintiff, the State of Alaska (State), by and through the Office of the Attorney General, states the following for its complaint against Williams Alaska Petroleum, an Alaska corporation; The Williams Companies, Inc., a Delaware corporation; Flint Hills Resources, LLC, an Alaska limited liability corporation and Flint Hills Resources, a Delaware corporation.

JURISDICTION

1. This is a civil action for damages, response costs, assessments, injunctive and other relief arising out of Defendants' ownership and operation of the North Pole Refinery in North Pole, Alaska (NPR).

2. Subject matter jurisdiction is proper pursuant to the common law and Alaska statutory law including AS 22.10.020 and AS 09.05.015.

3. This court has jurisdiction over the parties.

4. Venue is properly laid in the Fourth Judicial District pursuant to AS 22.10.030 and Alaska Civil Rule 3(c) because the claims arose in the Fourth Judicial District.

PARTIES

5. Plaintiff State of Alaska is a sovereign state of the United States and is entitled to bring this action. The State brings this action on behalf of its Department of Environmental Conservation.

6. The Department of Environmental Conservation (DEC) is the agency of state government with jurisdiction to enforce state environmental laws.

7. Williams Alaska Petroleum Company, Inc. (WAPI) is an Alaska corporation licensed to and doing business in the State of Alaska. In 1998, WAPI acquired MAPCO Inc. (MAPCO) and was the successor in interest to MAPCO's liabilities arising out of MAPCO's ownership and operation of NPR from 1980 to 1988. Said defendant was the owner/operator of the NPR from 1998 to March 31, 2004.

8. The Williams Companies, Inc. is a Delaware corporation and is the guarantor on an Asset Sale and Purchase Agreement for the NPR entered into between Williams Alaska Petroleum, Inc. and Flint Hills Resources, LLC on March 31, 2004. Said defendant is licensed to and doing business in Alaska

1
2 9. Flint Hills Resources Alaska, LLC (FHAR) is an Alaska limited liability
3 corporation licensed to and doing business in the State of Alaska. Said defendant has
4 owned/operated NPR since April 1, 2004. Said defendant is licensed to and doing
5 business in Alaska.
6

7 10. Flint Hills Resources LLC (FHR) is a Delaware limited liability corporation
8 that purchased NPR in 2004 and has owned/operated NPR at material times referenced in
9 this matter. Said defendant is licensed to and doing business in Alaska.
10

11 BACKGROUND

12 11. Earth Resources of Alaska constructed the NPR in 1976 and began refining
13 operations in 1977. MAPCO owned and operated the refinery between 1980 and 1998.
14 WAPI acquired MAPCO in 1998 and thereafter owned and operated the NPR from 1998
15 through March 31, 2004.

16 12. During the period of time that MAPCO owned and operated NPR oil spills
17 occurred from refinery operations. Those spills resulted from leaking storage tanks,
18 leaking sumps, inadequately constructed sumps, an overflow of the wastewater handling
19 pond and certain petroleum handling procedures. During the first three years of operation,
20 enough petroleum products had been spilled or leaked and escaped to groundwater that a
21 fire was triggered during excavation work done in September, 1980.
22

23 13. From 1977 to 1987, there were 92 documented petroleum spills/leaks that
24 resulted in more than 160,000 gallons of petroleum materials being leaked or were spilled
25 at the site. These numbers do not accurately reflect the amounts actually spilled or leaked
26

1
2 during that time period since, by June of 1988, MAPCO had recovered over 276,000
3 gallons of product from recovery wells located on the refinery site.

4
5 14. Observation wells, monitoring wells, recovery wells, several french drains
6 and an oil barrier were installed over the years by MAPCO to detect the sources of the
7 contamination and to monitor its status.

8
9 15. Two types of groundwater contamination were identified on the refinery
10 property during WAPI's ownership that were of particular concern to DEC. The first
11 plume was a combination of benzene, toluene, ethyl benzene and xylenes (BTEX). The
12 second was a plume of light non-aqueous phase liquid (LNAPL).

13
14 16. On or about June 9, 1986, MAPCO began recovering petroleum products
15 from six collection wells located within the refinery. On or about August 1, 1986
16 MAPCO temporarily ceased pumping operations to recover the petroleum products. DEC
17 concluded that it was likely that recoverable quantities of liquid petroleum product
18 remained in the ground.

19
20 17. In late 1986 tests showed that the groundwater beneath NPR was
21 contaminated with benzene. At that time, DEC and MAPCO entered in to a Compliance
22 Order by Consent (hereinafter "COBC"). In consideration of DEC's promise to refrain
23 from legal action, MAPCO agreed to perform certain acts by specific deadlines. The acts
24 included: a) reactivate all existing collection wells installed at the refinery; b) install 20
25 liquid or vapor sensing monitoring wells around the perimeter of the refinery; c) the
26 liquid contained in the monitoring wells was to be sampled on a weekly basis for the

1
2 presence of liquid petroleum product; d) drinking water sources for the refinery were to
3 be tested on a monthly basis; e) the existing waste water holding pond at the refinery was
4 to be expanded and modified; f) an environmental audit was to be conducted to identify
5 the source, reasons for, and corrective actions necessary to reduce the abnormally high
6 concentration of hydrocarbons in the ground and holding pond; g) DEC reserved the right
7 to initiate administrative or legal proceedings or otherwise enforce any violations
8 discovered as a result of the environmental audit; and h) in the event of a breach of the
9 terms and conditions of the COBC, DEC was entitled to seek civil penalties or pursue
10 administrative or legal remedies. The COBC constituted a DEC order under
11 AS 46.03.850. The COBC is binding on MAPCO and subsequent purchasers or lessees of
12 the refinery.
13
14

15 18. In 1987, MAPCO began continuous automated recovery of petroleum
16 products in the ground water at five wells on site. Also in 1987, the drinking water at the
17 refinery was tested and found to be unaffected, as was the City of North Pole's water
18 system. The refinery connected to City water and began some monitoring and treatment
19 of the groundwater. Also, further site characterization work was performed.
20

21 19. In January 1988, an enhanced recovery system was installed at three wells.
22 Through June 1988, an estimated total of 276,400 gallons of product had been recovered
23 from the recovery wells.

24 20. On March 5, 1987, representatives of the Environmental Protection Agency
25 (EPA) conducted a Resource Conservation and Recovery Act (RCRA) inspection of the
26

1
2 refinery. That inspection resulted in concerns regarding releases of hazardous wastes or
3 hazardous waste constituents into the environment at the refinery, EPA and MAPCO
4 entered into a Consent Agreement and Final Order on January 6, 1989 that required
5 MAPCO to perform numerous corrective action measures.
6

7 21. In 1998, WAPI acquired MAPCO through a stock acquisition transaction.
8 WAPI became the successor in interest to liabilities accruing the operation of NPR during
9 MAPCO's ownership and operation.

10 22. In 2001, WAPI's environmental consultant, Shannon & Wilson conducted
11 a Contaminant Characterization Study of the NPR property and discovered the presence
12 of sulfolane at locations at the north end of the refinery property. Sulfolane was first used
13 by MAPCO in its refining process in September of 1985 after construction of an
14 extraction unit was completed. Sulfolane is a manufactured chemical developed in the
15 early 1960s as a solvent. Sulfolane is used to extract high purity aromatic components
16 from crude oil in order to strip out parts of crude oil to make gasoline. Sulfolane is
17 miscible in water. WAPI and FHAR continued the use of sulfolane during the times that
18 they operated NPR.
19

20 23. Shannon & Wilson did not list sulfolane as a contaminant of interest in its
21 June, 2002 Site Characterization and Corrective Action Plan submitted to WAPI because
22 DEC did not consider sulfolane to be a "regulated contaminant" at the time. DEC,
23 however, did direct WAPI to sample for sulfolane until the source of the sulfolane could
24 be determined. WAPI never identified a specific source of the sulfolane in the
25
26

1
2 groundwater but did conclude that sulfolane was present in the groundwater due, at least
3 in part, to spills or leaks that occurred during MAPCO's and WAPI's ownership of NPR.
4 WAPI discontinued monitoring for sulfolane after July, 2002.

5
6 24. During WAPI's ownership and operation of NPR, WAPI documented 126
7 spills and leaks resulting in a release of 21,197 gallons of petroleum products.

8 25. Based upon information and belief, WAPI intentionally failed to report or
9 under-reported spills and leaks that occurred during its ownership and operation of NPR.
10 WAPI management has acknowledged those practices and has attributed them to "fear of
11 being disciplined or from fear of negatively impacting 'the numbers'".

12
13 26. WAPI and FHR entered into an Asset Sale and Purchase Agreement
14 (ASPA) for the purchase of NPR effective April 1, 2004. The ASPA referenced the
15 presence of sulfolane in the groundwater at the NPR site and provided that FHR agreed to
16 take responsibility for the sulfolane that was "existing, known" and disclosed as of
17 April 1, 2004. Under the terms of the ASPA, WAPI was required to purchase a
18 \$50 million dollar policy of environmental liability insurance to cover environmental
19 risks. WAPI purchased this insurance.

20
21 27. After the transfer of ownership, FHR hired WAPI's environmental staff,
22 with one exception, and retained all of WAPI's NPR environmental files. FHR also
23 retained WAPI's environmental consultant, Shannon & Wilson.

24 28. In June of 2004 FHR directed Shannon & Wilson to perform additional
25 work so that FHRA could "gain a comprehensive understanding of the distribution of
26

1
2 subsurface contamination potentially attributable to past activities” at the refinery and to
3 “take appropriate measures to ensure this contamination is remediated or does not pose
4 an environmental or human health risk.”
5

6 29. In September 2004, Shannon & Wilson advised FHRA that since
7 groundwater can move contaminants off-site there was a possibility that contaminants
8 had moved off-site. Shannon & Wilson observed that “[g]roundwater represents potential
9 off-site contaminant migration medium.” Also, Shannon & Wilson concluded that the
10 “[s]ulfolane data suggests fresh hydrocarbons releases have occurred” and it
11 recommended that the sulfolane monitoring that it had been doing for WAPI be resumed.
12 At that point, FHRA should have concluded that the sulfolane extended beyond the
13 sampling disclosed as part of the ASPA. Later in September of 2004, sulfolane was
14 detected in sampling one of the monitoring wells at a level of which was eleven times
15 greater than the level detected from the same well in 2001.
16

17 30. On October 19, 2004 DEC advised FHR’s president that “[t]he source(s) of
18 Sulfolane in the ground water at the refinery needs to be determined.” FHR was also
19 advised that DEC now considered sulfolane to be a regulated contaminant and that “the
20 soil cleanup standards will be the 2001 Canadian Association of Petroleum Producers soil
21 quality guidelines and the water cleanup standards will be the 2002 British Columbia
22 Provincial government’s water quality guidelines.”
23

24 31. In January 2005, Shannon & Wilson advised FHRA and DEC that a sample
25 taken in September 2004 from a monitoring well on the NPR site detected sulfolane at a
26

1
2 level more than eleven times greater than that detected in the same monitoring well in
3 October 2001.

4 32. FHRA did not determine any sulfolane sources in 2005 and erroneously
5 concluded that any sulfolane in the ground was from historical releases that occurred
6 before it owned NPR. FHRA was on notice, as early as July 20, 2004 that sulfolane was
7 in the groundwater at the refinery site.
8

9 33. In June 2005, Shannon & Wilson, based on data showing that
10 contamination might be migrating to the northwest, recommended to FHRA that three
11 additional groundwater monitoring wells be installed on refinery property to serve as
12 sentry wells capable of detecting subsurface contaminants migrating in that direction off
13 the refinery site. FHR agreed with the recommendation and the wells were installed.
14
15 Soon after installation, one of the three wells tested positive for sulfolane.

16 34. In January 2006, DEC, as it had done in October 2004, advised FHR's
17 President that DEC considered sulfolane to be a regulated contaminant in accordance
18 with 18 AAC 75.325(g). DEC reiterated its reliance on the 2001 Canadian Association of
19 Petroleum Producers soil quality guidelines and the water quality guidelines of the British
20 Columbia Provincial Government adopted in 2002. DEC's correspondence specified a
21 sulfolane cleanup level for ground water of 350 ug/L.
22

23 35. Shannon & Wilson presented a proposal to FHRA in April 2006 to
24 implement a ground water monitoring program and to investigate the probable sources of
25 sulfolane. FHRA was advised by Shannon & Wilson that sulfolane was highly soluble in
26

1
2 water and would be highly mobile in the subsurface and "will migrate at a similar
3 velocity to the groundwater flow." Shannon & Wilson cautioned FHRA that "there may
4 be a sulfolane source providing continuous input" into the groundwater.

5
6 36. In the spring and early summer of 2006, sulfolane, near and exceeding the
7 groundwater cleanup levels, was found in samples taken from one of the three monitoring
8 wells installed onsite in 2005. Shannon & Wilson interpreted this data as evidencing a
9 constant source of sulfolane chronically leaching into groundwater, as opposed to an
10 acute surface release.

11
12 37. In its final report on the groundwater monitoring efforts undertaken in
13 2006, Shannon & Wilson concluded that the extent of the subsurface sulfolane
14 contamination had not been determined and that additional efforts should be pursued to
15 determine the sources and distribution of sulfolane at the refinery. Shannon & Wilson, on
16 October 24, 2006, recommended installing additional monitoring wells along NPR's
17 property boundary to serve as sentry wells to determine whether sulfolane was leaving
18 refinery property. Shannon & Wilson's recommendation was consistent with standard
19 environmental practices to determine whether a contaminant is migrating downgradient.

20
21 38. DEC agreed with Shannon & Wilson's recommendation on the monitoring
22 wells and so advised FHRA. FHRA ostensibly concurred with Shannon & Wilson's and
23 DEC's recommendation that additional monitoring wells be installed. However, rather
24 than immediately implementing Shannon & Wilson's recommendation, FHR waited
25
26

1
2 18 months and then decided, in January 2008, to hire a new environmental consultant,
3 Barr Engineering, and have a "cold eye review" of the situation done.

4
5 39. In August 2008, after completing its "cold eye review", Barr Engineering
6 advised FHRA that the sulfolane had migrated beyond the monitoring network "and
7 possibly beyond FHR-Alaska property." Barr recommended more monitoring wells on
8 the boundary of the refinery "[b]ecause there was a data gap between the downgradient
9 network and the property boundary." Barr Engineering's conclusions were virtually
10 identical to the conclusions that Shannon and Wilson had reached almost two years
11 before.

12
13 40. After receiving Barr Engineering's recommendation, the installation of the
14 monitoring wells began in August 2008 and was completed in early October of 2008.
15 Sampling from the newly installed monitoring wells done in October confirmed the
16 presence of sulfolane at the property boundary and indicated that sulfolane had migrated
17 off the refinery site. In fact, two of the newly installed monitoring wells that detected
18 sulfolane in the ground water were actually off the refinery property.

19
20 41. In November 2009, sulfolane was found in the City of North Pole raw
21 water supply and in a private well. The Alaska Department of Health and Social Services
22 (DHSS) and the United States Environmental Protection Agency (EPA) were contacted
23 by DEC for help in evaluating the toxicity of the sulfolane detected. DHSS contacted the
24 Agency for Toxic Substances and Disease Registry (ATSDR) a federal public health
25 agency of the United States Department of Health and Human Services that assists state
26

1
2 and local governments in responding to environmental threats to reduce exposure to
3 hazardous substances by using the best science. After consulting with ATSDR, DHSS
4 informed DEC that the cleanup level of 350 ug/L may be insufficiently protective of
5 human health.
6

7 42. Also in November of 2009, FHRA began providing well owners in the
8 vicinity of NPR with bottled water as a substitute for well water which could be
9 contaminated.

10 43. In February 2010 ATSDR published a preliminary health consultation that
11 recommended a 25 ug/L for a recommended action level in drinking water to be
12 protective of infants, 40 ug/L for children and 87.5 ug/L for adults. Upon the
13 recommendation of ATSDR and DHSS, DEC adopted the 25 ug/L as an interim cleanup
14 level and inform FHR that it must redo a risk assessment and additional site
15 characterization, including a complete well search, to come into compliance with
16 18 AAC 75. DEC requested EPA to develop a toxicity value for sulfolane.
17

18 44. During the first quarter of 2011, DEC held regular meetings with federal
19 and state agencies investigating the toxicity of sulfolane.
20

21 45. In May 2011, after a peer review, including review by members of the
22 multi-agency Minimum Risk Levels Peer Review Panel, ATSDR released a revised
23 health consultation that lowered their previous recommendation to 20 ug/L in drinking
24 water for infants, 32 ug/L for children and 70 ug/L for adults.
25
26

1
2 46. From April 12, 2004 to December 8, 2012, FHRA documented 177 spills or
3 leaks at NPR.

4 47. In January 2012, the EPA announced a Provisional Peer Reviewed Toxicity
5 Value (PPRTV) that results in an EPA regional screening level for sulfolane in
6 groundwater of 16 ug/L. Later, in June of 2012 EPA completed its Preliminary
7 Assessment and National Priorities List ranking and found NPR was eligible for a
8 superfund listing.
9

10 48. DEC completed its evaluation of the cumulative exposure from all exposure
11 pathways and set a site-specific cleanup level of 14 ug/L for NPR.
12

13 49. Since the discovery of sulfolane in late 2009 in private drinking wells
14 adjacent to NPR, FHRA has taken steps to provide alternative water sources to the over
15 300 affected properties with contaminated water wells. These steps have included: the
16 delivery of bottled water; the installation and delivery of potable water to storage tanks
17 and the installation of a "point of entry" filtration system in homes. On information and
18 belief, FHR is spending approximately \$2.3 million annually to operate and to monitor
19 these systems.
20

21 50. One long term option for supplying water to residents living in the affected
22 areas adjacent to NPR with contaminated ground water wells is to expand the existing
23 City of North Pole's piped water system to serve affected properties. On information and
24 belief, the projected cost of doing this is in excess of \$50 million.
25
26

1
2 51. FHRA has been operating a "pump and treat" system to prevent migration
3 of hydrocarbons off the NPR site. The current annual cost of running this system is
4 approximately \$500,000. The cost of the proposed system enhancements is
5 approximately \$3.2 million, plus additional annual operations cost.
6

7 52. The presence of sulfolane contamination in groundwater impacts
8 excavations for structures, utilities and other improvements on land that may be
9 undertaken on properties within the sulfolane groundwater plume. A "dewatering
10 management plan" needs to be developed to treat contaminated water encountered in the
11 field, or to find alternatives to limit the amount of extracted water. Defendants have
12 refused DEC's requests to develop such plans. The estimated cost of developing such
13 plans is \$200,000.
14

15 53. Research, originally undertaken by the University of Alaska Fairbanks, to
16 better understand the degradation of sulfolane as well as its fate and transport needs to be
17 continued in order to fill important data gaps that may potentially impact cleanup of
18 sulfolane. This additional research is estimated to cost in excess of \$400,000.
19

20 GENERAL ALLEGATIONS

21 54. Sulfolane is a hazardous substance within the meaning of AS 46.03.745,
22 AS 46.09.900, AS 46.03.826, and 18 AAC 75.990.

23 55. NPR and the area surrounding it where sulfolane or petroleum
24 contamination is now located is "the Site" under Alaska environmental statutes and
25 regulations.
26

1
2 56. Defendants have caused or permitted the discharge of oil at the Site in
3 violation of AS 46.03.710 and AS 46.03.740.

4 57. Defendants have caused or permitted the release of sulfolane at the Site in
5 violation of AS 46.03.745.
6

7 58. Defendants' releases of sulfolane have polluted or added to the pollution of
8 soil, subsurface soil and groundwater in violation of AS 46.03.710 by rendering the
9 groundwater impure and unfit for human consumption or use.

10 59. Defendants' discharges of oil have polluted or added to the pollution of
11 soil, subsurface soil and groundwater in violation of AS 46.03.710 by rendering the
12 groundwater impure and unfit for human consumption or use.
13

14 60. Defendants have failed to contain and cleanup the discharges of oil in
15 violation of AS 46.04.020 and 18 AAC 75.

16 61. Defendants have not taken reasonable efforts to contain and clean up the
17 releases of sulfolane promptly after learning of the releases in violation of AS 46.09.020
18 and 18 AAC 75.

19 62. Defendants have failed to contain and clean up the releases of sulfolane in
20 violation of AS 46.09.020 and 18 AAC 75.

21 63. Under AS 46.03.822 the owner and operator of a facility from which there
22 is a release of hazardous substances is strictly liable for response costs and damages
23 resulting from that release.
24
25
26

64. The corrective actions required by the COBC have not been completed by Defendants.

FIRST CLAIM FOR RELIEF

**INJUNCTIVE RELIEF
(AS 46.03.765)**

65. Plaintiff realleges and incorporates herein by reference each and every allegation set forth above.

66. Each Defendants' violation of AS 46.03.710, AS 46.03.740, AS 46.03.745, AS 46.04.020, AS 46.09.020 and 18 AAC 75. 75.325 – 75.390 are continuing.

67. Defendants should be enjoined pursuant to AS 46.03.765 to 1) prohibit their continuing violations of AS 46.03.710, AS 46.03.740, AS 46.03.745, AS 46.04.020, AS 46.09.020 and 18 AAC 75.325 – 75.390 and 2) order Defendants to comply with State Oil and Hazardous Substance Cleanup requirements.

SECOND CLAIM FOR RELIEF

**COST RECOVERY
(AS 46.03.822; AS 46.03.760(d))**

68. Plaintiff realleges and incorporates herein by reference each and every allegation set forth above.

69. Since 2009, the Department of Environmental Conservation of the State of Alaska has responded to the discovery of sulfolane contamination associated with the Site.

1
2 70. Plaintiff State of Alaska has incurred unreimbursed response costs,
3 including legal fees and costs, in excess of \$900,000 and those costs are ongoing.

4 71. Pursuant to AS 46.03.822, AS 46.03.760(d), AS 46.03.763, and other law,
5 Defendants are strictly liable, jointly and severally, for the full amount of actual expenses
6 incurred by the State as a result of these releases and threatened releases of hazardous
7 substances, including direct and indirect costs of response, containment, removal or
8 remedial action, full reasonable attorneys fees and costs, and incidental administrative
9 expenses.
10

11 72. Plaintiff has incurred and will incur additional costs in seeking to collect
12 the amount due. Defendants are liable for those additional costs.
13

14 **THIRD CLAIM FOR RELIEF**

15 **DECLARATORY RELIEF FOR FUTURE RESPONSE COSTS**
16 **(AS 22.10.020(g); AS 46.03.822; AS 46.03.760(d))**

17 73. Plaintiff realleges and incorporates herein by reference each and every
18 allegation set forth above.

19 74. Plaintiff State of Alaska will continue to incur response costs for cleanup,
20 monitoring and other related activities in amounts to be proven.

21 75. Pursuant to AS 46.03.822, AS 46.03.760, AS 46.03.763, and other law,
22 Defendants are strictly liable, jointly and severally, for the full amount of actual expenses
23 incurred by the State in the future as a result of the releases, including direct and indirect
24

costs of response, containment, removal or remedial action, full reasonable attorney's fees and costs, and incidental administrative expenses incurred by the State.

76. Pursuant to AS 22.10.020(g), Plaintiff seeks a declaration from the Court that Defendants are liable, pursuant to AS 46.03.822, AS 46.03.760 and AS 46.03.763, for all recoverable expenses, including direct and indirect costs of response, containment, removal or remedial action, full reasonable attorney's fees and costs and incidental administrative expenses incurred by the State in the future as a result of the releases of sulfolane.

FOURTH CLAIM FOR RELIEF

CIVIL ASSESSMENTS (AS 46.03.760(a))

77. Plaintiff realleges and incorporates herein by reference each and every allegation set forth above.

78. Pursuant to AS 46.03.760(a), each Defendant is liable to Plaintiff for civil assessments of not less than \$500, nor more than \$100,000 for each initial violation, plus not more than \$5,000 for each day thereafter for each violation, and for all other damages and costs incurred by Plaintiff.

FIFTH CLAIM FOR RELIEF

NATURAL RESOURCE DAMAGES AND RESTORATION COSTS (AS 46.03.822 and AS 46.03.780)

79. Plaintiff realleges and incorporates herein by reference each and every allegation set forth above.

1
2 80. Under Article VIII, Sections 3 and 13 of the Alaska Constitution
3 groundwater is a public natural resource held in trust for the people of Alaska.

4 81. The sulfolane releases at the Site has destroyed and/or damaged the State's
5 groundwater.
6

7 82. Defendants' efforts to date have not returned the groundwater to its pre-
8 injury condition. Defendant's current efforts will require the passage of many years in
9 order for the groundwater to return to its original condition.

10 83. Pursuant to AS 46.03.822 and AS 46.03.780, Defendants are liable to the
11 State for those sums necessary to restore the Site to its pre-release condition, and to
12 compensate the State for the interim loss of the natural resources destroyed or damaged
13 by the spills. These losses include, but are not limited to, the cost of expanding the
14 existing City of North Pole's piped water system to serve affected properties, the cost of
15 providing alternative safe water or filtration systems to the properties with contaminated
16 water wells, the cost of developing and implementing a dewatering management plan, the
17 cost of research necessary to understand the natural breakdown of sulfolane and its
18 transport to all parts and depths of the aquifer, and the cost of operating a "pump and
19 treat" system at NPR to prevent the migration contaminants off the NPR site.
20
21

22 **RELIEF SOUGHT**

23 WHEREFORE, Plaintiff asks this Court:

24 A. to adjudge and decree that Defendants have engaged in the conduct alleged
25 herein and to enter judgment in favor of the Plaintiff and against each Defendant;
26

SOA v. Williams Alaska Petroleum, Inc., et al.,
Complaint

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1
2 B. to award all statutorily authorized civil assessments, oil and hazardous
3 substance response costs, natural resource damages, restoration costs, and compensatory,
4 incidental damages in an amount to be proven at trial;

5 C. to enjoin Defendants' violations pursuant to AS 46.03.765 and order
6 Defendants to comply with State Oil and Hazardous Substance Cleanup requirements;
7

8 D. to award prejudgment interest, full reasonable attorneys' fees and the costs
9 of this action;

10 E. to grant such other and additional relief as may be just and proper.

11 DATED March 6, 2014

12 MICHAEL C. GERAGHTY
13 ATTORNEY GENERAL

14 By: 

15 John A. Treptow
16 Senior Assistant Attorney General
Alaska Bar No. 7605059

17 By: 

18 Lauri J. Adams
19 Senior Assistant Attorney General
20 Alaska Bar No. 7907068

AS 46.03.822. Strict Liability For the Release of Hazardous Substances.

(a) Notwithstanding any other provision or rule of law and subject only to the defenses set out in (b) of this section, the exception set out in (i) of this section, the exception set out in AS 09.65.240 , and the limitation on liability provided under AS 46.03.825 , the following persons are strictly liable, jointly and severally, for damages, for the costs of response, containment, removal, or remedial action incurred by the state, a municipality, or a village, and for the additional costs of a function or service, including administrative expenses for the incremental costs of providing the function or service, that are incurred by the state, a municipality, or a village, and the costs of projects or activities that are delayed or lost because of the efforts of the state, the municipality, or the village, resulting from an unpermitted release of a hazardous substance or, with respect to response costs, the substantial threat of an unpermitted release of a hazardous substance:

(1) the owner of, and the person having control over, the hazardous substance at the time of the release or threatened release; this paragraph does not apply to a consumer product in consumer use;

(2) the owner and the operator of a vessel or facility, from which there is a release, or a threatened release that causes the incurrence of response costs, of a hazardous substance;

(3) any person who at the time of disposal of any hazardous substance owned or operated any facility or vessel at which the hazardous substances were disposed of, from which there is a release, or a threatened release that causes the incurrence of response costs, of a hazardous substance;

(4) any person who by contract, agreement, or otherwise arranged for disposal or treatment, or arranged with a transporter for transport for disposal or treatment, of hazardous substances owned or possessed by the person, other than domestic sewage, or by any other party or entity, at any facility or vessel owned or operated by another party or entity and containing hazardous substances, from which there is a release, or a threatened release that causes the incurrence of response costs, of a hazardous substance;

(5) any person who accepts or accepted any hazardous substances, other than refined oil, for transport to disposal or treatment facilities, vessels or sites selected by the person, from which there is a release, or a threatened release that causes the incurrence of response costs, of a hazardous substance.

(b) In an action to recover damages or costs, a person otherwise liable under this section is relieved from liability under this section if the person proves

(1) that the release or threatened release of the hazardous substance to which the damages relate occurred solely as a result of

(A) an act of war;

(B) except as provided under AS 46.03.823 (c) and 46.03.825(d), an intentional or negligent act or omission of a third party, other than a party or its agents in privity of contract with, or employed by, the person, and that the person

(i) exercised due care with respect to the hazardous substance; and

(ii) took reasonable precautions against the act or omission of the third party and against the consequences of the act or omission; or

(C) an act of God; and

(2) in relation to (1)(B) or (C) of this subsection, that the person, within a reasonable period of time after the act occurred,

(A) discovered the release or threatened release of the hazardous substance; and

(B) began operations to contain and clean up the hazardous substance.

(c) For purposes of (b)(1)(B) of this section, a third party or an agent of a third party is in privity of contract with the person who is otherwise liable, if the third party or its agent and the person are parties to a land contract, deed, or other instrument transferring title or possession of the real property on which the facility in question is located, unless that property was acquired by the person after the disposal or placement of the hazardous substance on, in, or at the facility, and the person establishes that the person has satisfied the requirements of (b)(1)(B) of this section and establishes that

(1) at the time the person acquired the facility the person did not know and had no reason to know that a hazardous substance that is the subject of the release or threatened release was disposed of on, in, or at the facility;

(2) the person is a governmental entity that acquired the facility by escheat, or through another involuntary transfer or acquisition, or through the exercise of eminent domain authority by purchase or condemnation;

(3) the person is a corporation organized under 43 U.S.C. 1601 et seq. (Alaska Native Claims Settlement Act) that acquired the facility under those sections;

(4) the person acquired the facility by inheritance or bequest; or

(5) the person is a state governmental entity and the state acquired the facility under Public Law 85-508 (Alaska Statehood Act).

(d) To establish that a person had no reason to know that the hazardous substance was disposed of on, in, or at the facility, as provided in (c)(1) and (i) of this section, the person must have undertaken, at the time of voluntary acquisition, all reasonable inquiries into the previous ownership and uses of the property consistent with good commercial or customary practice in an effort to minimize liability. For purposes of this subsection a court shall take into account all relevant facts, including

(1) any specialized knowledge or experience the person has;

(2) the relationship of the purchase price to the value of the property if it were uncontaminated;

(3) commonly known or reasonably ascertainable information about the property;

(4) the obviousness of the presence or likely presence of contamination at the property; and

(5) the ability to detect contamination by appropriate inspection.

(e) This section does not diminish the liability of a person who previously owned or operated a facility or vessel and who would otherwise be liable. If the person obtained actual knowledge of the release or threatened release of a hazardous substance at the facility or vessel and subsequently transferred ownership to another without disclosing that knowledge, the person is liable under (a)(2) of this section, and a defense under (b)(1)(B) of this section is not available to the person.

(f) This section does not diminish the liability of a person who, by an act or omission, caused or contributed to the release or threatened release of a hazardous substance that is the subject of the action relating to the facility or vessel.

(g) An indemnification, hold harmless, or similar agreement, or conveyance of any nature is not effective to transfer liability under this section from the owner or operator of a facility or vessel or from a person who might be liable for a release or substantial threat of a release under this section. This subsection does not bar an agreement to insure, hold harmless, or indemnify a party to the agreement for liability under this section. This subsection does not bar a cause of action that an owner, operator, or other person subject to liability under this section, or a guarantor, has or would have, by reason of subrogation or otherwise against another person.

(h) The state, a municipality, a village, a person who acts as a volunteer and is engaged in a response action under the direction of the federal or state on-scene coordinator, and a vessel of opportunity engaged in a response action under the direction of the federal or state on-scene coordinator are not liable under this section for costs or damages as a result of actions taken in response to an emergency created by a release or threatened release of a hazardous substance generated by or from a facility or vessel owned by another person unless the actions taken by the state, the municipality, the village, the volunteer, or the vessel constitute gross negligence or intentional misconduct.

(i) In an action to recover damages and costs, a person otherwise jointly and severally liable under this section is relieved of joint liability and is liable severally for damages and costs attributable to that person if the person proves that

(1) the harm caused by the release or threatened release is divisible; and

(2) there is a reasonable basis for apportionment of costs and damages to that person.

(j) A person may seek contribution from any other person who is liable under (a) of this section during or after a civil action under (a) of this section or after the issuance of a potential liability determination by the department. Actions under this subsection shall be brought under the Alaska Rules of Civil Procedure and are governed by state law. In resolving claims for contribution under this section, the court may allocate damages and costs among liable parties using equitable factors determined to be appropriate by the court. This subsection does not diminish the right of a person to bring an action for contribution in the absence of a civil action under (a) of this section.

(k) A unit of state or local government that acquired ownership or control of a vessel or facility through bankruptcy, foreclosure, deed in lieu of foreclosure, tax delinquency proceeding, abandonment, escheat, the exercise of eminent domain authority by purchase or condemnation, or circumstances in which the governmental unit involuntarily acquired title by virtue of its function as a sovereign is not liable as an owner or operator under this section unless the governmental unit has caused or contributed to the release or threatened release of a hazardous substance at or from the facility or vessel, in which case, the governmental unit is subject to liability under this section in the same manner and to the same extent, both procedurally and substantively, as any nongovernmental entity. A hazardous substance release shall be determined to have occurred as provided in this section. For purposes of this subsection, "caused or contributed to the release or threatened release of a hazardous substance"

(1) does not include the failure to prevent the passive leaching or migration at or from a facility or vessel of a hazardous substance in the air, land, or water that had first been released to the environment by a person other than the governmental unit that acquired the facility or vessel;

(2) does not include the exercise or failure to exercise regulatory or enforcement authority;

(3) after the ownership or control of the facility or vessel has been acquired by the governmental unit, includes

(A) the spilling, leaking, pumping, pouring, emptying, injecting, escaping, or dumping of a hazardous substance from barrels, tanks, containers, or other closed receptacles; or

(B) the abandonment or discarding of barrels, tanks, containers, or other closed receptacles containing a hazardous substance.

(l) For purposes of determining liability in an action to recover damages or costs under this section, a person who acquires a facility and who, upon discovering a release or threatened release on, in, or at the facility that occurred before acquisition of the facility, who had no reason to know that a hazardous substance was disposed of on, in, or at the facility, and who, upon discovering the release or threatened release, acted in accordance with (b)(2) of this section to begin operations to contain and clean up the

hazardous substance, may not be held liable under this section unless the person has caused or contributed to the release or threatened release of the hazardous substance, in which case, the person is subject to liability under this section in the same manner as any other person. For purposes of this subsection, "caused or contributed to the release or threatened release of the hazardous substance"

(1) does not include the failure to prevent the passive leaching or migration at or from a facility of a hazardous substance in the air, land, or water that had first been released into the environment by a person other than the person that acquired the facility;

(2) after the ownership or control of the facility has been acquired by the person includes

(A) the spilling, leaking, pumping, pouring, emptying, injecting, escaping, or dumping of a hazardous substance from barrels, tanks, containers, or other closed receptacles; or

(B) the abandonment or discarding of barrels, tanks, containers, or other closed receptacles containing a hazardous substance.

(m) In this section,

(1) "damages" has the meaning given in AS 46.03.824 and includes damage to persons or to public or private property, damage to the natural resources of the state or a municipality, and damage caused by acts or omissions of a response action contractor for which the response action contractor is not liable under AS 46.03.823 or 46.03.825;

(2) "potential liability determination" means an administrative determination issued by the department notifying a person of the person's potential liability under (a) of this section as the result of the release or threatened release of hazardous substances and includes a

(A) letter notifying the person that the person is a potentially responsible party;

(B) notice to a person of state interest in a release or threatened release of a hazardous substance;

(C) request to the person for site characterization or cleanup;

(D) notice of violation; and

(E) similar notification by the department of a person's potential liability under this section.

State of Alaska
Public Employees' Retirement System
Gross Salaries - FY2013

Unfunded Actuarial Accrued Liability @ 6/30/12: \$ 7,460,335,000

	FY2013 Gross Salary by Employer	Current PERS annual contribution at 22%	Proposed PERS annual contribution at 24%	22% to 24% Variance	Proposed Increase by Community	Entities w/ ANNUAL cost increases > \$50,000/yr.	Approximate Added costs 2015-2038 (21 years)
208 AKUTAN, CITY OF	658,067	144,775	157,938	13,161	13,161		276,388
255 ALASKA GATEWAY SD	1,299,874	285,972	311,970	25,997	25,997		545,947
152 ALASKA HOUSING FINANCE CORPORATION	23,208,427	5,106,074	5,570,282	464,189			
101 ALASKA, STATE OF	\$ 1,121,294,752	\$ 246,684,845	\$ 269,110,740	\$ 22,425,895			
267 ALEUTIAN HOUSING AUTHORITY	1,278,569	281,285	306,857	25,571			
281 BARANOF ISLAND HA	718,614	158,095	172,467	14,372			
270 BERING STRAITS RHA	1,446,578	318,247	347,179	28,932			
223 BRISTOL BAY RHA	1,636,206	359,865	392,689	32,724			
262 COOK INLET HOUSING AUTHORITY	6,650,691	1,463,152	1,596,166	133,014			
224 COPPER RIVER BASIN RHA	622,090	136,860	149,302	12,442			
263 INTERIOR RHA	1,667,930	366,945	400,303	33,359			
276 NORTH PACIFIC RIM HA	1,300,329	286,072	312,079	26,007			
288 NORTHWEST INUPIAT HOUSING AUTHORITY	1,277,823	281,121	306,678	25,558			
293 TAGUIGMULLU NUNAMULLU HOUSING AUTHORITY	1,302,103	286,463	312,505	26,042			
278 TUNGIT-HADA RHA	3,343,921	735,863	802,541	66,678			
113 UNIVERSITY OF ALASKA	119,270,919	26,239,602	28,625,021	2,385,418	25,700,399	State of AK	539,708,380
105 ALASKA MUNICIPAL LEAGUE	264,333	58,153	63,440	5,287	5,287		111,020
162 ALEUTIAN REGION SD	158,129	34,788	37,951	3,163	3,163		66,414
230 ALEUTIANS EAST BOROUGH	748,644	164,702	179,875	14,973			
244 ALEUTIANS EAST BOROUGH SD	914,461	201,181	219,471	18,289	33,262		698,504
203 ANCHORAGE COMMUNITY DEVELOP AUTHORITY	1,997,481	439,448	479,395	39,950			
111 ANCHORAGE SD	95,844,182	21,085,720	23,002,604	1,916,884			
173 MUNICIPALITY OF ANCHORAGE	189,081,733	41,597,962	45,370,616	3,781,635	5,738,468	Anchorage	120,507,826
298 ANIAK, CITY OF	119,290	26,244	28,630	2,386	2,386		50,102
103 ANNETTE ISLAND SD	829,938	182,586	199,185	16,599			348,574
243 ATKA, CITY OF	113,096	24,881	27,143	2,262	2,262		47,500
171 BARROW, CITY OF	1,368,236	305,412	333,177	27,765	27,765		583,059
219 BARTLETT REGIONAL HOSPITAL	28,991,489	6,378,128	6,957,957	579,830	579,830	Bartlett Regional	12,176,425
104 BERING STRAIT SD	8,305,959	1,827,309	1,993,428	166,119	166,119	Bering Straits	3,488,499
136 BETHEL, CITY OF	6,786,178	1,492,959	1,628,683	135,724	135,724	Bethel	2,850,195
144 BRISTOL BAY BOROUGH	2,204,339	484,955	529,041	44,087			
184 BRISTOL BAY BOROUGH SD	525,791	115,874	128,191	10,516	54,803	Bristol Bay Boro	1,146,655
105 CHATHAM SD	491,418	108,112	117,940	9,828	9,828		208,398
121 CHUGACH SD	461,815	101,599	110,836	9,236	9,236		193,962
112 COPPER RIVER SD	1,183,394	260,347	284,015	23,668	23,668		497,025
185 CORDOVA CITY SD	760,054	167,212	182,413	15,201			
163 CORDOVA COMMUNITY MEDICAL CENTER	2,531,828	557,024	607,683	50,659			
146 CORDOVA, CITY OF	2,457,694	540,693	589,847	49,154	114,994	Cordova	2,414,864
204 CRAIG CITY SD	214,432	974,692	1,068,926	19,484			
180 CRAIG, CITY OF	1,437,070	316,155	344,897	28,741	48,235		1,012,940
282 DELTA JUNCTION, CITY OF	297,297	65,405	71,351	5,946	5,946		124,865
246 DELTA/GREELY SD	1,903,969	418,873	458,953	38,079	38,079		799,687
258 DENALI BOROUGH	474,729	104,440	113,935	9,495			
118 DENALI BOROUGH SD	1,081,371	237,902	259,529	21,627	31,122		653,562
205 DILLINGHAM CITY SD	1,566,945	344,728	376,067	31,339			
178 DILLINGHAM, CITY OF	2,863,647	588,002	639,275	53,273	84,612	Dillingham	1,776,849
271 EGECHK, CITY OF	80,009	19,802	21,602	1,800	1,800		37,804
242 ELM, CITY OF	23,408	5,149	5,617	468	468		9,831
116 FAIRBANKS NORTH STAR BOROUGH	23,936,383	5,266,004	5,744,732	478,728			
117 FAIRBANKS NORTH STAR BOROUGH SD	35,160,439	7,735,297	8,438,506	703,209			
129 FAIRBANKS, CITY OF	9,187,044	2,021,150	2,204,891	183,741	1,365,677	Fairbanks	28,679,224
183 FORT YUKON, CITY OF	474,175	104,319	113,802	9,484	9,484		198,154
141 GALENA CITY SD	3,789,293	833,644	909,430	75,786			
162 GALENA, CITY OF	895,738	197,062	214,977	17,915	93,701	Galena	1,967,712
186 HAINES BOROUGH	2,322,420	510,932	557,381	46,448			
240 HAINES BOROUGH SD	915,356	201,378	219,685	18,307	64,758	Haines	1,359,866
215 HOMER, CITY OF	6,407,419	1,409,632	1,537,781	128,148	128,148	Homer	2,891,116
138 HOONAH CITY SD	686,785	151,093	164,828	13,736			
199 HOONAH, CITY OF	1,111,415	244,511	266,740	22,228	35,984		755,244
235 HUSLIA, CITY OF	139,147	30,612	33,395	2,783	2,783		58,442
168 HYDABURG CITY SD	249,180,00	54,820	59,803	4,984	4,984		104,656
124 IFTAKOD AREA SD	924,314	209,509	228,555	19,046	19,046		399,972
275 ILLASGVK COLLEGE	5,490,189	1,207,837	1,317,841	109,803	109,803	Illasgvik College	2,305,871
284 INTER-ISLAND FERRY AUTHORITY	1,105,741	243,263	265,378	22,115	22,115		464,411
108 JUNEAU BOROUGH SD	11,932,268	2,625,089	2,863,744	238,645			
126 JUNEAU, CITY AND BOROUGH	34,111,073	7,504,436	8,186,658	682,221	920,867	Juneau	19,338,203
260 KACHEMAK, CITY OF	22,210	4,886	5,330	444	444		9,328
265 KAKE CITY SD	476,757	104,887	114,422	9,535	9,535		200,238
237 KALTAG, CITY OF	23,043	5,069	5,530	461	461		9,678
211 KASHUNAJUT SD	1,490,748	327,064	357,779	29,815	29,815		628,113
180 KENAI PENINSULA BOROUGH	19,027,219	4,185,988	4,566,533	380,544			
190 KENAI PENINSULA BOROUGH SD	18,005,046	3,961,110	4,321,211	360,101	740,645	Kenai Peninsula	15,553,551
115 KENAI, CITY OF	7,373,309	1,622,128	1,769,594	147,466	147,466	Kenai	3,098,790
122 KETCHIKAN GATEWAY BOROUGH	5,458,558	1,200,882	1,310,053	109,171			
177 KETCHIKAN GATEWAY BOROUGH SD	5,142,437	1,131,336	1,234,185	102,849			
181 KETCHIKAN, CITY OF	8,956,822	1,970,501	2,149,637	179,136	391,156	Ketchikan	8,214,282
151 KING COVE, CITY OF	1,101,292	242,284	264,310	22,026	22,026		462,543
281 Klawock City SD	586,310	128,988	140,714	11,726			
227 Klawock, City of	700,834	154,183	169,200	14,017	25,743		540,600
174 KODIAK ISLAND BOROUGH	3,151,947	693,428	758,487	65,059			
158 KODIAK ISLAND BOROUGH SD	6,080,865	1,339,990	1,461,808	121,817			
128 KODIAK, CITY OF	6,781,354	1,491,898	1,627,525	135,627	320,483	Kodiak	6,730,150
140 KOTZEBUE, CITY OF	4,195,340	922,975	1,006,882	83,907	83,907	Kotzebue	1,762,043
287 KOYUK, CITY OF	0	-	-	-	-		
125 KUSPUK SD	1,428,849	314,347	342,924	28,577	28,577		600,117
247 LAKE AND PENINSULA BOROUGH	251,915	55,421	60,460	5,038			
164 LAKE AND PENINSULA BOROUGH SD	1,885,772	414,670	456,585	37,715	42,754		897,829
157 LOWER KUSKOWIM SD	16,922,587	3,722,969	4,081,421	338,452	338,452	Lower Kuskowim	7,107,487
153 LOWER YUKON SD	6,185,308	1,360,768	1,484,474	123,706	123,706	Lower Yukon	2,597,829
109 MATANUSKA-SUSITNA BOROUGH	19,279,808	4,241,558	4,627,154	385,596			
110 MATANUSKA-SUSITNA BOROUGH SD	28,605,581	6,293,228	6,865,339	572,112	957,708	Matanuska-Boro	20,111,863
198 NENANA CITY SD	1,336,845	294,062	320,795	26,733			
193 NENANA, CITY OF	312,903	68,839	75,097	6,258	32,991		692,810
149 NOME CITY SD	1,993,528	438,576	478,446	39,871			
175 NOME JOINT UTILITY SYSTEM	907,488	199,847	217,797	18,150			
139 NOME, CITY OF	2,911,063	640,434	698,655	58,221	116,242	Nome	2,441,072
170 NORTH PACIFIC FISHERY MGMT COUNCIL	1,298,524	285,675	311,646	25,970	25,970		545,360
191 NORTH POLE, CITY OF	2,542,096	559,261	610,103	50,842	50,842	North Pole	1,067,680
145 NORTH SLOPE BOROUGH	61,396,859	13,507,265	14,735,198	1,227,933			
161 NORTH SLOPE BOROUGH SD	11,179,129	2,459,408	2,682,991	223,583	1,451,516	N. Slope Boro	30,481,831
220 NORTHWEST ARCTIC BOROUGH	2,172,772	478,010	521,465	43,455			
154 NORTHWEST ARCTIC BOROUGH SD	6,837,122	1,504,167	1,640,909	136,742	180,198	NW Arctic Boro	3,764,155
297 NULATO, CITY OF	111,476	24,525	26,754	2,230			46,820
134 PALMER, CITY OF	4,045,793	890,074	970,990	80,916	80,916	Palmer	1,699,233
257 PELICAN CITY SD	77,619	17,076	18,629	1,552			
200 PELICAN, CITY OF	119,243	26,233	28,618	2,385	3,937		82,682
226 PETERSBURG CITY SD	1,024,897	225,477	245,975	20,498			
187 PETERSBURG MEDICAL CENTER	5,013,862	1,103,509	1,203,327	100,277			
143 PETERSBURG, CITY OF	4,762,012	1,047,643	1,142,883	95,240	218,015	Petersburg	4,538,324
156 PRIBILOF SD	353,080	77,678	84,738	7,062	7,062		148,294
221 SAINT MARY'S SD	555,300	122,298	133,418	11,118			233,478
172 SAINT PAUL, CITY OF	1,493,048	328,471	358,332	29,861	29,861		627,080
176 SAND POINT, CITY OF	1,153,491	253,768	276,838	23,070	23,070		484,466

State of Alaska
Public Employees' Retirement System
Gross Salaries - FY2013

Unfunded Actuarial Accrued Liability @ 6/30/12: \$ 7,460,331,000

	FY2013 Gross Salary by Employer	Current PERS annual contribution		Proposed PERS 22% to 24% Variance		Proposed Increase by Community	Entitles w/ ANNUAL cost increases > \$50,000 /yr.	Approximate Added costs 2015-2036 (21 years)
		at 22%	at 24%					
278	SAXMAN SEAPORT	13,035	2,868	3,128	261			
190	SAXMAN, CITY OF	141,301	31,086	33,912	2,826	3,087		64,821
286	SELDOVIA, CITY OF	83,484	18,366	20,036	1,670	1,670		35,063
182	SEWARD, CITY OF	4,770,409	1,049,490	1,144,898	95,408	95,408	Seward	2,003,572
291	SHAKTOOLIK, CITY OF	37,121	8,167	8,909	742	742		15,591
133	SITKA BOROUGH SD	2,720,300	598,466	652,872	54,406			
165	SITKA COMMUNITY HOSPITAL	9,036,447	1,989,018	2,168,747	180,729			
120	SITKA, CITY AND BOROUGH	10,141,983	2,231,236	2,434,076	202,840	437,975	Sitka	9,197,467
225	SKAGWAY CITY SD	262,001	57,640	62,880	5,240			
296	SKAGWAY, MUNICIPALITY OF	3,168,306	698,587	759,913	63,326	68,566	Skagway	1,439,889
123	SOLDOTNA, CITY OF	3,457,253	760,598	829,741	69,145	69,145	Soldotna	1,452,046
155	SOUTHEAST ISLAND SD	692,585	152,389	166,220	13,852	13,852		290,886
167	SOUTHEAST REGIONAL RESOURCE CENTER	1,459,304	321,047	350,233	29,186	29,186		612,908
102	SOUTHWEST REGION SD	2,378,357	523,239	570,806	47,567	47,567		998,910
216	SPECIAL EDUCATION SERVICE AGENCY	260,181	57,240	62,449	5,204	5,204		109,276
166	TANANA SD	119,639	26,321	28,713	2,393			
169	TANANA, CITY OF	131,121	28,847	31,469	2,622	5,015		105,319
206	THORNE BAY, CITY OF	366,506	80,631	87,961	7,330	7,330		153,933
280	TOOKSOOK BAY, CITY OF	26,788	5,893	6,429	536	536		11,251
249	UNALAKLEET, CITY OF	493,004	108,461	118,321	9,860	9,860		207,062
209	UNALASKA CITY SD	1,151,432	253,315	276,344	23,029			
179	UNALASKA, CITY OF	10,144,256	2,231,736	2,434,621	202,885	225,914	Unalaska	4,744,189
290	UPPER KALSKAG, CITY OF	32,779	7,211	7,857	656	656		13,767
137	VALDEZ CITY SD	2,163,768	476,029	519,304	43,275			
107	VALDEZ, CITY OF	7,480,331	1,645,673	1,795,279	149,607	192,882	Valdez	4,050,522
131	WASILLA, CITY OF	6,756,995	1,486,539	1,621,679	135,140	135,140	Wasilla	2,837,938
202	WHITTIER, CITY OF	1,006,664	221,906	242,079	20,173	20,173		423,639
146	WRANGELL PUBLIC SD	990,320	217,870	237,677	19,806			
135	WRANGELL, CITY AND BOROUGH	3,686,002	810,920	884,640	73,720	93,528	Wrangell	1,964,055
264	YAKUTAT SD	333,993	73,478	80,158	6,680			
248	YAKUTAT, CITY AND BOROUGH OF	773,973	170,274	185,754	15,479	22,159		465,346
160	YUKON / KORYUKUK SD	2,110,958	464,411	508,630	42,219	42,219		886,802
159	YUKON FLATS SD	1,091,459	240,121	261,950	21,829	21,829		458,413
195	YUPIK SD	1,901,814	419,399	456,435	38,036	38,036		798,762
Add sum figure		\$ 2,136,643,082	\$ 470,061,478	\$ 512,794,340	\$ 42,732,862	\$ 42,732,862		\$ 897,390,094

PERS ONLY

State Employer Costs (assumes yellow are State)	\$ 1,285,019,952	60%
Non-State Employer Costs	\$ 851,623,130	40%
	\$ 2,136,643,082	

Alaska State Legislature
House of Representatives
Representative Tammie Wilson

Interim
1292 Sadler Way Ste. 304
Fairbanks, Alaska 99701
Phone - (907) 451-2723
Fax - (907) 452-3430



Rep.Tammie.Wilson@akleg.gov

Session
State Capitol
Juneau, AK 99801
Phone - (907) 465-4797
Fax - (907) 465-3884

February 10, 2014

MAYOR'S OFFICE

MAR 12 2014

RECEIVED

Dear Borough Assembly Members:

In the late 1960's, the Pioneers of Alaska requested public land from the State of Alaska. The plan for the land was to create a tourist attraction that showed historical Alaska exhibits. In 1965, the park was used to celebrate the 100th year of Alaska's purchase from Russia. The Alaska State Centennial Commission held the "Alaska 67 Centennial Exposition". In 1968 Pioneer Memorial Park, Inc. quitclaimed the Park to the State of Alaska. That same day the State quitclaimed the Park to the City of Fairbanks. On May 1, 1968, Mayor Red Boucher of Fairbanks signed a letter to the Prime Minister of Ottawa, Canada, stating, "Alaskaland" is the new name for the 40-acre Exposition resulting from the A-67 Centennial Site in Fairbanks last year. In July 2002, the park was officially renamed from Alaskaland back to Pioneer Park.

I respectfully request that the assembly consider the benefits of reinstating the word Centennial into the official name of this park and also the desire of our community to again be known as Alaskaland. Centennial Alaskaland would let visitors know of the rich history of this site and of its importance in our community.

I appreciate your consideration and for your willingness to serve our community.

Sincerely,

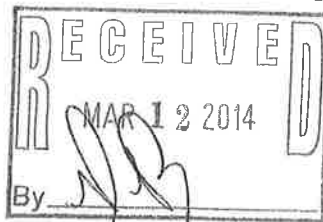
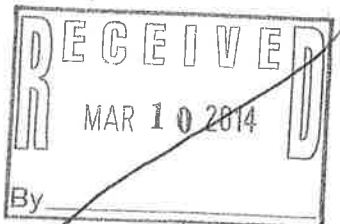
Tammie

Rep. Tammie Wilson

RECEIVED

MAR 12 2014

City Mayor's Office



2014 MAR 12 PM 12:24
FNSB CLERK'S OFFICE
RECEIVED
TH

ALASKA STATE LEGISLATURE ~ REPRESENTATIVE TAMMIE WILSON

... *

To: Hon. North Pole City Mayor
& Council Members

March 12, 2014 A.D.

For further public information
and your hoped for continued support
of the historically-reflective "Centennial",
word addendum to Alaska's historic
1867-1967 A.D. Interior (AIC/US) Centennial
Site formerly Alaska Land. The chief
public interest title place name should
reflect history & public interest. Please
see Rep. Wilson's letter. Thank you,

Mr. Mark A. Ames

Ch. AIC-P.O. Box 71693

~~North Pole~~ Fairbanks, AK

799-1971

99707

Alaska Interior State Heritage
Conservationist Volunteer.

CITY OF NORTH POLE

ORDINANCE 14-02

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
AMENDING TITLE 4, CHAPTER 4.10.010, USER FEES**

WHEREAS, changes to the North Pole Municipal Code is a continually changing requirement;
and

WHEREAS, the City of North Pole Municipal Code should be amended to conform to the requirements of the City and to provide clarification as needed.

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

Section 1. This ordinance is of a general and permanent nature and shall be codified.

Section 2. General Provisions of the North Pole Municipal Code of Ordinances are amended as follows:

4.10.010 Establishment of User Fees.

The mayor shall examine the services provided by the city and establish a user fee schedule with council concurrence. The council shall periodically review the user fee schedule and set user fees as appropriate.(Ord.03-10 §2, 2003), (Ord.05-17 §2,2005)

4.10.020 User Fee Schedule

Ambulance Fee	\$ 800.00
Ambulance Fee Discount for North Pole Residents	\$ 400.00
Ambulance/Patient transport mileage (loaded miles)	\$ 11.00 per mile
Ambulance/Patient transport mileage (loaded miles) Discount for North Pole Residents	\$ 5.50 per mile
Fire/Ambulance Run Reports	\$ 25.00
Audio Recording of Public Meetings or any other CD/DVD(fee collected when ordering, per tape)	\$ 10.00
Building Permit Fees	Based on building evaluation and 1997 Uniform Administrative Code
City Annual Business License	\$ 50.00
City Business/Sales Tax Mailing Labels (fee collected when ordering)	\$ 25.00
Copies of Public Records	\$1.00 1st pg; \$0.25 thereafter
City Newsletter Mailing Labels	\$ 25.00
Declaration of Candidacy Filing Fee	\$ 25.00
Faxes send/receive local calling area (per page)	\$ 1.00
Faxes send long distance in U.S. only (per page)	\$ 2.00
Fingerprinting per card	\$ 20.00
Fireworks Annual Permit to Retail Vendor of Class "C" Fireworks	\$3,000.00
Hydrant Meter Charge	\$ 50.00/mo.(min)

Hydrant Meter Water Usage Rate	\$ 0.02/Gallon
<i>Made in North Pole- permit is \$50 per product line with a maximum of \$100 per permit application</i> <i>Waive fee, up to \$50 per application for 1st 20 approved applications</i>	<i>\$ 50.00</i>
Notary Services per document	\$ 5.00
Plan Specifications Copies (per set)	\$ 25.00
Police Reports	\$ 25.00
Photo Copy Fee (per page)	\$ 0.25
Water/Sewer Connection Inspection Fee	\$ 50.00 each
Residential and commercial properties water and sewer fees shall be the following (per NPMC 13.08.090 B)	
Water tie-in fee - ¾ inches to 2 inches	\$ 200.00
Sewer tie-in fee – ¾ inches to 2 inches	\$ 200.00
Water tie-in fee - Greater than 2 inches up to 4 inches	\$ 250.00
Sewer tie-in fee – Greater than 2 inches up to 4 inches	\$ 250.00
Water - Greater than 4 inches	\$ 300.00
Sewer – Greater than 4 inches	\$ 300.00
Residential Water Meter Replacement	\$ 100.00
Commercial Water Meter Replacement	At replacement cost
Water meter monitor replacement	\$ 100.00

(Ord.03-10 Chapter 4.10, 2003), (Ord.06-11 §2(part), 2006), (Ord.11-06 §2 (part), 2011), (Ord 14-02 §2(part), 2014)

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

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 17th day of March, 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: 2014

Accompanying Ordinance/Resolution #: Ordinance 14-02

Originator / Sponsor Name: Mayor Bryce Ward

Date: 2-20-14

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

Fund- Dept. Title	Account Description	Account #	Increase/(Decrease)
Fund 1 Admin	Promotion	01-01-00-7003	-\$ 1,000.00
Fund 1 Revenue	Made In North Pole	01-00-00-4045	-\$ 1,000.00

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).

First 20 approved applications for a single product line are promotional (free, up to \$50 per application) maximum 20 applications. Revenues will be offset by decrease in promotional line item in Admin.

Prepared By: [Signature] Date: 2/21/14

Finance Approval: [Signature] Date: 2-21-14

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.

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

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

Memo

To: Kathy Weber
From: Mayor Ward
cc: North Pole City Council
Date: March 12, 2014
Re: ARRC Contract Supplement

I am presenting to you a supplement to the Alaska Railroad Contract 8902 and ask for your approval of this contract. The supplement calls for the City of North Pole to continue to pay its agreed fee of \$8,000 per year with the fee to remain constant throughout the contract but to extend the contract for 3 more years to account for the unpaid balances for the years of 2010-2012. In my opinion, this is very fair as the original contract allows for penalties due to unpaid invoices.

HISTORY:

During the past administration it was determined by the Mayor that this contract did not need to be paid for one reason or another. Monies were not budgeted for in the 2010, 2011 or 2012 budgets to pay this contract. After review and investigation, I have determined that the contract was valid and approved by Council and the City Attorney as required by North Pole Municipal Code. Since we are responsible to uphold our agreements, I have negotiated to extend the contract with no penalties.

The Alaska Railroad Corporation has been very reasonable in the efforts to solve this issue. Please consider this an extension of the original contract.

Thank you



Supplement No. 1 to:

ARRC Contract No. 8902

Permit for: Public Road Crossings, Public
Roadways and Bicycle Path

ARRC Milepost:

G-15.77 to G-16.76

SUPPLEMENT

THIS SUPPLEMENT is made on the day executed by the last signatory hereto, by and between the ALASKA RAILROAD CORPORATION, a public corporation of the State of Alaska formed pursuant to AS 42.40 ("ARRC"), and CITY OF NORTH POLE, a home rule municipality ("Permittee").

Recitals

A. ARRC and Permittee are parties to a blanket permit that authorizes Permittee's road crossings, roadways and sign facilities on ARRC property, specifically ARRC Contract No. 8902 ("Blanket Permit"). The Blanket Permit commenced effective December 1, 2005, and expires on November 30, 2025.

B. The Blanket Permit requires Permittee to pay an annual fee of Eight Thousand and no/100 Dollars (\$8,000.00) on December 1 of each year, with that fee to remain constant throughout the term of the Blanket Permit.

C. Permittee has paid the annual fee each year except for the three payments due in 2010 through 2012. Permittee recognizes and agrees that it owes those three payments, which total \$24,000.00, and it is the parties' intent by this supplement to provide for payment of that outstanding amount.

D. ARRC and Permittee agree that the outstanding annual fee payments shall be paid by extending the term of the Blanket Permit by three (3) years, with the annual fee for each year of the extended term to remain \$8,000.00. The parties intend that Permittee's payment of \$24,000 for annual fees during the extended term (i.e., annual fees for 2026-2028) shall satisfy the currently outstanding amounts, but that the currently outstanding amounts will not be discharged in the interim and that any unpaid amount shall become due and payable if the Blanket Permit is terminated before the end of the extended term.

Agreement

Now, therefore, in consideration of the foregoing and other good and valuable consideration, the parties agree that the above-described Blanket Permit, ARRC Contract No. 8902, is hereby amended as follows:

1. Section 2 of the Blanket Permit is hereby deleted and the following is inserted in the place and stead thereof:

2. TERM. This Blanket Permit shall be for a total term of twenty-three (23) years, commencing as of December 1, 2005 and ending on November 30, 2028, provided, however, that either party shall have the right to terminate this Blanket Permit as to all or any one or more of the Facilities at any time, without cause, upon one hundred eighty (180) days written notice to the other.

Except as expressly modified herein, all of the provisions of the Blanket Permit shall remain in full force and effect and are hereby ratified and confirmed.

ALASKA RAILROAD CORPORATION

Dated: _____

By: _____
Karen Morrissey
Director, Real Estate

Dated: _____

By: _____
Roy Thomas
Chief Engineer

CITY OF NORTH POLE

Dated: _____

By: _____
Bryce J. Ward
City Mayor

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

CITY OF NORTH POLE

Approved as to form

Dated: _____

By: _____
City Attorney

Attest:

City Clerk

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2014, by Karen J. Morrissey, the Director, Real Estate of the Alaska Railroad Corporation, a public corporation created by Alaska Statute 42.40, on behalf of the corporation.

Notary Public in and for Alaska
My Commission expires: _____

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2014, by Roy Thomas, the Chief Engineer of the Alaska Railroad Corporation, a public corporation created by Alaska Statute 42.40, on behalf of the corporation.

Notary Public in and for Alaska
My Commission expires: _____

Bryce Ward

From: Zane Wilson <zane@alaskalaw.com>
Sent: Monday, March 10, 2014 1:30 PM
To: Bryce Ward
Cc: Niki L. Lightly
Subject: RE: ARRC Permit for Road Crossings (8902)

Mayor:

I have no objections to the supplement. The "payment" terms for past due fees is very favorable to the City.

I am not sure what the controversy is regarding this permit? If I recall correctly the options were either sign the permit or the AKRR would shut down the crossing.

Zane

From: Bryce Ward [<mailto:bryce.ward@northpolealaska.org>]
Sent: Thursday, March 06, 2014 4:01 PM
To: zane@alaskalaw.com
Subject: FW: ARRC Permit for Road Crossings (8902)

Zane,

This is in regards to the blanket permit (8902) with the AKRR. As you may remember there was discussion when I was first elected on whether or not we had to pay, as it was reviewed and signed by the attorney and approved by council it is binding and the previous mayor was incorrect in not paying this bill. The balance due is three years (\$24,000). We have verbally discussed the outline of the contract listed which would extend the contract, keeping the annual amount the same. Please review. If you need a copy of the AKRR permit 8902 please let me know.

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

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

From: Karen Morrissey [<mailto:Morrisseyk@akrr.com>]
Sent: Tuesday, March 04, 2014 8:08 PM
To: Bryce Ward
Subject: FW: ARRC Permit for Road Crossings (8902)

Bryce,
Attached is a new pdf of the supplement.
I fixed the Parens for the notary section so they line up correctly.

If this is acceptable, I can forward two originals for signature.

Karen J. Morrissey, Director

Real Estate Department
Alaska Railroad Corporation
P. O. Box 107500
Anchorage, Alaska 99510-7500
907.265.2617
Morrisseyk@akrr.com

From: Karen Morrissey
Sent: Tuesday, March 04, 2014 7:50 PM
To: 'Bryce Ward'
Subject: RE: ARRC Permit for Road Crossings (8902)

Bryce,
Attached is a pdf copy of the proposed supplement.
Let me know if you think this is what you need.

Upon signature, we will cancel the three unpaid invoices and simply continue invoicing the annual fee going forward.

Again, I apologize for the delay in getting this to you.

I will also let our Accounts Receivable Manager know we are close to resolving the unpaid invoices.

I will be in the rest of the week if you have any questions.

Karen J. Morrissey, Director

Real Estate Department
Alaska Railroad Corporation
P. O. Box 107500
Anchorage, Alaska 99510-7500
907.265.2617
Morrisseyk@akrr.com

From: Bryce Ward [<mailto:bryce.ward@northpolealaska.org>]
Sent: Monday, March 03, 2014 10:16 AM
To: Karen Morrissey
Subject: RE: ARRC Permit for Road Crossings (8902_

Karen,

I haven't heard from you in a while, I am just wondering on the status of our delinquent payments, are we able to add them to the end of the contract? Feel free to give me a call to chat about this. I would like to come to a conclusion if we can.

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

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

From: Karen Morrissey [<mailto:Morrisseyk@akrr.com>]
Sent: Thursday, January 30, 2014 4:58 PM
To: Bryce Ward
Subject: ARRC Permit for Road Crossings (8902_

Bryce,

It appears that the general consensus regarding the unpaid fees for the road crossing permit is to issue a supplement and extend the term of the contract for three years as you suggested in order to recover the three years of unpaid fees.

One issue comes to mind that I will need to clarify internally and that is that the original agreement included some amount of maintenance to be included in the \$8,000 annual fee.

However, for the three years the fee was not paid, there were no dollars going toward maintenance. I am not sure how much of a concern that will be or will become in the extended term.

I will be working on drafting a supplement to the contract and will forward to you when it is ready.
It may be at least a couple weeks or longer based on current workload.

When the supplement is executed, we will adjust the billing to reflect the new agreement.
If you have any questions in the interim, send an e-mail or give me a call.

Karen J. Morrissey, Director
Real Estate Department
Alaska Railroad Corporation
P. O. Box 107500
Anchorage, Alaska 99510-7500
907.265.2617
Morrisseyk@akrr.com



This email is free from viruses and malware because avast! Antivirus protection is active.

Bryce Ward

From: Bryce Ward
Sent: Monday, March 10, 2014 8:43 AM
To: zane@alaskalaw.com
Subject: FW: Blanket Permit, ARRC Contract No. 8902
Attachments: 8902_CoNP_RdBlanket.pdf

Zane,
Please see the attached document for the original 8902 AKRR permit with CNP

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

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

From: Karen Morrissey [<mailto:Morrisseyk@akrr.com>]
Sent: Wednesday, January 30, 2013 11:03 AM
To: Bryce Ward
Subject: Blanket Permit, ARRC Contract No. 8902

Mayor Ward,
I am forwarding a pdf of the contract that covers all the roads and crossings within the City of North Pole.

To clarify, the permit fee is not for crossing signals which is what I thought based on the annual fee.
The \$8,000 was the result of an agreement between the City and ARRC to cover the cost of reconstructing the two crossing surfaces at Cross Way and 8th Avenue. See Paragraph No. 3 of the contract which provides the history.

The City was not able to pay the construction which needed to be done and it was agreed that ARRC would fund the construction and recover its costs over time.

Feel free to give me a call if you have any further questions or need any further information.

Karen J. Morrissey, Director
Real Estate Department
Alaska Railroad Corporation
P. O. Box 107500
Anchorage, Alaska 99510-7500
907.265.2617
[Morrisseyk @akrr.com](mailto:Morrisseyk@akrr.com)

ALASKA RAILROAD CORPORATION



Corporate Address: P.O. Box 107500, Anchorage, Alaska 99510
327 West Ship Creek Avenue, Anchorage, Alaska 99501
www.alaskarailroad.com

ARRC Contract No. 8902
Permit for: Public Road Crossings,
Public Roadways and Bicycle Path
ARRC Milepost: G-15.77 to G-16.76

BLANKET PERMIT

THIS BLANKET PERMIT is made on the day executed by the last signatory hereto, by and between the ALASKA RAILROAD CORPORATION, a public corporation of the State of Alaska formed pursuant to AS 42.40 ("ARRC"), and CITY OF NORTH POLE, a home rule municipality ("Permittee").

1. GRANT OF PERMIT.

1.01 The Permittee's road crossings, roadway and sign facilities on ARRC property were originally constructed under other contracts and were most recently covered under ARRC Contract No. 5719, which the Permittee notified ARRC was terminated or invalid by letter dated December 7, 1987. There are additional facilities belonging to Permittee, a driveway and parking area, currently covered under ARRC Contract No. 7631. The purpose of this contract is to consolidate all of the existing facilities under this Blanket Permit and clarify the status of Permittee's facilities existing on ARRC property.

1.02 ARRC hereby grants to the Permittee the non-exclusive right to construct, reconstruct, operate and/or maintain road crossings, roadways, signs, and other facilities (the "Facility" or "Facilities") upon ARRC's track right-of-way, communications pole line right-of-way, or other property of ARRC (the "Permit Area"), as described on the list attached hereto as Exhibit A. The permission herein granted is subject to the terms and conditions set forth in this Blanket Permit.

2. TERM. This Blanket Permit shall be for a term of twenty (20) years, commencing as of December 1, 2005 and ending on November 30, 2025, provided, however, that either party shall have the right to terminate this Blanket Permit as to all or any one or more of the Facilities at any time, without cause, upon one hundred eighty (180) days written notice to the other.

3. PERMIT AND OTHER FEES. As consideration for this Blanket Permit, Permittee shall pay an annual fee of Eight Thousand Dollars and no/100 (\$8,000.00) which is due upon the execution of this Blanket Permit and on every December 1 thereafter, subject to adjustment as set forth below in the event of installation of signal protection under paragraph 4.07.

By way of explanation, the foregoing annual fee represents the cost of certain reconstruction and repairs to the Cross Way and 8th Avenue crossings that were made by ARRC during negotiations for this Permit or will be required within the next three years. Such work is, under standard permit terms with other governmental entities, the responsibility of local governments. However, the timing of this Permit is such that Permittee has not currently budgeted for such work. ARRC has agreed to perform the necessary work and will, in addition, assume all maintenance and repair obligations for the Cross Way and 8th Avenue crossing prism surface, which is defined to be the area within ten (10) feet on either side of the centerline of the track at these crossings, except that Permittee shall provide asphalt paving and traffic control. The stated annual fee amortizes the cost of said crossing reconstruction, periodic maintenance, and a customary permit fee over the 20-year term of this Permit.

Notwithstanding the foregoing fee provisions, if ARRC relocates or realigns its track during the term of this Permit, so that the crossings are no longer active, this Permit shall thereupon terminate without any further payments being due from Permittee, regardless of whether ARRC has fully recovered the costs of reconstructing said crossings.

4. PLANS AND SPECIFICATIONS.

4.01 The road and bicycle path crossings, roadways, signs and other facilities listed in Exhibit A shall constitute the originally permitted area. Areas not identified in Exhibit A shall become part of the Permit Area only by a written supplement to this Blanket Permit when offered by the ARRC and accepted by the Permittee.

4.02 Permittee agrees to provide ARRC copies of any existing as-builts of all existing Facilities upon ARRC property and, with respect to any future Facility changes, additions, and/or deletions, revised or updated as-builts promptly upon completion.

4.03 Permittee shall construct, reconstruct, operate, and/or maintain the facilities (except for the crossing facility and the 20-foot wide crossing prism surface described in paragraph 3 above) in the locations listed on Exhibit A. Prior to advertising for bids, issuing amendments and/or issuing a change order(s) to its contractor for work on any part of the Facilities covered by this Blanket Permit, or prior to commencing any such work itself, the Permittee shall submit to ARRC for approval, all plans and specifications and all amendments, additions or corrections thereto, for the original construction and all future modifications of the Facilities. Permittee agrees, not to commence any associated work until the aforesaid approval has been received. Permittee agrees that any facility construction shall be substantially in accordance with Permittee's plans and specifications as first approved by ARRC.

4.04 Permittee agrees that if, at any time during the term of this Blanket Permit, ARRC deems it necessary to have additional safety equipment installed for the protection of its passengers, personnel, or equipment, the parties will meet and confer on appropriate and available funding sources therefor and will cooperate in seeking such funding.

4.05 The Standard Specifications for Work on Railroad Property (the "Standard Specifications") attached as Exhibit B are incorporated herein by reference. Permittee hereby agrees that all construction, reconstruction, operation and maintenance upon ARRC property shall be performed in accordance with the Standard Specifications and any supplemental conditions required by paragraph 4.06 of this document or by any supplements hereto. Permittee agrees to make the Standard Specifications and any supplemental conditions part of all contract bid specifications which the Permittee may publish for work associated with its Facility or Facilities covered under this Blanket Permit. In the event the Standard Specifications are revised by ARRC prior to termination of this Blanket Permit, Permittee agrees that any changes in or additions to the Facility or Facilities shall be performed in accordance with such revised Standard Specifications, provided that ARRC has given notice of the change to Permittee.

Notwithstanding the foregoing provisions of this paragraph 4.05 or any other provision of this Permit, Section 8 of the Standard Specifications, "Protection of ARRC Communications Lines", shall only apply to (and shall be imposed by Permittee on) Permittee's contractors performing work on ARRC property.

4.06 Permittee hereby agrees to the supplemental conditions, if any, to this Blanket Permit attached as Exhibit C.

4.07 If automatic crossing signal devices (including improved crossing protection devices required by revised industry standards) are required by applicable law or regulation or by railroad industry standards, or believed to be appropriate by either party, a diagnostic team will be convened under ARRC Board Rule 13, "Railroad/Highway Crossing Policy", to evaluate the need for signalization. If the diagnostic team makes a final recommendation that signal devices are required, ARRC will work cooperatively with Permittee to obtain HSIP or equivalent funds from the State of Alaska or appropriate federal sources to install the crossing signals. A signalized crossing will not be installed until funds can be obtained, although the parties will consider taking other steps to protect the public and train traffic at the crossing if such funds are not available (up to and including installing stop signs). If signals are installed, the parties will renegotiate the annual fee to include the additional maintenance costs associated with signals.

5. MAINTENANCE OF FACILITY OR FACILITIES.

5.01 During the term of this Blanket Permit, the Permittee shall maintain the Facility or Facilities so as not to interfere with the operations and safety of ARRC and its passengers, employees, officers, agents, licensees, permittees, lessees and invitees and in compliance with applicable industry standards or to those standards or levels of maintenance prescribed by federal, state or municipal laws and regulations. If no industry standards, laws or regulations exist, then the Permittee shall maintain its Facility or Facilities to the satisfaction of ARRC. Should any Facilities of Permittee require repair which affects the safety and operations of ARRC, Permittee shall, as soon as possible, make such repair at its own expense, other than the crossing surface prisms covered by paragraph 3 above. ARRC shall have the right, but not the duty, to require Permittee to make such repair, and may enforce such right by legal action if Permittee fails to make such repair within 30 days of notice by ARRC. Sight triangles shall be maintained by Permittee free of vegetation, snow,

and other obstructions to vision in accordance with the table entitled "Sight Triangle Distance" attached as Exhibit D and as otherwise established and revised from time to time by ARRC.

5.02 Permittee shall give ARRC not less than ten (10) days prior written notice of Permittee's intention to enter upon ARRC property for the purpose of maintenance, reconstruction, altering or removal of a Facility, except that in any instance of sudden emergency requiring prompt and immediate action to protect the public safety, notification may be in the form of a telephone call to the ARRC Engineering Services Department at 265-2456.

6. PAYMENT FOR WORK.

6.01 Except for the items addressed in paragraph 3 above, Permittee shall pay for all Facility construction, reconstruction, operation and/or maintenance including the cost of ARRC inspectors and flagmen whose duties will be to protect the interests of ARRC and to insure the completion of the work to the satisfaction of ARRC. If at any time during the work of construction, repair or maintenance of the Facility or Facilities, ARRC should deem flagmen or watchmen or other measures desirable or necessary to protect its operations, property, employees or other persons on or near the Permit Area, ARRC shall have the right to place such personnel or take such measures, at the sole cost and expense of Permittee. The amount billed to Permittee shall be computed using Federal Highway Administration (FHWA) approved procedures and as audited on an annual basis by FHWA and the Alaska Department of Transportation and Public Facilities. The failure to furnish such personnel or take such measures by ARRC shall not relieve Permittee of any obligations or liabilities it might otherwise have.

6.02 Except for the items addressed in paragraph 3 above, Permittee shall pay ARRC for all work performed by or on the behalf of ARRC pursuant to the terms herein or for any future cost or expense reasonably incurred by ARRC in connection therewith, including in-house engineering services and expense, labor, material and other related costs incurred by ARRC as a result of this Blanket Permit, the rights exercised by Permittee and protection of ARRC operations and facilities set forth herein. If the parties so agree, the amount billed to Permittee shall be a negotiated daily rate contract for the work performed and material furnished, which agreement must be in writing to be effective. Absent such agreement, the amount billed to Permittee shall be computed using Federal Highway Administration (FHWA) approved procedures and as audited on an annual basis by FHWA and the Alaska Department of Transportation and Public Facilities. Upon receipt of a statement for railroad costs, Permittee agrees to pay ARRC the amount so billed within ninety (90) days of receipt by Permittee of such statement. Amounts so billed and remaining unpaid shall thereafter accrue interest at 8.5%. For non-negotiated costs utilizing FHWA procedures, the statement shall be itemized, and upon Permittee's request, ARRC shall furnish reasonable backup documentation in support thereof.

7. INTEREST IN RAILROAD PROPERTY.

7.01 It is understood that the Permittee acquires no interest in or title to ARRC property by means of this Blanket Permit. Permittee shall have, at the discretion of ARRC, access to ARRC property for the purpose of construction, reconstruction, operation and/or maintenance of the

Facility or Facilities. This shall be done at times which will not in any way interfere with the operation of ARRC.

7.02 ARRC reserves the right of ingress to and egress from the Permit Area and the right to enter any part of the Permit Area including buildings thereon, for the purpose of inspection at any reasonable time, and in time of emergency. All inspections will be coordinated with the Permittee in order to minimize interference with the Permittee's activities on the Permit Area.

7.03 Prior to the expiration or termination of this Blanket Permit or within a reasonable time thereafter, the Permittee will remove all portions of the Facility or Facilities that are reasonably capable of removal, as well as any other property belonging to Permittee, and will take such other actions as are necessary to prevent further public use of the Facility. Such actions may include erection of barricades or removal of pavement and rough grading of the surface to match surrounding contours, backfilling excavations or culverts to surface level, etc. Failure of the Permittee to effectively disable the Facility from use will result in ARRC performing such actions at the Permittee's expense, which expense Permittee agrees to pay ARRC upon demand.

8. NON-EXCLUSIVE USE/RAILROAD CONSTRUCTION.

8.01 ARRC reserves for itself, its successors, assigns, lessees, permittees and licensees, the right to use any part of the Permit Area for any purpose whatsoever, including without limitation, for transportation, communication, and transmission purposes, which shall be deemed to include, but not be limited to the construction, maintenance and operation of existing and additional tracks, pipes, communication and power transmission lines, drainage ditches or any other facilities located upon, over, and beneath the Permit Area. However, said use and occupancy shall not, in the opinion of ARRC, unreasonably interfere with the Permittee's use or operation of the Facility or Facilities. In the event a third party proposes a non-interfering use of the Permit Area, Permittee shall cooperate and coordinate with such user to determine the most efficient and least disruptive interface between their respective facilities.

8.02 If ARRC determines that any of Permittee's Facilities or the location thereof must be changed or altered because of ARRC operations or planned operations, or because ARRC desires to renew, replace, repair or alter any of its tracks, bridges, culverts, structures, properties, utilities, facilities or appurtenances, and such alteration would require relocation of Permittee's Facilities, ARRC shall notify Permittee of such plans. The parties shall meet and confer as to the manner and timing by which Permittee may protect or move the affected Facility in a manner satisfactory to ARRC as soon as possible, and the available funding sources therefor.

Nothing in this section shall prevent ARRC from constructing, maintaining, using, operating, reconstructing, and renewing its trackage over and across the Permit Area at any time at its sole election or shall prevent ARRC, its lessees, permittees, licensees and those whom it may select from constructing, maintaining, using, operating, reconstructing and renewing other facilities, utilities or appurtenances within the Permit Area, so long as any of the same do not unreasonably interfere with Permittee's use and the other provisions of this Permit are complied with.

9. INSURANCE AND INDEMNIFICATION.

9.01 Workers' Compensation. Permittee shall ensure that, with respect to all personnel performing work on the Facility or Facilities, Permittee maintains in effect at all times during the term of this Blanket Permit, coverage or insurance in accordance with the applicable laws relating to workers' compensation and employer's liability insurance, regardless of whether such coverage or insurance is mandatory or merely elective under the law.

9.02 Liability Insurance. Prior to construction, reconstruction, operation and/or maintenance of a Facility, Permittee shall secure or cause to be secured by its contractors the following insurance coverage. The provisions of this paragraph shall control over any inconsistent provisions contained in the Standard Specifications attached hereto:

A. Commercial general liability insurance (including, but not limited to, premises-operations, products, contractual, broad-form property and independent contractors) with a combined single limit of not less than Two Million Dollars (\$2,000,000) per occurrence and Four Million Dollars (\$4,000,000) aggregate for bodily harm (including death) and property damage.

B. Automobile liability insurance (owned auto) with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence for bodily harm (including death) and property damage.

The amounts and types of insurance set forth in this paragraph 9.02 are subject to review and reasonable change annually by ARRC. ARRC shall provide Permittee written notice of a change ninety (90) days' prior to the effective date. In addition, insurance requirements advertised for bid may be revised by ARRC as part of its approval under paragraph 4.03 of this agreement.

9.03 Evidence of Insurance. Permittee shall deliver to ARRC certificates of insurance promptly after execution of this Permit and on an annual basis thereafter (or within such further time as ARRC may allow in writing), and such additional assurance certified by an authorized representative of the insurer as ARRC may from time to time request.

9.04 Additional Insured. Permittee shall ensure that the above-required policies of insurance that Permittee carries against loss of or damage to property or against liability for property damage or bodily harm that may occur in connection with the Facility or this Permit shall name ARRC as an additional insured.

9.05 No Limitation. The requirements of this Blanket Permit as to insurance and acceptability to ARRC of insurers and insurance to be maintained by Permittee is not intended to and shall not in any manner limit or qualify the liabilities and obligations of Permittee under this Blanket Permit.

9.06 Indemnity. Permittee shall indemnify, defend, and hold harmless ARRC from and against all losses and all claims, demands, payments, suits, actions, recoveries, legal expenses and judgments of every nature and description made, brought or recovered against ARRC by reason of any act or omission of the Permittee, its bidders, contractors, subcontractors, agents or employees, in the construction, reconstruction, operation and/or maintenance of the Facility or Facilities.

Permittee shall assume complete liability for any and all claims resulting from the construction, reconstruction, maintenance, operation, use and existence of the Facility or Facilities located on, under or over the Permit Area. These provisions contained in this paragraph 9.06 shall not be given effect if the negligence or willful misconduct of ARRC or its employees is the sole proximate cause of any injury or damage done to the party asserting the claim.

9.07 Risk of Loss. Permittee acknowledges that the installation of Facilities within ARRC's transportation corridor involves risk as a result of ARRC's operations, which risk will be assumed by Permittee and will not be assumed by ARRC. Permittee further acknowledges that in the event of a train derailment, bridge collapse or failure (or threat thereof) or other similar situations, ARRC may take whatever actions it deems necessary to assure or return service to the railroad or to replace or rebuild any structure or to clean or restore its transportation corridor. In such an event, ARRC shall give verbal notice to Permittee of such emergency. ARRC shall not be liable for any damage to Permittee's Facilities (including loss of same, or interference with service, or use thereof) as a result of such events.

9.08 Third Party Rights. It is specifically agreed between ARRC and the Permittee that this Blanket Permit is not intended by any of the provisions herein to create in the public or any member thereof a third party beneficiary hereunder, or to authorize anyone not a party to the Permit to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Blanket Permit.

10. DEFAULT AND REMEDIES.

10.01 Default. The occurrence of any one or more of the following events shall constitute a material default by Permittee.

A. The failure by Permittee to make any payments required to be made by Permittee hereunder, as and when due, where such failure shall continue for a period of thirty (30) days after written notice thereof from ARRC to Permittee.

B. Except as otherwise provided in this Blanket Permit, the failure by Permittee to observe or perform any of the covenants, conditions or provisions of this Blanket Permit to be observed or performed by Permittee, other than described in paragraph A above, where such failure shall continue for a period of ten (10) days after written notice thereof from ARRC to Permittee.

C. Vacation or abandonment of a Facility by Permittee.

10.02 Remedies. In the event of any material default by Permittee, ARRC may at any time thereafter, without notice or demand and without limiting ARRC in the exercise of any right or remedy which ARRC may have by reason of such default:

A. Terminate Permittee's rights under this Blanket Permit and ARRC may pursue other remedies.

B. Maintain Permittee's rights under this Blanket Permit in which case this Blanket Permit shall continue in effect. In such event ARRC shall be entitled to enforce all of ARRC's rights and remedies under this Blanket Permit, including the right to recover the payments due hereunder.

C. Pursue any other remedy now or hereafter available to ARRC under the laws or judicial decisions of the State of Alaska.

10.03 Interest. If any payment due from Permittee shall not be received by ARRC when such amount shall be due, then, without any requirement for notice to Permittee, Permittee shall pay to ARRC interest thereon at the highest lawful rate from the date due until paid. This interest charge does not waive, excuse or cure any default.

11. LAWS AND TAXES.

11.01 This Blanket Permit is issued subject to all requirements of the laws of the State of Alaska and regulations of ARRC relating to the granting of privileges on ARRC lands and facilities.

11.02 Permittee shall, at its own expense, comply with all applicable laws, regulations, rules and orders, regardless of when they become or became effective, including without limitation, those relating to health, safety, noise, environmental protection, waste disposal, and water and air quality, and furnish satisfactory evidence of such compliance upon request of ARRC. Should any discharge, leakage, spillage, emission, or pollution of any type occur upon or from the Permit Area due to Permittee's use and/or occupancy thereof, Permittee, at its own expense, shall be obligated to clean the Permit Area to the satisfaction of the ARRC and any governmental body having jurisdiction thereover.

11.03 Permittee shall ensure that any of its bidders, contractors, subcontractors, agents or employees entering the Permit Area and coming within four (4) feet of a rail will comply with the Federal Railroad Administration's Roadway Worker Protection Regulations, 49 CFR Part 214, and will develop a plan for compliance that is submitted to ARRC for approval. ARRC may require the plan to be modified in order to coordinate with ARRC's own plan and method of compliance.

11.04 Unless otherwise specified in this Blanket Permit, the attachments hereto or as directed by ARRC, Permittee shall obtain and pay for all permits, inspections, licenses and fees and shall furnish all bonds, security or deposits required to construct, reconstruct, operate and/or maintain the Facility or Facilities in accordance with this Blanket Permit. Permittee shall advise ARRC in writing and consult with ARRC prior to applying for any permit or other authorization from, or entering into any agreement with, any governmental authority with regard to the construction, reconstruction, operation and/or maintenance of the Facility or Facilities.

11.05 ARRC does not warrant or represent that the Permit Area is safe, healthful or suitable for the purpose for which it is to be used under this Blanket Permit. The absence of markers

does not constitute a warranty by ARRC of no subsurface installations. Permittee's use of the Permit Area is subject to any and all of the covenants, terms and conditions affecting ARRC's title to the Permit Area.

12. LIENS. Permittee shall keep the Permit Area free of all liens, pay all costs for labor and materials arising out of any construction or improvements by the Permittee on the Permit Area, and hold ARRC harmless from liability for any liens, including costs and attorneys' fees. This provision shall not be interpreted to mean that ARRC in any way recognizes a liability on its part for any such liens.

13. ASSIGNMENT. This Blanket Permit shall not be assigned or in any manner transferred without the prior written consent of ARRC. This shall not be construed to impair or prevent the carrying out by public agencies of responsibilities not inconsistent with the operation and policies of ARRC relative to reconstruction, maintenance or control of the Facility or Facilities.

14. NOTICES. Any notice permitted or required to be given hereunder shall be in writing and either delivered by hand, sent by certified mail, return receipt requested, or sent by telefax with confirmed delivery;

A. If to ARRC, at

ALASKA RAILROAD CORPORATION
P.O. Box 107500
Anchorage, Alaska 99510-7500
Attention: Director, Real Estate
Fax No. (907) 265-2450

B. If to Permittee, at

CITY OF NORTH POLE
125 Snowman Lane
North Pole, Alaska 99705
Attention: City Mayor
Fax No. (907) 488-3002

Notice shall be deemed to have been given on the date delivered to the recipient, regardless of any other date indicated thereon.

15. NO WAIVER. The failure of ARRC to insist in any one or more instances upon the strict performance by the Permittee of any provision or covenant in this Blanket Permit shall not be considered as a waiver or relinquishment for the future, and any such provision or covenant will continue in full force, unless ARRC issues an authorized written waiver therefrom.

16. VALIDITY OF PARTS. If any provision or covenant of this Blanket Permit is declared to be invalid by a court of competent jurisdiction, the remaining covenants and provisions will continue in full force.

17. INTERRELATIONSHIP OF PROVISIONS. The basic provisions, general covenants, special covenants, supplements, addendums, exhibits and drawings contained herein are

essential parts of this Blanket Permit and are intended to be co-operative in designating and describing the respective rights and obligations of the parties to this Blanket Permit. Should discrepancies appear, special covenants govern over basic provisions, both of which govern over general covenants, and figured dimensions govern over scaled dimensions unless obviously incorrect.

18. HEADINGS AND CAPTIONS. The heading and captions used in this Blanket Permit have been inserted solely for convenience of reference and shall not affect, or be deemed to affect, the meaning of any provision of this Blanket Permit.

19. BINDING. Subject to the provisions of paragraph 13 above, this Blanket Permit shall be binding on the successors and assigns of Permittee and ARRC.

20. INTEGRATION AND MERGER. This Blanket Permit sets forth all the terms, conditions, and agreements of the parties and supersedes any previous understandings or agreements regarding the Facility or Facilities and the Permit Area, whether oral or written. No modification of this Blanket Permit is effective unless made in writing and signed by both parties.

21. GOVERNING LAW. This Blanket Permit and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the applicable laws of the State of Alaska and of the United States of America. Permittee shall not commence or prosecute any suit, proceeding or claim to enforce the provisions of this Blanket Permit, to recover damages for breach or default under this Blanket Permit, or otherwise arising under or by reason of this Blanket Permit, other than in the courts of the State of Alaska. Permittee hereby irrevocably consents to the jurisdiction of the courts of the State of Alaska with venue laid in the Fourth Judicial District.

ALASKA RAILROAD CORPORATION

Dated: 1/18/06

By: Karen J. Morrissey
Karen Morrissey
Director, Real Estate

Dated: 1/13/06

By: T. Brooks
Tom Brooks
Assistant Vice President & Chief Engineering
Services

CITY OF NORTH POLE

Dated: 1/23/06

By: Jeffrey James Jacobson
Jeffrey James Jacobson
City Mayor

CITY OF NORTH POLE

Approved as to form

Dated: 1-27-04

By: [Signature]
Contract (City Attorney

Attest:

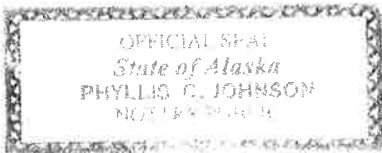
[Signature]
Kathy Weber
City Clerk

Attachments:

- ☒ Exhibit A - Listing: Road Crossings, Roadways and Signs
- ☒ Exhibit B - Standard Specifications, Rev 06/03/03
- n/a Exhibit C - Special Conditions
- ☒ Exhibit D - Sight Triangle Table

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

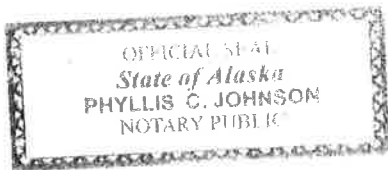
The foregoing instrument was acknowledged before me this 18th day of January, 2006, by Karen J. Morrissey, the Director, Real Estate of the Alaska Railroad Corporation, a public corporation created by Alaska Statute 42.40, on behalf of the corporation.



Phyllis C. Johnson
Notary Public in and for Alaska
My Commission expires: 8-22-06

STATE OF ALASKA)
)ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 18th day of January, 2006, by Tom Brooks, the Assistant Vice President & Chief Engineering Services of the Alaska Railroad Corporation, a public corporation created by Alaska Statute 42.40, on behalf of the corporation.



Phyllis C. Johnson
Notary Public in and for Alaska
My Commission expires: 8-22-06

STATE OF ALASKA)
)ss.
FOURTH JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 23 day of JANUARY, 2006, by Jeffrey James Jacobson, the City Mayor of City of North Pole, on behalf of the same.

Jeffrey M. Walker
Notary Public in and for Alaska
My Commission expires: 10-12-07

STATE OF ALASKA

)

)ss.

FOURTH JUDICIAL DISTRICT

)

The foregoing instrument was acknowledged before me this 27 day of January, 2006, by Zane Wilson, the City Attorney of City of North Pole on behalf of the same.

Kathryn M. Weber
Notary Public in and for Alaska

My commission expires: 10-12-07

STATE OF ALASKA

)

)ss.

FOURTH JUDICIAL DISTRICT

)

The foregoing instrument was acknowledged before me this 7th day of FEBRUARY, 2006, by Kathy Weber, the City Clerk of City of North Pole, on behalf of the same.

Kathryn M. Weber
Notary Public in and for Alaska

My Commission expires: 10-12-07

ARRC Contract No. 8902
City of North Pole
Road Crossings, Roadways and Signs
Eielson Branchline: G-15.77 to G-16.76

EXHIBIT A
Blanket Permit: Road Crossings, Roadways and Signs

Index Updated 11/18/2005

ARRC MP	Former ARRC Permit	Current Supplement / Permit	Description	GIS Sub permit Number
ROAD CROSSINGS				
G-15.77	5719		At-grade crossing - Cross Way	001
G-16.39	5719		At-grade crossing - 8 th Avenue	002
ROADWAYS				
G-16.37 to G16.76	5719		Public roadway from 8 th Avenue to ARRC Milepost G-16.67, commonly known as La Grange Road	003
MISCELLANEOUS				
G-16.20 to G-16.30	7631		A fenced parking area containing approximately 17,000 square feet (50' x 340') from ARRC Milepost G- 16.20 to G-16.30 of the Eielson Branchline	004
G-16.30	7631		A 1,500 square foot (20' x 75') driveway at ARRC Milepost MP G- 16.30 of the Eielson Branch line	005
G-16.39	5719		At-grade bicycle path crossing ARRC tracks at 8 th Avenue	006

STANDARD SPECIFICATIONS FOR WORK ON RAILROAD PROPERTY
(For ARRC Lessees, Permittees and their Contractors)

- Section 1. Definition of Terms
- Section 2. General Requirements
- Section 3. Safety Requirements
- Section 4. Insurance Requirements
- Section 5. Notice
- Section 6. Flag Protection and Protection of ARRC Traffic
- Section 7. Train Delays
- Section 8. Protection of ARRC Communication Lines
- Section 9. Road Crossings
- Section 10. Power and Communication Lines
- Section 11. Underground Utilities
- Section 12. Open Trenching
- Section 13. Excavations
- Section 14. ARRC Inspectors
- Section 15. Use of Explosives
- Section 16. Snow Removal
- Section 17. Clean-up

SECTION 1.

DEFINITION OF TERMS

<u>ARRC</u>	Alaska Railroad Corporation, P.O. Box 107500, Anchorage, AK 99510-7500.
<u>ARRC Property</u>	all lands owned or withdrawn for the use of the ARRC, including the ARRC's track right-of-way and communications pole line right-of-way.
<u>Chief Engineer</u>	the person employed by the ARRC as head of its Engineering Department or Branch, or his/her authorized representative.
<u>Contractor</u>	any agent of the Permittee, including Contractors or subcontractors employed to construct, reconstruct, operate and/or maintain the Facility. The term "Contractor" shall be synonymous with the term "Permittee" when the Permittee performs the construction, reconstruction, operation and/or maintenance of the Facility with its own personnel.
<u>Director, Real Estate</u>	the person authorized by the ARRC to execute contractual real estate agreements on behalf of the ARRC.
<u>Facility</u>	any improvements owned by the Permittee/Contractor which are to be placed on ARRC property in accordance with written permission executed by ARRC and Permittee.
<u>Telecommunications Supervisor</u>	the person employed by the ARRC as head of its Telecommunications Department or Branch, or his/her authorized representative.
<u>Permittee/Contractor</u>	the person, company or governmental agency to whom the right to enter upon ARRC Property was given in the form of written permit or contract executed by the ARRC and Permittee/Contractor.
<u>Track Work</u>	all work on the line from the top of subgrade to the top of rail, including geotextile, when required.
<u>Track Materials</u>	all hardware, excluding signals and controllers, associated with the running of a railroad.

SECTION 2. GENERAL REQUIREMENTS

- 2.1 All construction, reconstruction, operation, and maintenance on ARRC Property shall be performed in compliance with these Standard Specifications for Work on Railroad Property, including all revisions thereto.
- 2.2 Failure to comply with these Standard Specifications for Work on Railroad Property shall result in the demand of ARRC to suspend all work on ARRC Property.
- 2.3 All work on or about ARRC Property shall be performed by experienced personnel in a safe and workmanlike manner in keeping with approved ARRC practices, and as specified herein. ARRC traffic and property shall be protected at all times.
- 2.4 The safety and continuity of the operation of the traffic of ARRC shall be of first importance and shall be at all times protected and safeguarded. The Permittee/Contractor and its subcontractors shall be required to perform and arrange their work accordingly. Whenever, in the opinion of the Chief Engineer or his or her representatives, the work or its performance may affect or involve the safety of ARRC's facilities and/or operation of its railroad, the method of doing such work shall first be submitted by the Permittee/Contractor to the Chief Engineer for his/her approval, without which it shall not be commenced or prosecuted. The approval of the Chief Engineer, when given, shall not be considered as a release from responsibility or liability for any damage which ARRC may suffer, or for which it may be liable, as a result of the acts or omissions of the Permittee/Contractor, its subcontractors or employees.
- 2.5 Whenever, in the opinion of the Chief Engineer, the construction may cause a hazard to the safe operation of ARRC, ARRC may, in its discretion, place at the site of the work the required number of qualified employees to protect its operations. The providing of such employees and such other precautions as may be taken shall not relieve the Permittee/Contractor and its subcontractors from liability for the payment of damages caused by their operations. ARRC shall be the sole judge of the necessity for, and as to the number and classification of employees required. The Permittee/Contractor shall reimburse ARRC for the cost and expense incurred in providing such employees.

SECTION 3. SAFETY REQUIREMENTS

- 3.1 The safety of personnel, property, rail operations, and the public is of paramount importance in the prosecution of any work on ARRC Property. The Permittee/Contractor shall comply with all Federal, State and local governmental regulations (e.g. OSHA, NESC, etc.) applicable to the construction, installation, or maintenance of any Facility. As reinforcement and in furtherance of overall safety measures to be observed by Permittee/Contractor (and not by way of limitation), the following special safety rules shall be followed while working on ARRC Property. Further railroad safety information may be obtained from the ARRC Safety Office at 907-265-2440. Safety information is also available on the ARRC website at www.akrr.com.
- 3.2. ARRC flag protection is required before any activity can occur on or near a railroad operating facility such as a track, yard, bridge or shop building. For incidental work, such as surveying or inspection, an ARRC furnished flagman will provide a safety briefing prior to the commencement of the work. For any activity involving a disturbance or potential disturbance to the track, track embankment, or any railroad facility, ARRC may require the Permittee/Contractor to submit a specific Railroad Safety Plan prior to startup. Projects which involve activities which cross the tracks or are longitudinal to the tracks will require a specific Railroad Safety Plan and a one hour ARRC provided training course for Permittee/Contractor's project supervisors prior to the initiation of work on ARRC Property. Specific information on Railroad Safety Plans may be obtained from the ARRC Safety Office at 907-265-2440.
- 3.3 The Permittee/Contractor shall arrange for ARRC flag protection when performing any work within 20 feet of any track. All work within 20 feet of the track shall cease when a train passes and all Permittee/Contractor employees shall maintain a distance of at least 20 feet from the track until the train has safely passed. In addition, any work that could come within 20 feet of the track will cease when a train passes. For example, crane or pile driving activities shall stop when trains pass when the maximum boom and suspended load radius can come within 20 feet of the tracks. Pile driving shall not be done when trains are passing the work site. Vehicles and other construction equipment shall not be operated or parked closer than 20 feet from any track without ARRC flag protection.
- 3.4 In the event Permittee/Contractor will be performing construction or other activities on or in close proximity to a railroad track, the Permittee/Contractor shall be responsible for compliance with applicable Federal Railroad Administration's Roadway Worker Protection ("RWP") regulations (49 CFR 214, Subpart C) if its employees qualify as "Roadway Workers"¹. Under 49 CFR 214, Subpart C, railroad contractors are responsible for the training of their employees on these regulations. All RWP related Work shall be conducted in strict compliance with the RWP safety standards set forth in 49 CFR 214, Subpart C and the Permittee/Contractor will be required to submit a Railroad Safety Plan to ARRC to demonstrate compliance with said safety standards prior to beginning any RWP related Work.
- 3.5 In the event Permittee/Contractor will be performing construction or other activities on a railroad bridge, the provisions of 49 CFR 214 regarding bridge worker safety shall apply. All bridge related work shall be conducted in strict compliance with the bridge worker safety standards set forth in 49 CFR 214 and the Permittee/Contractor will be required to submit a Railroad Safety Plan to ARRC to demonstrate compliance with said safety standards prior to beginning any bridge related work.

¹ A Roadway Worker is any employee of a railroad, or of a contractor to a railroad, whose duties include inspection, construction, maintenance, or repair of railroad track, bridges, roadway, signal and communication systems, electric traction systems, roadway facilities, or roadway machinery on or near track or with the potential of fouling a track.

SECTION 4. INSURANCE REQUIREMENTS

- 4.1 The Permittee/Contractor shall procure and maintain at all times while performing work on ARRC Property, and be covered by the types of insurance with the minimum limits as specified in Section 4.4.
- 4.2 Each policy specified in Section 4.4 shall be: (1) endorsed to include ARRC as an additional named insured with respect to the performance of the work; (2) endorsed whereby the insurance company will notify ARRC of any material change, cancellation, non-renewal or expiration of the insurance policy in writing not less than thirty (30) days prior to the effective date; (3) endorsed with a waiver of subrogation rights in favor of ARRC; and (4) endorsed with the Alaska Suit Endorsement.
- 4.3 Prior to commencement of any work on ARRC Property, the Permittee/Contractor, shall deliver to ARRC certificate(s) of insurance showing evidence of the insurance required in Section 4.4.

4.4 Alaska Railroad Corporation Minimum Insurance Requirements.

- a. Commercial General Liability insurance with limits not less than \$2,000,000 per occurrence and \$4,000,000 aggregate for Bodily Injury and Property Damage, including coverage for Premises and Operations Liability, Products and Completed Operations Liability, Contractual Liability, and Broad Form Property Damage Liability. Coverage shall not contain any exclusions of Explosion, Collapse, Underground, or Rail Operations.
- b. Automobile Liability insurance on all owned, non-owned, hired and rented vehicles with limits of liability of not less than \$1,000,000 Combined Single Limit for Bodily Injury and Property Damage per each accident or loss.
- c. Worker's Compensation insurance in accordance with the statutory coverages required by the State of Alaska and, where applicable, insurance in compliance with any other statutory obligations, whether State or Federal, pertaining to the compensation of injured employees assigned to the Work, including but not limited to Voluntary Compensation, Federal Longshoremen and Harbor Workers Act, and the Federal Employers Liability Act.
- d. If any part of the work to be performed on ARRC Property is located within one hundred feet (100') of a railroad track, then the Permittee/Contractor shall also obtain Railroad Protective Liability insurance (Alaska Railroad Corporation as named insured) with limits of liability of not less than \$5,000,000 Combined Single Limit for Bodily Injury and Property Damage per each accident or loss.

SECTION 5. NOTICE

- 5.1 A pre-construction meeting shall be held with ARRC's Chief Engineer and representatives of the Permittee/Contractor and subcontractors prior to the commencement of any work on ARRC Property by the Permittee/Contractor or its subcontractors.
- 5.2 The Permittee/Contractor shall give written notice to the Chief Engineer not less than ten (10) days in advance of the commencement of any construction, reconstruction or major maintenance activity on ARRC Property, in order that the necessary arrangements may be made for the protection of ARRC's operations. This notice shall include a description of the proposed work on ARRC Property, schedule of work, and the names of any Permittee/Contractor's subcontractor who may also be working on ARRC Property.

SECTION 6. FLAG PROTECTION AND PROTECTION OF ARRC TRAFFIC

- 6.1 Whenever ARRC flag protection is required, it will be provided by ARRC at Permittee/Contractor's expense. ARRC flag protection is to insure the safe movement of trains and other rail traffic and shall be done in strict accordance with the ARRC rules on flagging. A minimum of 48 hours prior notice is required for ARRC to provide flag protection.
- 6.2 ARRC will, during the progress of the work, utilize as many qualified flag people as in the opinion of the ARRC may be required for the adequate protection of ARRC traffic. All expense for providing such flagpersons shall be paid by the Permittee/Contractor to ARRC.
- 6.3 The Permittee/Contractor shall arrange with ARRC to keep itself informed on the time of arrival of all trains and shall stop any of Permittee/Contractor's operations which might be or cause a hazard to the safe passage of the train past the site of the work from ten (10) minutes before the expected arrival of the train until it has safely passed.
- 6.4 Track outages will only be approved in exceptional cases for limited durations. Prior to a proposed track outage, the Permittee/Contractor shall submit a closure plan to ARRC. The plan will describe the work to be accomplished, the equipment, manpower and other resources required, and the work schedule. Once approved by ARRC, the Permittee/Contractor shall follow the plan. ARRC reserves the right to assume control of the work to reestablish rail service if the schedule is not met. Permittee/Contractor shall bear all costs and damages which may result from failure to meet the closure schedule, in addition to the train delay charges provided for herein.

SECTION 7. TRAIN DELAYS

- 7.1 All work on ARRC Property shall be conducted in such a manner as to prevent delays to trains or other rail traffic operated by ARRC.
- 7.2 Should any of the Permittee/Contractor's or its subcontractor's actions or activities cause delays to trains or other rail or water traffic, the agreed amount of liquidated damages shall be at the following rates and shall be collected from the Permittee/Contractor by ARRC.
- | | |
|--|--|
| Passenger trains each: | \$50 per minute of delay, 60-minute minimum charge. |
| All other rail traffic: | 50 per minute for each delay over five minutes, 30-minute minimum charge. |
| Rail barges, or other
Connecting Carrier Vessels: | No charge for delays of one hour or less; \$1,000
per hour for each hour or any part of an hour thereafter
with a minimum charge of \$6,000. |
- 7.3 Delay time will be taken from the train sheet in ARRC's Dispatcher's Office, Anchorage (907-265-2504) for all delays and such train sheet shall be the official document by which the length of time a train is delayed will be determined. If another crew is needed to relieve the original crew, the charge shall also apply to the second crew. If such delay causes a water carrier to miss a sailing, the liquidated damage computation of time covering the period of time to the next possible sailing time shall be in addition to the length of time determined by said train sheet.

SECTION 8. PROTECTION OF ARRC COMMUNICATION LINES

- 8.1 All work on ARRC Property shall be conducted in such a manner as to protect ARRC's communication facilities at all times from outages resulting directly or indirectly from the Permittee/Contractor's or its subcontractor's operations.
- 8.2 Should any of the Permittee/Contractor or its subcontractor's operations cause outages to said communications facilities, the agreed amount of liquidated damages shall be at the following rates and shall be collected from the Permittee/Contractor:
- | | |
|-----------------------------------|-------------------------------|
| Open wire communication circuits: | \$1.00 per minute per circuit |
| Communication cable: | \$1.00 per minute per cable |
- 8.3 A minimum charge of \$250.00 will be made for each outage plus the total repair costs. The outage time shall be that as established by ARRC's Test Board, Anchorage.
- 8.4 There shall be no equipment operated or excavation made within fifteen (15) feet of any ARRC communication pole guy, anchor, or other communications apparatus unless authorized in advance by the Telecommunications Supervisor.

SECTION 9. ROAD CROSSINGS

- 9.1 Whenever automatic railroad crossing signals are in the work area, these signals must remain in operating condition at all times. If, as a result of the Permittee/Contractor's or subcontractor's activities the signals become inoperable, the crossing shall be continuously flag protected until the signals are again operable. See Section 6 for flagging specifications.
- 9.2 When regular railroad crossings are used as haul routes inside or outside the work area, flagpersons shall be provided by the Permittee/Contractor for said crossings in all situations at the discretion of the ARRC.
- 9.3 Temporary road crossings may be installed provided the Permittee/Contractor has acquired from ARRC a temporary road crossing permit for said crossing. If the crossing is not shown on the project plans as approved by ARRC, then it will be at ARRC's sole discretion whether to allow a later-requested crossing.
- 9.4 The temporary road crossing shall be constructed to the length and the standards specified in the temporary road crossing permit. All protective signs required by ARRC shall be provided and properly maintained by the Permittee/Contractor. The temporary road crossing shall be installed under ARRC flag protection in accordance with Section 6 of these specifications.
- 9.5 The flange ways of all road crossings used by the Permittee/Contractor or its subcontractor as haul routes or temporary road crossings shall be kept clean and free of gravel at all times and shall otherwise be maintained to the satisfaction of the Chief Engineer.
- 9.6 When a temporary road crossing is in use, ARRC flag protection shall be provided at all times. See Section 6 for specifications.
- 9.7 When a temporary or private road crossing is not in use, the Permittee/Contractor shall provide suitable barricades (gates with padlocks, posts driven into the ground, etc.) to prevent vehicular access to the crossing.
- 9.8 When not in use during the winter season, the temporary road crossing shall be removed. Upon completion of the work or termination of the crossing permit, the temporary crossing shall be removed and the area restored to its original condition.
- 9.9 The Permittee/Contractor agrees that all others using the private road crossing, except ARRC and its employees, shall be considered agents of the Permittee/Contractor.
- 9.10 Sight Triangles at road crossings shall be maintained by Permittee/Contractor free of vegetation and other obstructions to vision in accordance with the table entitled "Sight Triangle Distance" attached and as otherwise established and revised from time to time by ARRC.
- 9.11 Temporary public road crossings must be included in a traffic control plan submitted by the Permittee/Contractor to Alaska Department of Transportation (ADOT) for review and approval prior to constructing the crossing.

SECTION 10. POWER AND COMMUNICATION LINES

- 10.1 All power and communication lines shall be designed and constructed in accordance with the current edition of the National Electric Safety Code (NESC).
- 10.2 Underground power and communication lines shall be installed in accordance with Section 11 of these specifications. Whenever an underground power or communication line crosses underneath a track, a casing pipe shall be installed for carrying such lines.
- 10.3 The minimum clearance above the top of rail of ARRC track shall be in accordance with the handbook referenced in Section 11.1, plus six (6) inches to allow for future grade raises.
- 10.4 The minimum clearance above ARRC communication lines shall be in accordance with the handbook referenced in Section 11.1.
- 10.5 Additional lines may not be added, or the characteristics of the line(s) changed without the prior written approval of ARRC's Director, Real Estate or Chief Engineer.
- 10.6 Wires shall be strung across ARRC tracks only when ARRC flag protection is provided in accordance with Section 6 of these specifications.
- 10.7 No wires shall be strung across ARRC's communications lines without first receiving prior written approval from ARRC's Telecommunication Supervisor, and such work must be accomplished only at a time and in a manner prescribed by said Telecommunication Supervisor.

SECTION 11. UNDERGROUND UTILITIES

- 11.1 All underground utilities, including culverts, pipelines, and underground power and communication lines, on ARRC Property shall conform to the current American Railway Engineering Association (AREA) / American Railroad Engineering and Maintenance-of-way Association (AREMA) Specifications.
- 11.2 Unless another method is authorized in advance and in writing by the Chief Engineer, all underground utilities shall be installed under tracks and roads by boring, jacking or tunneling.
- 11.3 Boring, jacking or tunneling shall be done under ARRC tracks only when ARRC flag protection is provided in accordance with Section 6 of these specifications.
- 11.4 The proposed plan for boring, jacking or tunneling shall be approved by the Chief Engineer prior to commencing the operation.
- 11.5 All boring, jacking or tunneling headings shall be continuously protected against any loss of ground material by shoring and/or cribbing as necessary.

SECTION 12. OPEN TRENCHING

- 12.1 Only when authorized in advance and in writing by ARRC shall any portion of the track be removed to allow trenching for installation of the Facility.
- 12.2 If allowed to open trench, the track may be removed from service only at the time authorized by the Chief Engineer and shall be restored to service within the time period specified by the Chief Engineer. Should the track not be restored to service within the time period specified, the agreed amount of liquidated damages shall be at the rate specified in the written authorization allowing the open trenching or the liquidated damages in accordance with Section 7 of these specifications, whichever is greater, and shall be collected from the Permittee/Contractor.
- 12.3 All track work shall be accomplished by qualified track persons.
- 12.4 Only that portion of the track structure necessary to excavate, stockpile and install the Facility shall be removed. All track material removed shall be handled, stockpiled and relayed in a manner to avoid damage. Any material which may be damaged shall be replaced by the Permittee/Contractor at its own expense.
- 12.5 The backfill of the trench under the track and in the road bed prism shall be of the same type of material as taken out, except the top 2 feet shall be clean pit run gravel. Backfilling and compaction shall be in one-foot lifts with a compaction of 95% of maximum density in the area affecting the roadbed prism.
- 12.6 The ballast used in replacing the track shall be equal in depth and quality as that which was removed. The track shall be relayed and brought to original grade in accordance with standard ARRC practices. The track shall be resurfaced as often as necessary for a period of 12 months after completion of construction to remove any settlement that may have occurred.

SECTION 13. EXCAVATIONS

- 13.1 Unless authorized in advance and in writing by ARRC, the top of any excavation shall not be within 20 feet of the centerline of any track; nor shall any excavation exceed ten (10) feet in depth regardless of its proximity to track.
- 13.2 No water shall be allowed to stand in open excavations in the track area.
- 13.3 Bridging and shoring shall be adequate to safely carry ARRC traffic and the decision of the Chief Engineer pertaining to same shall be final.
- 13.4 All open excavations shall be continuously protected by flags, flares, barricades or watchpersons, as directed by ARRC.
- 13.5 No excavation shall be left open more than three days, unless authorized by the Chief Engineer.
- 13.6 ARRC embankments and cut slopes shall not be disturbed any more than necessary to accommodate the construction and shall be left in a stabilized condition.
- 13.7 ARRC ditches, culverts and roadways shall be kept clean and free of rock, gravel, construction debris and equipment at all times.

SECTION 14. ARRC INSPECTIONS

- 14.1 ARRC may furnish an inspector during the periods of construction on ARRC Property. The ARRC inspector will inspect the removal and replacement of tracks, excavation, backfill, necessary bridging for tracks, shoring, flagging, lighting, clearances, etc., when necessary. The ARRC inspector will work directly with the representative of the Permittee /Contractor and the decision of the ARRC inspector in matters pertaining to ARRC operations and safety shall be final. In the event more than one shift is worked, an ARRC inspector will be required for each shift. Presence or absence of an ARRC inspector shall not relieve the Permittee /Contractor of liability for damage done to property of ARRC, or the property of ARRC lessees or permittees having installations on ARRC Property. All ARRC cost and expense for furnishing said inspector(s) shall be collected from the Permittee /Contractor.

SECTION 15. USE OF EXPLOSIVES

- 15.1 The use of explosives shall be done in compliance with all applicable Federal, State and local laws and ordinances regarding same.
- 15.2 No blasting of any kind will be permitted unless the Permittee/Contractor thoroughly safeguards the movement of trains and other rail traffic and personnel in the area where such blasting is being conducted. Before blasting, ARRC flag protection in accordance with Section 6 of these specifications shall be provided on each side of the blast area by the Permittee/Contractor. This flag protection shall not be removed until the track is inspected for damage from the blast.

SECTION 16. SNOW REMOVAL

- 16.1 Snow removal operations shall be conducted in such a manner as to not place snow (1) upon the tracks of ARRC; (2) where it interferes with the normal operation of the automatic crossing signals; or (3) where it impairs the visibility of either highway or rail traffic at the crossing.
- 16.2 Snow removal operations shall be conducted in accordance with Section 3 of these specifications.

SECTION 17. CLEAN-UP

- 17.1 At all times, all work and activities on ARRC Property shall be accomplished in such a manner as to keep the ARRC Property in a neat, orderly and safe condition satisfactory to ARRC.
- 17.2 Upon completion of Permittee/Contractor's work, all equipment and unused materials shall be removed and the ARRC Property shall be left in a neat and clean condition satisfactory to ARRC.
- 17.3 Should the Permittee/Contractor or its subcontractor fail to comply with Section 17.1 and 17.2 above, ARRC may perform the required clean-up. All ARRC costs and expenses for performing this work shall be collected from the Permittee /Contractor.

POLICY ON RAILROAD/HIGHWAY CROSSINGS

Appendix A

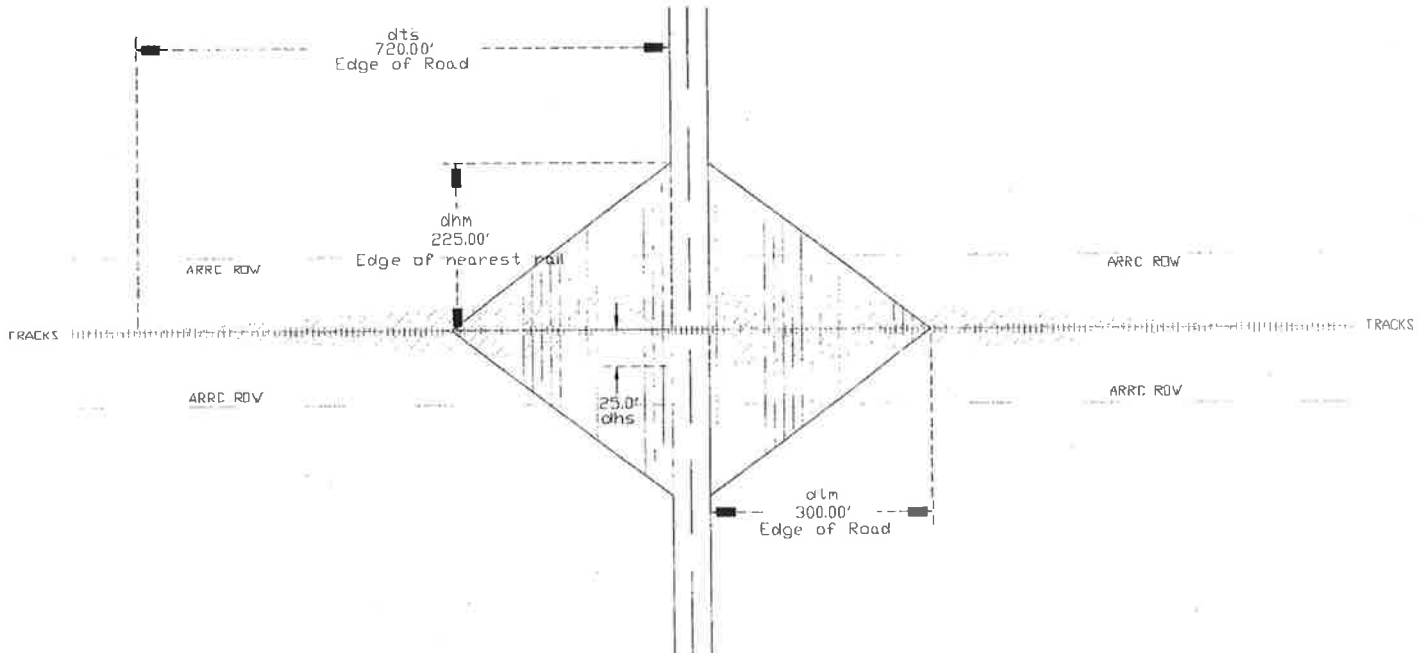
SIGHT TRIANGLE DISTANCE TABLE

ASSUMED VEHICLE SPEED (MPH)															
TRAIN SPEED (mph)	0	5	10	15	20	25	30	35	40	45	50	55	60	65	70
DISTANCE ALONG RAILROAD FROM CROSSING															
	dtm	dtm													
5	120	125	75	60	55	50	50	50	55	55	60	60	65	65	70
10	240	245	145	120	105	100	100	100	105	110	115	120	125	130	135
15	360	365	220	175	155	150	150	150	155	165	170	175	185	195	205
20	480	485	290	235	210	200	200	200	210	215	225	235	245	255	270
25	600	605	365	290	260	250	250	250	260	270	285	290	310	320	340
30	720	725	435	350	310	300	300	300	310	325	340	350	370	385	405
35	840	845	510	410	365	345	345	350	365	380	395	410	430	445	470
40	960	965	580	465	415	395	395	400	415	430	450	465	490	510	540
45	1080	1085	655	525	465	455	455	450	465	485	505	525	555	575	605
50	1200	1205	725	580	520	495	495	500	520	540	565	580	615	635	675
55	1320	1325	800	640	570	545	545	550	570	590	620	640	675	700	740
60	1440	1445	870	695	620	595	595	600	620	645	675	700	735	765	810
DISTANCE ALONG HIGHWAY FROM CROSSING (feet)															
	dhs	dhm													
	25	45	70	100	135	175	225	275	340	410	490	565	660	750	865

Notes:

- All calculated distances rounded up to next higher 5-foot increment.
- ASSUMPTIONS: Sixty-five foot truck crossing a single set of tracks at 90; flat terrain. Adjustments should be made for:
 - unusual vehicle lengths
 - acceleration capabilities
 - multiple tracks
 - skewed crossings
 - grades
- “dhs” and “dhm” will be measured from nearest rail. “dts” and “dtm” will be measured from the nearest edge of highway.
- Refer to ATTACHED SKETCH (nts) for SAMPLE CALCULATION.

SAMPLE CALCULATION Not to Scale



Case I: MOVING CONDITION

Highway Speed:	30 mph	dhm = 225 feet
Train Speed:	30 mph	dtm = 300 feet

Case II: STOPPED CONDITION

Highway Speed:	00 mph	dhs = 25 feet
Train Speed:	30 mph	dts = 720 feet

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



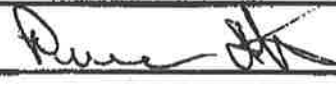
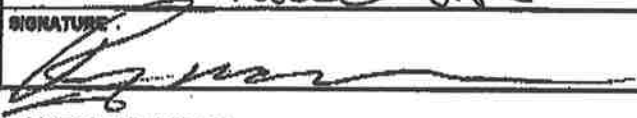
UNIT COST
\$ 37,292.00

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: FLEETOIL@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. 50-601488. 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 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 (Incentives):**

11.5.1 In any circumstance during or prior to completion of the contract, whereupon the State of Alaska becomes eligible to receive a rebate for any vehicle purchased under this contract, it shall be the BIDDER'S responsibility to inform the Contracting officer in writing and to advise the procedures for obtaining such rebates.

12.0 REPLACEMENT PARTS AND REPAIRS:

12.1 This contract encompasses a full parts and labor contract for manufacturer parts and repairs for the entire warranty period.

12.2 The State of Alaska shall expect the dealer or manufacturer to provide replacement wear parts at their authorized warranty facilities for the entire warranty period within seven (7) days of order. All other parts must be available within ten (10) working days.

**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

SECTION II
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 ¼ 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,

A handwritten signature in cursive script, appearing to read "Michelle Hale".

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

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<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	34,885.94	34,885.94	499,022.00	464,136.06	7.0
27-12-00-7091 TRANSFER OUT	.00	.00	499,021.00	499,021.00	.0
TOTAL EXPENDITURES	.00	.00	499,021.00	499,021.00	.0
NET REVENUE OVER EXPENDITURES	34,885.94	34,885.94	1.00 (	34,884.94)	34885

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

Executive Session