



CITY OF NORTH POLE
Regular Meeting July 01, 2019
North Pole Council Chambers
125 Snowman Lane, North Pole, Alaska
www.northpolealaska.com

Monday, July 01, 2019

**Work Session: An Overview by the Department of Community Planning Regarding the
Salcha-Badger Road Area Plan & Committee of the Whole: 6:00 p.m.
Regular City Council Meeting – 7:00 p.m.**

MAYOR

Michael Welch
488-8584

CITY CLERK

Judy Binkley
488-8583

COUNCIL MEMBERS

Doug Isaacson – Mayor Pro Tem	322-3133
Avery Thompson – Deputy Mayor Pro Tem	388-5351
Perry Walley – Alt Dep Mayor Pro Tem	347-0135
DeJohn Cromer	347-2808
Aino Welch	488-5834
David Skippis	750-5106

- 1. Call to Order/Roll Call**
- 2. Pledge of Allegiance to the US Flag**
- 3. Invocation**
- 4. Approval of the Agenda**
- 5. Approval of the Minutes**
 - a. June 12, 2019
 - b. June 17, 2019
- 6. Communications from the Mayor**
 - a. Presentation of the 2018 Audit from KSH
- 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 19-09, An Ordinance of the City of North Pole, Alaska to Amend the 2019 Public Works Budget to Increase Funding to Hire Additional Part-Time Employees.
- b. Ordinance 19-10, An Ordinance of the City of North Pole, Alaska to Amend the 2019 Operating Budget and Other Funds.

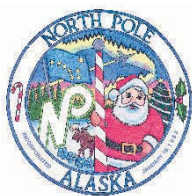
12. New Business

- a. Resolution 19-02, A Resolution of the North Pole City Council in Support of the Salcha-Badger Road Area Plan.
- b. Ordinance 19-11, An Ordinance of the City of North Pole, Alaska to Approve Phases 1 and 2 Remedial Action Construction Cooperative Agreements with the US Army Corps of Engineers.
- c. Ordinance 19-12, An Ordinance of the City of North Pole, Alaska to Amend the 2019 Operating Budget and Other Funds to Purchase an Equipped Command Vehicle.
- d. Request to Authorize the Purchase of Furnaces for the Fire Department.

13. Council Comments

14. Adjournment

Detailed information and copies of agenda documents may be obtained at the Office of the City Clerk, 125 Snowman Lane or on the City website www.northpolealaska.com . Notice of Council Action is available at City Hall and on the City website following the meeting. Council Meetings are aired live via audio streaming from the City's website. Inquiries concerning ADA compliance or accommodations should be directed to the City Clerk.



NORTH POLE CITY COUNCIL
SPECIAL MEETING MINUTES, JUNE 12, 2019
NORTH POLE CITY COUNCIL CHAMBERS
125 SNOWMAN LANE, NORTH POLE, ALASKA

Mayor Michael Welch called the special City Council meeting of Wednesday, June 12, 2019 to order at 6:00 p.m with the following Council Members in attendance:

Council Members Present: Doug Isaacson, Mayor Pro Tem
Avery Thompson, Deputy Mayor Pro Tem
Aino Welch
David Skipps
DeJohn Cromer

Absent: Perry Walley, Alt Dep Mayor Pro Tem

Also Present: William Butler, Director of City Services,
Tricia Fogarty, Chief Financial Officer,

PLEDGE OF ALLEGIANCE TO THE FLAG

Mayor Welch asked everyone to join him in the Pledge of Allegiance.

COMMUNICATIONS TO THE COUNCIL

None

CITIZEN'S COMMENTS – (Limited to Five (5) minutes per Citizen)

None

SPECIAL ORDERS

RESOLUTION 19-01, A RESOLUTION OF THE NORTH POLE CITY COUNCIL TO ESTABLISH THE RATE OF TAX LEVY OF 2019 REAL PROPERTY TAXES OF THE CITY OF NORTH POLE.

Mayor Welch introduced the resolution.

Public Comment

None

Mr. Isaacson *moved to* **Introduce and Adopt Resolution 19-01, A Resolution of the North Pole City Council to Establish the Rate of Tax Levy of 2019 Real Property Taxes of the City of North Pole.**

Seconded *by* **Mr. Skipps**

Discussion

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO INTRODUCE AND ADOPT RESOLUTION 19-01, A RESOLUTION OF THE NORTH POLE CITY COUNCIL TO ESTABLISH THE RATE OF TAX LEVY OF 2019 REAL PROPERTY TAXES OF THE CITY OF NORTH POLE AS FOLLOWS:

YES: Skipps, Thompson, Isaacson, Cromer, Welch, Welch

NO: None

ABSTAIN: None

Mayor Welch declared the MOTION CARRIED

COUNCIL COMMENTS

None

Mr. Thompson *moved to* **adjourn the meeting at 6:08 p.m.**

Seconded *by* **Ms. Welch.**

The special meeting of Wednesday, June 12, 2019 adjourned at 6:09 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, July 01, 2019.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, City Clerk



NORTH POLE CITY COUNCIL
REGULAR MEETING MINUTES, JUNE 17, 2019
NORTH POLE CITY COUNCIL CHAMBERS
125 SNOWMAN LANE, NORTH POLE, ALASKA

Mayor Michael Welch called the regular City Council meeting of Monday, June 17, 2019 to order at 7:00 p.m with the following Council Members in attendance:

Council Members Present: Doug Isaacson, Mayor Pro Tem
Avery Thompson, Deputy Mayor Pro Tem
Aino Welch
David Skipps
DeJohn Cromer

Excused: Perry Walley, Alt Dep Mayor Pro Tem

Also Present: Judy Binkley, City Clerk/HR Manager
William Butler, Director of City Services,
Tricia Fogarty, Chief Financial Officer,
Geoff Coon, Fire Chief

PLEDGE OF ALLEGIANCE TO THE FLAG

Mayor Welch asked everyone to join him in the Pledge of Allegiance.

INVOCATION

The Invocation was given by City Council Member Isaacson.

APPROVAL OF AGENDA

Mr. Isaacson moved to approve the agenda of June 17, 2019.

Seconded by Ms. Welch.

Discussion

Mr. Isaacson moved to consent the following items:

New Business:

- a. Request to Approve the ALMR FY 20 Membership Agreement.
- b. Request to Approve the Zoll Extended Warranty & Preventive Maintenance Contract.
- c. Request to Approve the Fairbanks North Star Borough and City of North Pole Emergency Medical Services and Ambulance Contract.

- d. Ordinance 19-09, An Ordinance of the City of North Pole, Alaska to Amend the 2019 Public Works Budget to Increase Funding to Hire Additional Part-Time Employees.
- e. Ordinance 19-10, An Ordinance of the City of North Pole, Alaska to Amend the 2019 Operating Budget and Other Funds.
- f. Request for Approval of the City Hall Copier Lease.

Seconded by Ms. Welch.

Discussion on the amendment

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE AGENDA OF JUNE 17, 2019 AS FOLLOWS:

YES: 6 – Skipps, Thompson, Isaacson, Cromer, Welch, Welch

NO: 0

ABSTAIN: 0

Mayor Welch declared the MOTION CARRIED

Discussion on the agenda as amended

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE AMENDED AGENDA OF JUNE 17, 2019 AS FOLLOWS:

YES: 6 – Skipps, Thompson, Isaacson, Cromer, Welch, Welch

NO: 0

ABSTAIN: 0

Mayor Welch declared the MOTION CARRIED

APPROVAL OF MINUTES

Ms. Welch moved to approve the Minutes of June 03, 2019.

Seconded by Mr. Thompson.

Discussion

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE MINUTES OF JUNE 03, 2019 AS FOLLOWS:

YES: 6 – Skipps, Thompson, Isaacson, Cromer, Welch, Welch

NO: 0

ABSTAIN: 0

Mayor Welch declared the MOTION CARRIED

COMMUNICATIONS FROM THE MAYOR (Audio 4:23)

- Colonel Shawn Anger, Vice Commander, 354th Fighter Wing, spoke to the water issue in Moose Creek.
- Kevin Thomas with the Air Force Civil Engineer Center was also present to discuss the Moose Creek project. On behalf of the Air Force and the Civil Engineer Center, he thanked the Council for their continued support and finding a solution for the PFOS contamination in Moose Creek.
- June 11 – Met with Colonel Ingram and Bert Somers to discuss ideas about a 2020 homecoming that is also being discussed once a month at the FNSB.
- On June 26 – I will be downtown to talk about the 2020 homecoming and from what I could gather, there are two areas that North Pole could do better, Thanksgiving and Christmas.
- June 13 – Attended the change of command ceremonies for the 354th force support squadron.
- Met with Christopher Zimmerman for the contract we talked about with the Fire Chief.

COUNCIL MEMBER QUESTIONS OF THE MAYOR

None

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Fire Department, Chief Coon (Audio 30:25)

- The Captain position has closed and we have four applicants for the position.
- Hydrant testing started today. We should finish up on the 28th.
- Department is sending medics to the moto cross track for races.
- Burn permit are still required, they are available online at www.forestry.alaska.gov/burn
- We sold some items at the auction. Engine 23 did not receive a bid for the reserve amount and will remain at Great North Auction until the next sale.
- Training:
 - I just got back from a 6-day class at the National Fire Academy.
- Maintenance Report:
 - DC Heineken has completed repairs to the steering column of C-21.
 - We received a quote to replace our failing forced air furnace in the training annex. We received a quote for \$7705.60 from Rocky's heating. This is the contractor that has maintained all of the Fire Department's boilers and replaced our heating controls. We will bring forward a fiscal note at the next Council meeting because this is in excess of our building maintenance budgeted amount.

- There is a new “Stop the Bleed” kit at City Hall. We will do training at a future date.

Finance, Tricia Fogarty (Audio 41:43)

- We are continuing on the audit and the auditors will be out again on Wednesday.
- We will have to have a special meeting to present the audit and I guess I’ll get a feel for that on Wednesday as to what time they think they’ll wrap it up.
- I sent out financials so if you have questions, I’d be happy to answer them.

Director of City Services, Bill Butler (Audio 49:53)

Building Department

- Two new residential building permit applications submitted.
- Charter school project on path for at a minimum a foundation permit.
- Contractor has approached City about construction of a 14 unit apartment building.
- Petro Star has approached the City about permitting an above-ground fuel line to GVEA.

Public Works

- Request before the Council this evening to increase funding for temporary hires.
- PW’s predominate activities going forward are landscaping.

Utility Department

- Sulfolane settlement.
 - Over 85% of eligible property owners in Zones 1 & 2 have signed up for utility accounts as of today.
 - 46 new customers have been connected to the system to date.
- Moose Creek Water System Expansion Project.
 - 35% design documents were submitted on June 10 and PDC Engineers is moving forward to complete the 65% design documents by early August 2019.
 - The Record of Decision (ROD) – the formal approval by USAF, EPA, and ADEC of the plan to provide water to Moose Creek, has been signed by all required parties.
 - In the final stages of contract discussions with USACE for the construction phase cooperative agreement. I will bring a recommendation to the Council at the July 1st meeting about proceeding to construction. USAF is looking for a decision from the City by July 15 whether willing to construct the system. Approval from the City will require two affirmative votes from the Council. The USAF needs to know by July 15 so they have time to repurpose the project funding before September 30, 2019 if they City declines to proceed with the project.

City Clerk, Judy Binkley (Audio 1:44:54)

- I have much to share about what I learned at Professional Development 2 (aka PD 2) last week and will provide that in my next monthly letter to Council.
- The three local municipal clerks’ offices are preparing for the Candidate Open House that will take place Saturday, June 29th at the Borough Assembly chambers. It will run from

9-noon and the League of Women Voters will be doing presentations every hour. Thank you to Mr. Skipps who has agreed to be our City representative from 10-11.

ONGOING PROJECTS (Audio 1:45:38)

- Mayor Welch - you will start hearing from me about online sales tax.

CITIZEN'S COMMENTS – (Limited to Five (5) minutes per Citizen

None

OLD BUSINESS

None

Public Comment

None

NEW BUSINESS

Consented

Public Comment

None

COUNCIL COMMENTS

None

Mr. Isaacson moved to adjourn the meeting at 8:52 p.m.

Seconded by Mr. Thompson.

The regular meeting of Monday, June 17, 2019 adjourned at 8:53 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, July 01, 2019.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, City Clerk

Memo

To: North Pole City Council
From: William Butler
Date: June 11, 2019
Subject: Budget modification to fund additional temporary hires for the Public Works Department

RECOMMENDATION

Approve the transfer of \$15,000 from the General Fund to the Public Works Temporary Hire budget to fund an additional temporary summer hire (\$13,373.57) and funding (\$1,625.26) to provide temporary support when the Public Works Department is understaffed.

BACKGROUND

In 2018, the Public Works budget included funding for five temporary hires. At the end of 2018, Public Works had expended 99.7% of this funding. (See attached 2018 budget, GL 01-58-1-008.) The 2019 Department's temporary hire budget includes only sufficient funding for three temporary hires for three months.

During the majority of the year—September through May--the Department only has two fulltime employees. Both of these employees have been with the City for over five years and they earn the maximum hours of leave per pay period and they can accumulate no more than 320 hours of leave. Because the fall and winter months are generally the least busy time for the Department, it is during these months that our fulltime employees take leave. When this occurs, the Department has only one staff member. It can be a burden for a single staff member to shoulder all of the Department's responsibilities when the other staff member is on leave, especially if there are snowfall events. This past winter, the Department hired a temporary hire to assist when there was only a single fulltime individual on duty while the other was on leave. This was much appreciated by the fulltime Department staff when only one was on duty while the other was on leave. However, using temporary hires this past winter consumed a share of the Department's temporary hire budget and they will have fewer hours for temporary hire time during the busy summer months.

At the end of 2018, the Department had \$15,110 unexpended at the end of the year in its Other budget category. A number of the functions in the Other category—Beautification and Parks & Trails—support activities that make the City a more attractive place during the summer months, the time when the Department is its busiest and in need of temporary hires is the greatest. In the Department we,

recognize that at the end of the budget year, all unexpended funds return to the General Fund. The Department is just using the funds returned to the General Fund as a reasonable point of reference for our supplemental funding request.

Summary Public Works Temporary Hire to Date and Proposed: 2019

Employee	Hourly Rate	Annual Wage (01-58-1-108)	Benefits: WC (60% Building)	Benefits: WC (40% St & Rd Maintenance)	Benefits: Medicare	Benefits: Social Security	Total Benefits (01-58-1-003)	Budgetary total
Seasonal	\$18.00	\$11,520.00	\$622.08	\$350.21	\$167.04	\$714.24	\$1,853.57	\$13,373.57
Seasonal	\$18.00	\$11,520.00	\$622.08	\$350.21	\$167.04	\$714.24	\$1,853.57	\$13,373.57
Seasonal	\$18.00	\$11,520.00	\$622.08	\$350.21	\$167.04	\$714.24	\$1,853.57	\$13,373.57
SUBTOTAL		\$34,560.00	\$1,866.24	\$1,050.62	\$501.12	\$2,142.72	\$5,560.70	\$40,120.70
Seasonal-new	\$18.00	\$11,520.00	\$622.08	\$350.21	\$167.04	\$714.24	\$1,853.57	\$13,373.57
Seasonal-new	\$18.00	\$1,400.00	\$75.60	\$42.56	\$20.30	\$86.80	\$225.26	\$1,625.26
TOTAL		\$46,080.00	\$2,488.32	\$1,400.83	\$668.16	\$2,856.96	\$7,414.27	\$55,119.53

Spent on salaries as of 6/6/19: \$10,607.24

Balance in OTHER budget category at end of 2018: \$15,110.37

2018 authorized Temporary Hire: \$57,600

Transfer request: \$15,000

CITY OF NORTH POLE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2018

PUBLIC WORKS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>SALARIES & BENEFITS</u>					
01-58-1-001 WAGES: FULL TIME	159,507.36	159,507.36	158,517.00	(990.36)	100.6
01-58-1-002 WAGES: HOLIDAY PAY	479.05	479.05	1,000.00	520.95	47.9
01-58-1-003 BENEFITS	24,011.37	24,011.37	18,626.00	(5,385.37)	128.9
01-58-1-004 PERS	38,414.20	38,414.20	34,874.00	(3,540.20)	110.2
01-58-1-006 LEAVE CASH OUT	6,126.81	6,126.81	6,000.00	(126.81)	102.1
01-58-1-007 OVERTIME: REGULAR	11,123.81	11,123.81	8,000.00	(3,123.81)	139.1
01-58-1-008 TEMP/OVERHIRE	57,407.40	57,407.40	57,600.00	192.60	99.7
01-58-1-012 ESC	.00	.00	3,000.00	3,000.00	.0
01-58-1-013 HEALTH INSURANCE	42,156.60	42,156.60	42,705.00	548.40	98.7
TOTAL SALARIES & BENEFITS	339,226.60	339,226.60	330,322.00	(8,904.60)	102.7
<u>PURCHASED SERVICES</u>					
01-58-2-200 ADVERTISING	184.50	184.50	1,500.00	1,315.50	12.3
01-58-2-205 AUDIT & FINANCE	1,500.00	1,500.00	3,000.00	1,500.00	50.0
01-58-2-215 INSURANCE	14,420.64	14,420.64	20,000.00	5,579.36	72.1
01-58-2-220 IT SERVICES	.00	.00	500.00	500.00	.0
01-58-2-225 LEGAL FEES	302.50	302.50	500.00	197.50	60.5
01-58-2-230 MAINTENANCE CONTRACTS	1,779.00	1,779.00	1,500.00	(279.00)	118.6
01-58-2-235 PROFESSIONAL SERVICES	3,066.86	3,066.86	500.00	(2,566.86)	613.4
01-58-2-240 SNOW REMOVAL	75,350.00	75,350.00	96,000.00	20,650.00	78.5
TOTAL PURCHASED SERVICES	96,603.50	96,603.50	123,500.00	26,896.50	78.2
<u>OPERATIONAL EXPENSES</u>					
01-58-3-305 ELECTRIC	1,398.61	1,398.61	5,000.00	3,601.39	28.0
01-58-3-307 RADAR SIGNS ELECTRIC	238.94	238.94	250.00	11.06	95.6
01-58-3-309 STREET LIGHTS ELECTRIC	28,150.79	28,150.79	25,750.00	(2,400.79)	109.3
01-58-3-310 HEATING FUEL	7,218.47	7,218.47	5,500.00	(1,718.47)	131.2
01-58-3-320 PHONE/DATA	4,378.02	4,378.02	5,000.00	621.98	87.6
01-58-3-330 POSTAGE	46.87	46.87	1,500.00	1,453.13	3.1
01-58-3-335 OFFICE EQUIPMENT & SUPPLIES	.00	.00	500.00	500.00	.0
01-58-3-340 OPERATIONAL SUPPLIES	11,607.08	11,607.08	10,000.00	(1,607.08)	116.1
01-58-3-345 UNIFORMS	137.75	137.75	500.00	362.25	27.6
01-58-3-355 PUBLICATIONS & SUBSCRIPTIONS	.00	.00	250.00	250.00	.0
TOTAL OPERATIONAL EXPENSES	53,176.53	53,176.53	54,250.00	1,073.47	98.0
<u>TRAVEL, TRAINING & MEMBERSHIPS</u>					
01-58-5-500 MEMBERSHIPS & DUES	40.00	40.00	.00	(40.00)	.0
01-58-5-505 RECRUITMENT	.00	.00	250.00	250.00	.0
01-58-5-510 TRAVEL & TRAINING	91.56	91.56	1,500.00	1,408.44	6.1
TOTAL TRAVEL, TRAINING & MEMBERSHIPS	131.56	131.56	1,750.00	1,618.44	7.5

CITY OF NORTH POLE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 12 MONTHS ENDING DECEMBER 31, 2018

GENERAL FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>VEHICLE, EQUIPMENT EXPENSES</u>					
01-58-6-600	EQUIPMENT REPAIR & MAINTENANCE	5,416.08	5,416.08	6,000.00	583.92	90.3
01-58-6-605	VEHICLE GAS & OIL	9,257.74	9,257.74	10,000.00	742.26	92.6
01-58-6-610	VEHICLE REPAIR & MAINTENANCE	2,180.37	2,180.37	5,000.00	2,819.63	43.6
	TOTAL VEHICLE, EQUIPMENT EXPENSES	16,854.19	16,854.19	21,000.00	4,145.81	80.3
	<u>INFRASTRUCTURE OUTLAY</u>					
01-58-7-700	BUILDING MAINTENANCE	8,863.15	8,863.15	13,000.00	4,136.85	68.2
01-58-7-705	STREET LIGHT MAINTENANCE	4,587.20	4,587.20	12,000.00	7,412.80	38.2
01-58-7-710	STREET MAINTENANCE	53,608.27	53,608.27	68,500.00	14,891.73	78.3
	TOTAL INFRASTRUCTURE OUTLAY	67,058.62	67,058.62	93,500.00	26,441.38	71.7
	<u>OTHER</u>					
01-58-9-900	FEES: AK RR PERMITS	8,000.00	8,000.00	8,000.00	.00	100.0
01-58-9-903	BEAUTIFICATION	13,489.18	13,489.18	15,000.00	1,510.82	89.9
01-58-9-904	CHRISTMAS DECORATIONS	2,271.82	2,271.82	3,000.00	728.18	75.7
01-58-9-905	EQUIPMENT OUTLAY	5,160.07	5,160.07	12,000.00	6,839.93	43.0
01-58-9-912	FMATS MATCH PARTICIPATION	7,500.00	7,500.00	10,800.00	3,300.00	69.4
01-58-9-920	MISCELLANEOUS EXPENSE	2,149.24	2,149.24	3,000.00	850.76	71.6
01-58-9-950	PARKS/TRAILS/GROUNDS SUPPLIES	12,590.32	12,590.32	15,000.00	2,409.68	83.9
01-58-9-999	TRANSFER OUT	20,529.00	20,529.00	20,000.00	(529.00)	102.7
	TOTAL OTHER	71,689.63	71,689.63	86,800.00	15,110.37	82.6
	TOTAL PUBLIC WORKS EXPENDITURES	644,740.63	644,740.63	711,122.00	66,381.37	90.7

CITY OF NORTH POLE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING JUNE 30, 2019

PUBLIC WORKS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>SALARIES & BENEFITS</u>					
01-58-1-001 WAGES: FULL TIME	69,225.70	69,225.70	164,055.00	94,829.30	42.2
01-58-1-002 WAGES: HOLIDAY PAY	.00	.00	1,000.00	1,000.00	.0
01-58-1-003 BENEFITS	8,143.35	8,143.35	20,250.00	12,106.65	40.2
01-58-1-004 PERS	16,736.00	16,736.00	36,092.00	19,356.00	46.4
01-58-1-006 LEAVE CASH OUT	4,667.45	4,667.45	6,000.00	1,332.55	77.8
01-58-1-007 OVERTIME: REGULAR	6,846.63	6,846.63	8,000.00	1,153.37	85.6
01-58-1-008 TEMP/OVERHIRE	9,621.00	9,621.00	34,560.00	24,939.00	27.8
01-58-1-012 ESC	986.24	986.24	1,500.00	513.76	65.8
01-58-1-013 HEALTH INSURANCE	18,241.20	18,241.20	43,875.00	25,633.80	41.6
TOTAL SALARIES & BENEFITS	134,467.57	134,467.57	315,332.00	180,864.43	42.6
<u>PURCHASED SERVICES</u>					
01-58-2-200 ADVERTISING	.00	.00	1,500.00	1,500.00	.0
01-58-2-205 AUDIT & FINANCE	.00	.00	2,000.00	2,000.00	.0
01-58-2-215 INSURANCE	13,539.59	13,539.59	15,000.00	1,460.41	90.3
01-58-2-220 IT SERVICES	.00	.00	500.00	500.00	.0
01-58-2-225 LEGAL FEES	82.50	82.50	500.00	417.50	16.5
01-58-2-230 MAINTENANCE CONTRACTS	500.00	500.00	2,000.00	1,500.00	25.0
01-58-2-235 PROFESSIONAL SERVICES	1,498.32	1,498.32	30,000.00	28,501.68	5.0
01-58-2-240 SNOW REMOVAL	31,200.00	31,200.00	81,000.00	49,800.00	38.5
TOTAL PURCHASED SERVICES	46,820.41	46,820.41	132,500.00	85,679.59	35.3
<u>OPERATIONAL EXPENSES</u>					
01-58-3-305 ELECTRIC	2,241.11	2,241.11	5,250.00	3,008.89	42.7
01-58-3-307 RADAR SIGNS ELECTRIC	110.78	110.78	250.00	139.22	44.3
01-58-3-309 STREET LIGHTS ELECTRIC	15,719.50	15,719.50	24,000.00	8,280.50	65.5
01-58-3-310 HEATING FUEL	2,387.96	2,387.96	7,200.00	4,812.04	33.2
01-58-3-320 PHONE/DATA	1,245.83	1,245.83	5,000.00	3,754.17	24.9
01-58-3-330 POSTAGE	.00	.00	1,000.00	1,000.00	.0
01-58-3-335 OFFICE EQUIPMENT & SUPPLIES	.00	.00	500.00	500.00	.0
01-58-3-340 OPERATIONAL SUPPLIES	3,230.73	3,230.73	10,000.00	6,769.27	32.3
01-58-3-345 UNIFORMS	115.60	115.60	500.00	384.40	23.1
01-58-3-355 PUBLICATIONS & SUBSCRIPTIONS	.00	.00	250.00	250.00	.0
TOTAL OPERATIONAL EXPENSES	25,051.51	25,051.51	53,950.00	28,898.49	46.4
<u>TRAVEL, TRAINING & MEMBERSHIPS</u>					
01-58-5-500 MEMBERSHIPS & DUES	.00	.00	250.00	250.00	.0
01-58-5-505 RECRUITMENT	172.56	172.56	500.00	327.44	34.5
01-58-5-510 TRAVEL & TRAINING	.00	.00	1,500.00	1,500.00	.0
TOTAL TRAVEL, TRAINING & MEMBERSHIPS	172.56	172.56	2,250.00	2,077.44	7.7

CITY OF NORTH POLE
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 6 MONTHS ENDING JUNE 30, 2019

GENERAL FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>VEHICLE, EQUIPMENT EXPENSES</u>					
01-58-6-600	EQUIPMENT REPAIR & MAINTENANCE	896.78	896.78	5,000.00	4,103.22	17.9
01-58-6-605	VEHICLE GAS & OIL	2,605.65	2,605.65	7,500.00	4,894.35	34.7
01-58-6-610	VEHICLE REPAIR & MAINTENANCE	2,444.57	2,444.57	5,000.00	2,555.43	48.9
	<u>TOTAL VEHICLE, EQUIPMENT EXPENSES</u>	<u>5,947.00</u>	<u>5,947.00</u>	<u>17,500.00</u>	<u>11,553.00</u>	<u>34.0</u>
	<u>INFRASTRUCTURE OUTLAY</u>					
01-58-7-700	BUILDING MAINTENANCE	712.78	712.78	5,000.00	4,287.22	14.3
01-58-7-705	STREET LIGHT MAINTENANCE	300.00	300.00	10,000.00	9,700.00	3.0
01-58-7-710	STREET MAINTENANCE	16,450.50	16,450.50	92,000.00	75,549.50	17.9
	<u>TOTAL INFRASTRUCTURE OUTLAY</u>	<u>17,463.28</u>	<u>17,463.28</u>	<u>107,000.00</u>	<u>89,536.72</u>	<u>16.3</u>
	<u>OTHER</u>					
01-58-9-900	FEES: AK RR PERMITS	.00	.00	8,000.00	8,000.00	.0
01-58-9-903	BEAUTIFICATION	.00	.00	15,000.00	15,000.00	.0
01-58-9-904	CHRISTMAS DECORATIONS	.00	.00	3,000.00	3,000.00	.0
01-58-9-905	EQUIPMENT OUTLAY	2,040.57	2,040.57	10,000.00	7,959.43	20.4
01-58-9-912	FMATS MATCH PARTICIPATION	3,750.00	3,750.00	7,500.00	3,750.00	50.0
01-58-9-920	MISCELLANEOUS EXPENSE	553.07	553.07	3,000.00	2,446.93	18.4
01-58-9-950	PARKS/TRAILS/GROUNDS SUPPLIES	2,124.89	2,124.89	15,000.00	12,875.11	14.2
01-58-9-999	TRANSFER OUT	.00	.00	59,250.00	59,250.00	.0
	<u>TOTAL OTHER</u>	<u>8,468.53</u>	<u>8,468.53</u>	<u>120,750.00</u>	<u>112,281.47</u>	<u>7.0</u>
	<u>TOTAL PUBLIC WORKS EXPENDITURES</u>	<u>238,390.86</u>	<u>238,390.86</u>	<u>749,282.00</u>	<u>510,891.14</u>	<u>31.8</u>

**CITY OF NORTH POLE
ORDINANCE 19-09**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
TO AMEND THE 2019 PUBLIC WORKS BUDGET TO
INCREASE FUNDING TO HIRE ADDITIONAL PART-TIME
EMPLOYEES**

WHEREAS, changes to the public services practices and policies is a continually changing requirement; and,

WHEREAS, the City of North Pole budget should be amended to conform to the requirements of the City; and,

WHEREAS, adjustment in the budget are necessary to remain compliant with council approved authorizations and budget management rules; and

WHEREAS, fiscal notes are the method prescribed by the code to amend a budget; and,

WHEREAS, fiscal notes have been reviewed by the Accountant and Mayor for accuracy and will be recorded as amendments to the budget upon approval.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Pole that it approves changes as listed in the attached fiscal note for the purpose of hiring additional temporary employees for the Public Works Department.

Section 1. This ordinance is of a general nature and shall not be codified.

Section. Effective date. This ordinance shall become effective immediately upon passage.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this ____ day of _____, 2019.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, City Clerk

PASSED/FAILED Yes: No: Absent:



City of North Pole, Alaska

Fiscal Note Year: 2019

Accompanying Ordinance/Resolution: 19-09

Originator / sponsor: Bill Butler

Date: June 13, 2019

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

FUND	Account Description	Account #	Debit	Credit
01	Temp / Overhire	01-58-1-008	12,920	
01	Benefits	01-58-1-003	2,080	
01	Transfer Out	01-58-9-999		15,000
		Total	15,000	15,000

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).

To fund Public Works, Salary & Benefits to support the hiring of temporary hires - one additional summer hire and additional funds for temporary hire in the fall/winter 2019 only as needed.

Prepared By: Bill Butler **Date:** 06/13/2019

Finance Approval: Tricia Fogarty **Date:** 06/13/2019

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.

**CITY OF NORTH POLE
ORDINANCE 19-10**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
TO AMEND THE 2019 OPERATING BUDGET AND OTHER
FUNDS**

WHEREAS, changes to the public services practices and policies is a continually changing requirement; and,

WHEREAS, the City of North Pole budget should be amended to conform to the requirements of the City; and,

WHEREAS, adjustment in the budget are necessary to remain compliant with council approved authorizations and budget management rules; and

WHEREAS, fiscal notes are the method prescribed by the code to amend a budget; and,

WHEREAS, fiscal notes have been reviewed by the Accountant and Mayor for accuracy and will be recorded as amendments to the budget upon approval.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Pole that it approves changes as listed in the attached fiscal note for the purpose managing the City budget.

Section 1. This ordinance is of a general nature and shall not be codified.

Section. Effective date. This ordinance shall become effective immediately upon passage.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this ____ day of _____, 2019.

Michael W. Welch, Mayor

ATTEST:

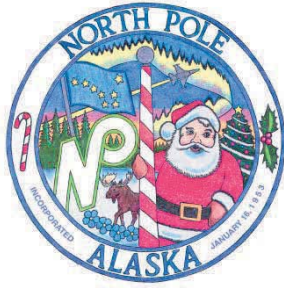
Judy L. Binkley, City Clerk

PASSED/FAILED

Yes:

No:

Absent:



City of North Pole, Alaska

Fiscal Note Year: 2019

Accompanying Ordinance/Resolution: JAG Grant Amendment

Originator / sponsor: Chief Dutra

Date: June 12, 2019

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

FUND	Account Description	Account #	Debit	Credit
11	Wages Full Time	11-19-1-004	13,510.00	
11	Over Time	11-19-1-007	1,130.00	
11	Benifits	11-19-1-003	850.00	
11	PERS	11-19-1-004	1,467.00	
11	Health Insurance	11-19-1-013	2,250.00	
11	Grant Revenue	11-00-3-900		19,207.00

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).

To authorize the Edward Byrne Memorial Justice Assistance Grant amendment one to increase grant funding by \$19,207.00 for personnel and fringe.

Prepared By: Tricia Fogarty Date: June 12, 2019

Finance Approval: Tricia Fogarty Date: June 12, 2019

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

STATE OF ALASKA
Department of Public Safety
Grants Administration

GRANT AMENDMENT

GRANTEE		DEPARTMENT	
NAME: City of North Pole		NAME: Department of Public Safety	
ADDRESS: 125 Snowman Lane		ADDRESS: 5700 E. Tudor Road	
CITY: North Pole, AK 99705		CITY: Anchorage, AK 99502	
CONTACT: Jeremy Lindhag		CONTACT: April Carlson	
TITLE: Lieutenant		TITLE: Grants Manager	
PHONE: 907-488-6902		PHONE: 907-269-5082	
EMAIL: jlindhag@northpolepolice.org		EMAIL: april.carlson@alaska.gov	
AWARD INFORMATION			
PROJECT NAME: Multi-jurisdictional Task Force		GRANTEE DUNS: 015680010	
PROGRAM NAME: Edward Byrne Memorial Justice Assistance Grant (JAG)		GRANT AWARD: 19-JAG1	
FEDERAL AWARD: 2017-DJ-BX-0056		PROGRAM CFDA: 16.738	
AWARD AMOUNT: \$120,407.00		EXTEND END DATE: September 30, 2019	
PROJECT START: July 1, 2018		PROJECT END DATE: June 30, 2019	
		REQUIRED MATCH: No	
		RISK ASSESSMENT: Yes	
BUDGET AMENDMENT			
Purpose Area: Law Enforcement			
Cost Category	Original AMOUNT	Amend One	Amend Two
Personnel	51,579.00	14,833.00	14,388.00
Fringe	30,521.00	4,267.00	4,819.00
TOTAL	\$ 82,100.00	\$ 19,100.00	\$ 19,207.00
			\$ 120,407.00
AMENDMENT JUSTIFICATION			
Amend One: The original budget funded one investigator position at 100% for 9 months due to funding availability. Additional funds are now available to increase personnel and fringe for an additional 3 months to complete the project.			
Amend Two: Extend the project end date to September 30, 2019 and increase the budget to complete the project and closeout JAG award 2017-DJ-BX-0056.			
GRANTEE AUTHORIZATION		DEPARTMENT AUTHORIZATION	
NAME/TITLE:		NAME/TITLE:	
Michael Welch, Mayor		Colonel Barry Wilson, Director, AST	
SIGNATURE:		SIGNATURE:	
DATE:		DATE:	

City of North Pole
 FFY17 JAG Grant #19-JAG1
 Budget Review
 06.07.19

Projected Costs through September 30, 2019

FFY17 JAG	Approved	Actuals	Actuals	Actuals	Actuals	Actuals	PROJECTIONS				Total
Line Item	Budget	Jul-Sep	Oct-Dec	Jan-Mar	April	May	June	July	Aug	Sept	
Wages	66,412.00	18,957.89	16,774.88	15,999.58	4,097.60	4,097.60	6,146.40	4,097.60	4,097.60	6,146.40	80,415.55
OT Wages						76.83	76.83	76.83	76.83	76.83	384.15
Fringe	34,788.00	8,332.27	7,204.38	8,129.74	2,260.00	2,260.00	3,390.00	2,260.00	2,260.00	3,390.00	39,486.39
OT Fringe						24.06	24.06	24.06	24.06	24.06	120.30
Total	101,200.00	27,290.16	23,979.26	24,129.32	6,357.60	6,458.49	9,637.29	6,458.49	6,458.49	9,637.29	120,406.39
					2 PP	2PP	3PP	2PP	2PP	3PP	
					0 hrs OT	2 hrs OT	2 hrs OT	2 hrs OT	2 hrs OT	2 hrs OT	
					Total OT	100.89	100.89	100.89	100.89	100.89	504.45

Justification/Explanation:

North Pole does not anticipate any pay increases during this time. Budget 2 hrs OT each month.

	EXP	
Jul-Mar	75,398.74	
Apr-Jun	22,453.38	
Sub Total	97,852.12	Total SFY19
Jul-Sep	22,554.27	Total SFY20
Total	120,406.39	
Award	-101,200.00	
Amend 2	19,206.39	

Tibbets	Amount	
Wages PP	2,048.80	PP: Pay Period
Fringe PP	1,130.00	OT: Overtime
Total	3,178.80	Wages/Fringe
OT hour	38.42	
OT Fringe	12.03	
Total	50.45	OT/Fringe

**CITY OF NORTH POLE
RESOLUTION 19-02**

**A RESOLUTION OF THE NORTH POLE CITY COUNCIL IN SUPPORT OF THE
SALCHA-BADGER ROAD AREA PLAN.**

WHEREAS, the City of North Pole is located entirely within the project area of the Salcha-Badger Road Area Plan; and

WHEREAS, the Fairbanks North Star Borough is responsible for the Planning, Zoning, and Subdivisions within the City of North Pole; and

WHEREAS, the Fairbanks North Star Borough and the City of North Pole worked together to create and adopt the North Pole Land Use Plan in 2018; and

WHEREAS, and the area surrounding the City of North Pole has a much more dated and less specific FNSB Regional Comprehensive Plan and Land Use Map, originally adopted in 2005 and 1984, respectively; and

WHEREAS, the North Pole Land Use Plan and associated Land Use Map were reevaluated in this process and are proposed to remain in-place as they are still current; and

WHEREAS, since 2000, the City of North Pole and surrounding areas have grown in population much faster than the rest of the Fairbanks North Star Borough; and

WHEREAS, this population growth is expected to continue in the next few years due to the anticipated arrival of two squadrons of F-35 fighter jets at Eielson Air Force Base, expected to bring approximately 3,300 new residents to the Fairbanks North Star Borough; and

WHEREAS, the Salcha-Badger Road Area planning effort was funding in cooperation with the Department of Defense Office of Economic Adjustment, recognizing the impact that basing decisions can have on surrounding communities; and

WHEREAS, the FNSB Eielson Air Force Base Regional Growth Plan, completed in September 2018, identifies infrastructure and services needed to meet the demands of the growing population; and

WHEREAS, the Salcha-Badger Road Area Plan has had an extensive and well attended public participation process; and

WHEREAS, this plan includes an updated Comprehensive Land Use Map, to be used to guide development decisions in the project area, replacing the existing, dated FNSB Regional Comprehensive Land Use Map in this area; and

WHEREAS, this Plan will help to ensure compatible development occurs in the area while emphasizing private property rights.

NOW THEREFORE BE IT RESOLVED, that the North Pole City Council supports the Salcha-Badger Road Area Plan and urges the FNSB Planning Commission and Assembly to adopt the plan as an official element of the Comprehensive Plan.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this ____ day of _____, 2019.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, City Clerk

PASSED/FAILED Yes: No: Absent:

**CITY OF NORTH POLE
ORDINANCE 19-11**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
TO APPROVE PHASES 1 AND 2 REMEDIAL ACTION
CONSTRUCTION COOPERATIVE AGREEMENTS WITH
THE US ARMY CORPS OF ENGINEERS**

WHEREAS, changes to the public service practices and policies is a continually changing requirement; and,

WHEREAS, the City of North Pole budget should be amended to conform to the requirements of the City; and,

WHEREAS, adjustment in the budget are necessary to remain compliant with council approved authorizations and budget management rules; and,

WHEREAS, fiscal notes are the method prescribed by the code to amend a budget; and,

WHEREAS, in Resolution 17-5 the Council stated its willingness to extend its water system to the community of Moose Creek; in Ordinance 19-01 the Council approved a cooperative agreement and fiscal note supporting generation of a concept design of the project; in Ordinance 19-08 the Council approved an amendment to the original cooperative agreement and fiscal note to complete the engineering and design of the extension of the City's water system to the community of Moose Creek; and,

WHEREAS, the City and US Army Corps of Engineers negotiated mutually agreeable Phase 1 and Phase 2 Remedial Action Construction cooperative agreements to enable construction of the first and second phases of the Moose Creek Water System Expansion Project. All construction administration, construction and City expenses shall be funded by the US Air Forces with funding administered by the US Army Corps of Engineers.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Pole that it approves cooperative agreements with the US Army Corps of Engineers for Phase 1 Remedial Action Construction to make modifications to the City's well house and water treatment plant; construct a transmission water main from North Pole to the community of Moose Creek; construct a pump house and storage tank in Moose Creek and install distribution mains and service connections in the northern section of Moose Creek and the Phase 2 cooperative agreement to construct the distribution mains and service connection in the southern section of Moose Creek. And, the Council approves the fiscal note attached to this ordinance that shall be fully funded by the US Army Corps of Engineers to finance these activities.

Section 1. This ordinance is of a general nature and shall not be codified.

Section 2. Effective date.

This ordinance shall become effective immediately upon passage.

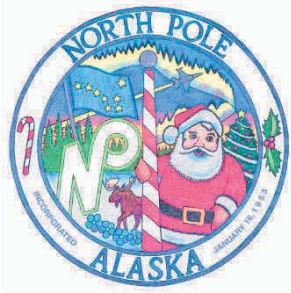
PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this
____ day of _____, 2019.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, City Clerk

PASSED/FAILED Yes: No: Absent:



City of North Pole, Alaska

Fiscal Note Year: 2019

Accompanying Ordinance/Resolution: Ordinance 19-11: Moose Creek Water System

Originator / sponsor: Bill Butler

Date: 06/25/2019

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

FUND	Account Description	Account #	Debit	Credit
43	Engineering	43-07-2-206	2,655,073	
43	Legal Fees	43-07-2-225	20,000	
43	Administration	43-07-2-201	60,976	
43	Wages - Full Time	43-07-1-001	95,209	
43	Benifits	43-07-1-003	2,127	
43	PERS	43-07-1-004	20,946	
43	Health Insurance	43-07-1-013	12,742	
43	Construction	43-07-2-203	52,372,900	
43	Revenue	43-00-3-311		55,239,973

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).

The fiscal note is for extension of the City's water system to the Community of Moose Creek with a projected construction schedule of August 2019 through December 2021. The project is to be fully funded by the US Air Force with the funding administered by the US Army Corps of Engineers. The funding encompasses the projected City expenses for two years; PDC Engineers' construction administration services and the construction costs.

Prepared By: Bill Butler Date: 6/25/2019

Finance Approval: Tricia Fogarty Date: 6/25/2019

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.

Final
**REMEDIAL ACTION CONSTRUCTION
PHASE ONE NORTH LOOP WATER SUPPLY AND DISTRIBUTION SYSTEM
MOOSE CREEK, ALASKA
20 June 2019**

Total Project Cost Ceiling \$41,380,821

1.0 SUBJECT

This Cooperative Agreement is to provide details of work to be performed by the City of North Pole, Alaska (Cooperator) in support of Air Force Civil Engineer Center (AFCEC) through a cooperative agreement administered by the U.S. Army Corps of Engineers, Alaska District (USACE-AK). Construction will occur in two phases. Phase 1 activities include the construction of a water supply line from North Pole Water Distribution System (WDS) and a local distribution in the northern half of the Community of Moose Creek, pump house, and storage system for Moose Creek, Alaska. Phase 2 activities will include construction of the local distribution system in the southern half of the community of Moose Creek, Alaska. These activities are in support of the Eielson Air Force Base (EAFB) Environmental Restoration Program.

In accordance with FAR 7.503(e), projects provided for execution under this cooperative agreement (CA) by USACE do not include any functions to be performed that are inherently governmental. This determination is made with the assessment that places emphasis on the degree to which conditions and facts restrict the discretionary authority, decision-making responsibility, or accountability of Government officials using cooperator services or work products.

2.0 PURPOSE

The purpose of this agreement is to establish the relationships, responsibilities, and activities to construct a water supply line from North Pole WDS and a local distribution, pump house, and storage system for Moose Creek, Alaska. The design of the water supply and distribution system is necessary to meet the Remedial Action Objective (RAO) for Moose Creek under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Process.

3.0 AUTHORITY *(Additional authorities may be added)*

Cooperative Agreements are entered into with USACE under the following authorities:

- 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which includes Office of Management and Budget (OMB) Guidance and Cost Principles (formerly OMB Circular A-110) Title 10 U.S.C. 2701d Environmental Restoration Program;
- Title 32 – National Defense, Chapter 1 - Office of the Secretary of Defense,
 - Part 21 - DOD Grants and Agreements (32CFR21.100-680);
 - Part 22 - DOD Grants and Agreements - Award and Administrations (32CFR22.100-825);

- Part 32 - DOD Administrative Requirements for Grants and Agreements with Institutions of Higher Education Hospitals, and Other Non-Profit Organizations (32CFR32.1-73);
- 10 USC 2701

4.0 BACKGROUND

4.1 Project Location

The community of Moose Creek is located adjacent to the northern edge of EAFB, east of Fairbanks, Alaska (Figure 1). The Community of Moose Creek lies approximately 120 miles south of the Arctic Circle, 21 miles southeast of Fairbanks, and 7 miles southeast of the city of North Pole.

Approximately 750 people live in the Community of Moose Creek, and land use includes both residential and commercial activities. Nearby EAFB is an active military installation that has been used for military operations since its establishment in 1944. The community of Moose Creek was originally settled as a result of the growth of EAFB and the nearby community of North Pole, and remains a primarily residential community. Drinking water in the community has historically been supplied by shallow wells located on the individual properties. Future land use is expected to be primarily residential in nature.



4.2 Project Description

The RAO for Moose Creek is to protect human health by preventing human ingestion of perfluorooctanesulfonic acid (PFOS) or perfluorooctanoic acid (PFOA) contaminated groundwater that exceeds the 2016 lifetime health advisory (LHA) value of 0.07 µg/L and ADEC groundwater clean-up levels of 0.40 µg/L. In support of this objective, this project, in coordination with multiple stakeholders, shall construct a water supply line from North

Pole WDS and local distribution, pumphouse, and storage within Moose Creek. The potable water shall be supplied by the Municipality of North Pole Water Treatment Plant located in North Pole. The Phase One North Loop Water Supply and Distribution System project shall be constructed in accordance with volumes:

G101 – North Pole Well House

G201 – North Pole Water Treatment Plant

G301 – Pump House and Storage

G401 – the North Loop sections 041 Transmission Main and 042 North Distribution Loop of the Moose Creek Water Expansion Design. The design is currently at 35% design (June 2019) The North Pole water supply is located approximately 5 miles downgradient of Moose Creek.

The construction shall include a local distribution system, storage tank, and a circulation/heating pumping station. The new storage tank will allow the servicing of local demands and provide emergency storage if the tie to the existing North Pole WTP is temporarily unavailable. The local distribution system will need to be pressurized and circulated with heat input to prevent freezing during winter. Local connections will be made to North Loop properties in the Community of Moose Creek.

5.0 TASKS

TASK 1 PROJECT MANAGEMENT SUPPORT

The Cooperator shall designate a Project Manager who shall be the primary technical and managerial interface between the Cooperator, the USACE and AFCEC. The name of this person, and alternate, who shall act for the Cooperator when the Project Manager is absent, shall be designated in writing. The Project Manager or alternate will have full authority to act for the Cooperator on all agreement matters relating to daily operations. The Project Manager or alternate must be available during normal duty hours and to meet with government personnel within 24 hours of the request to discuss problems.

Task 1.1 Schedule

The Cooperator shall develop and maintain a project schedule that fully supports the technical approach and outlines the due dates for all major deliverables and milestones and integrates the Government's associated management, review, and oversight activities. The schedule shall be consistent with all orders, agreements, and regulations applicable to the work described in this Statement Of Work. The schedule shall be submitted within thirty (30) days of cooperative agreement award and updated as needed throughout the period of performance.

Task 1.2 Meeting Attendance

Preconstruction Conference

Cooperator shall hold a preconstruction conference with the Government and others as directed or approved by the Government and as described in the *Remedial*

Design/Remedial Action Handbook, EPA 540/R-95/059 (June 1995). Cooperator shall prepare minutes of the conference and shall distribute the minutes to all Parties.

Progress Meetings

Progress meetings shall be held weekly at a minimum. In addition to task performance and progress, Progress Meetings shall include a review of technical and/or programmatic issues, accomplishments, and forecasts. The Cooperator shall prepare an agenda and any relevant presentation materials and submit to the Government at least one (1) working day in advance of the scheduled meeting. The cooperator shall prepare and provide meeting minutes, including a list of all attendees, from progress meetings and submit to the Government within five (5) working days after the meeting.

Task 1.3 Monthly Status Report

The Cooperator shall provide a monthly status report that includes the following information:

- A description of milestones and deliverables
- Funds expended during the reporting period and cumulative to date
- Summary of work accomplished during the reporting period and percent complete
- Any issues or problems encountered along with their ultimate resolution
- Schedule of activities planned and estimated time to complete activities

This report shall be submitted along with the Cooperator's invoice and is due no later than the 10th day of each month. A monthly status report shall be submitted every month whether an invoice is submitted or not.

TASK 2 PLANNING DOCUMENTS

The overall objective of this task is to assist EAFB and AFCEC personnel and ensure project requests meet validated requirements; are in compliance with all applicable standards; are programmed at the lowest life cycle cost; achieve optimum resource efficiency and minimize damage to the natural and human environments. Work is expected to be performed in support of the following project; construct a water supply line from North Pole WDS and a local distribution system, pump house, and storage for the North Loop of Moose Creek, Alaska.

Prepare Remedial Action Work Plan

The Cooperator shall develop a Remedial Action Work Plan. Cooperator shall submit a RA Work Plan (RAWP) for Government approval that includes:

- (a) A proposed RA Construction Schedule [such as critical path method, Gantt chart, or PERT];
- (b) An updated health and safety plan that covers activities during the RA [developed and maintained in accordance with most recent requirements of the USACE Safety and Health Requirements EM 385-1-1 and OSHA

standard 29 CFR 1910 and all applicable Federal, State, and local safety and occupational health laws and regulations.]; and

- (c) Plans for satisfying permitting requirements, including obtaining permits for off-site activity and for satisfying substantive requirements of permits for on-site activity.
- (d) Well Decommissioning Plan
- (e) The Cooperator shall develop the Construction Quality Assurance Plan (CQAP). The purpose of the CQAP is to describe planned and systemic activities that provide confidence that the RA construction will satisfy all plans, specifications, and related requirements, including quality objectives. The purpose of the Construction Quality Control Plan (CQCP) is to describe the activities to verify that RA construction has satisfied all plans, specifications, and related requirements, including quality objectives. The CQA/QCP must:
 - (1) Identify, and describe the responsibilities of, the organizations and personnel implementing the CQA/QCP;
 - (2) Describe the PS required to be met to achieve Completion of the RA;
 - (3) Describe the activities to be performed: (i) to provide confidence that PS will be met; and (ii) to determine whether PS have been met;
 - (4) Describe verification activities, such as inspections, sampling, testing, monitoring, and production controls, under the CQA/QCP;
 - (5) Describe industry standards and technical specifications used in implementing the CQA/QCP;
 - (6) Describe procedures for tracking construction deficiencies from identification through corrective action;
 - (7) Describe procedures for documenting all CQA/QCP activities; and
 - (8) Describe procedures for retention of documents and for final storage of documents.

TASK 3 REMEDIAL ACTION CONSTRUCTION

The overall objective of this task is to complete the Remedial Action (RA) Construction of a water supply line from North Pole WDS and North Loop local distribution, pump house, and storage within Moose Creek community in accordance with the Moose Creek Water Expansion Design. The design for the Moose Creek Water Expansion is at 35% complete. The final design is scheduled to be completed in December 2019. The construction shall include a new water main that will carry water to the Community of Moose Creek as depicted in the design. An additional greensand filter will be included, and higher capacity pressure pumps may be required, in the North Pole WTP to increase the capacity for the

additional demands in Moose Creek. The system shall be constructed in accordance with UFC 3-230-01 and all other applicable laws, criteria, and regulations.

A civil engineer shall be responsible for the construction. Work shall consist of the complete water supply line, North Loop local distribution system, pump house and storage including but not limited to the following: earthwork, grading, drainage, minimal landscaping, utilities, and coordination with other disciplines; existing water supply wells in the North Loop of the community of Moose Creek shall be decommissioned; and water tanks, granulated active carbon (GAC) systems, and 5-gallon water carboys previously installed by the AF shall be removed and properly disposed. The engineer of record shall be licensed in the State of Alaska as a Civil Engineer.

Design shall take into consideration topography and natural characteristics of the area, including climatic conditions, prevailing winds, areas of snow accumulations, etc. Design shall provide a functional system requiring only routine maintenance through its design life.

Materials and installation specifications shall contain appropriate requirements per UFC 3-230-01, City of North Pole standards, and those that have been established by the industry in its technical publications, such as ASTM, AWWA, WEF, and APWA.. Requirements shall be set forth in the specifications for the pipe and methods of bedding and backfilling so as not to damage the pipe or its joints, impede cleaning operations and future tapping, nor create excessive side fill pressure or deformation of the pipe, nor seriously impair flow capacity. All bends, tees, wires, plugs and other fittings will be constrained with thrust bolts, constrained joint piping or other approved means to prevent damage from pipe movement.

The Cooperator shall obtain all permits and approvals for the required construction and operation of the system.

The Contractor shall provide daily quality assurance reports on observed field activities to include relevant information, photographs, and drawings as needed to support review and analysis of contractor progress and schedules. These reports shall be submitted via email to the USACE and AF PM by 10 a.m. the following day.

The Cooperator shall follow all applicable Air Force, UFC, ASTM, OSHA, USACE Safety Manual EM 385-1-1, EPA, ADEC, state, federal and City of North Pole criteria, regulations and requirements. ADEC approval of the water supply system is required. Of particular note are:

Reference No.	Title	Date
ANSI/AWWA C150/A21.50-14	Thickness Design of Ductile-Iron Pipe	01 Sep 2014
ANSI/AWWA C600-17	Installation of Ductile-Iron Mains and Their Appurtenances	01 Jul 2017
ANSI/AWWA C906-15	Polyethylene (PE) Pressure Pipe and Fittings	01 Sep 2015
UFC 3-130-05	Utilities: Arctic and Subarctic Construction	16 Jan 2004
UFC 3-230-01	Water Storage, Distribution, and Transmission with Change 2	1 July 2014
UFC 3-230-03A	Water Supply	16 Jan 2004

UFC 3-230-13A	Water Supply Pumping Stations	16 Jan 2004
City of North Pole	Utility Standards of Construction	June 2007
City of North Pole	City of North Pole Service Line Requirements for Water and Wastewater – Commercial and Residential Structures	Nov. 2018

Inspections

- (9) The Government or its representative shall conduct periodic inspections of [or have an on-site presence during] the Work. At the Government’s request, the Supervising Cooperator or other designee shall accompany EPA and/or ADEC or its representative during inspections.
- (10) Respondents shall provide office space for Government personnel to perform their oversight duties if needed. The minimum office requirements are a private office with at least 100 square feet of floor space, an office desk with chair, wireless internet access, and sanitation facilities.
- (11) Cooperator shall provide personal protective equipment needed for Government personnel and any oversight officials to perform their oversight duties.
- (12) Upon notification by the Government of any deficiencies in the RA Construction, Respondents shall take all necessary steps to correct the deficiencies and/or bring the RA Construction into compliance with the approved Final RD, any approved design changes, and/or the approved RAWP. If applicable, Cooperator shall comply with any schedule provided by the Government in its notice of deficiency.

TASK 4 REPORTING

RA Report

Cooperator shall submit an “RA Report”. The RA Report must:

- (1) include statements by a registered professional engineer and by Cooperator’s Project Coordinator that construction of the system is complete and that the system is functioning properly and as designed;
- (2) include a demonstration, and supporting documentation, that construction of the system is complete and that the system is functioning properly and as designed;
- (3) include as-built drawings signed and stamped by a registered professional engineer;
- (4) include Well Decommissioning Report to include documentation of GAC systems and water tank removals;

(5) be prepared in accordance with Chapter 2 (Remedial Action Completion) of EPA's *Close Out Procedures for NPL Sites* guidance (May 2011), as supplemented by *Guidance for Management of Superfund Remedies in Post Construction*, OLEM 9200.3-105 (Feb. 2017); and

(6) must be signed by the Coordinator's Project Coordinator, other responsible official of Coordinators, and must contain the following statement:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I have no personal knowledge that the information submitted is other than true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

6.0 GENERAL SPECIFICATIONS

All reports and data generated under this cooperative agreement are the property of the government and distribution by the Cooperator to any source, unless previously authorized by the Air Force Technical POC, is prohibited. The Cooperator is authorized to use reports and data for internal purposes of the Cooperator and is specifically authorized to incorporate data into maps the Cooperator provides to contractors working in the vicinity of the infrastructure.

Except as required by the Alaska Public Records law, the Cooperator shall not make available to the news media or publicly disclose any data generated or reviewed under this cooperative agreement. When approached by the news media, the Cooperator shall refer them to the AF Technical POC for response. All responses by the AF Technical POC must comply with applicable law.

7.0 GOVERNMENT FURNISHED MATERIAL

Additional government furnished material includes:

- 1) Historical aerial imagery, if needed;
- 2) Current installation GIS data, if needed
- 3) Available environmental reports upon request
- 4) Community contact information
- 5) Moose Creek Water Expansion Concept Design, May 2019
- 6) Moose Creek Water Expansion Design, June 2019

8.0 SCHEDULE

Deliverables and Schedule	Submission Instructions/Details	Deliverable Due Date
Project Schedule	E-mail	within thirty (30) days of final design
Meeting minutes	E-mail	within five (5) working days after the meeting
Pre-Draft Remedial Action Work Plan	E-mail/ 2 CDs 2 hardcopies	within thirty (30) days of final design
Response to USACE, AF, and other Stakeholder Comments	Email	7 days
Draft Remedial Action Work Plan	E-mail/2 CDs 2 hardcopies	Within 14 days of acceptance of comments
Response to USACE, AF, EPA, ADEC, and other Stakeholder Comments	Email	7 days
Draft-Final Remedial Action Work Plan	E-mail/2 CDs 2 hardcopies	Within 14 days of acceptance of comments
Response to USACE, AF, EPA, ADEC, and other Stakeholder Comments	Email	7 days
Final Remedial Action Work Plan	E-mail/CD 2 hardcopies	Within 14 days of acceptance of comments
Pre-Construction Conference		Within 7 days of final RAWP
Start of Construction		Within 7 days of Pre-Construction Conference
Daily Quality Assurance Reports	E-mail	Daily during construction period
Pre-Final Inspection		
Pre-Final Inspection Report	Email	
Final Inspection		
Pre-Draft RA Report	E-mail/ 2 CDs 2 hardcopies	60 days from final inspection
Response to USACE, AF, and other Stakeholder Comments	Email	14 days
Draft RA Report	E-mail/ 2 CDs 2 hardcopies	Within 14 days of acceptance of comments
Response to USACE, AF, and other Stakeholder Comments	Email	14 days
Draft-Final RA Report	E-mail/ 2 CDs 2 hardcopies	Within 14 days of acceptance of comments

Response to USACE, AF, and other Stakeholder Comments	Email	14 days
Final RA Report	E-mail/ 2 CDs 2 hardcopies	Within 14 days of acceptance of comments

9.0 POINTS OF CONTACT

9.1 The AF Technical Point of Contact for this project is:

Kevin Thomas
AFCEC/CZOP
10471 20th Street, Ste 345
JBER AK 99506
Phone: 907-552-4112
Email: kevin.thomas.1@us.af.mil

9.2 The USACE POC for Project Management is Teresa Lee. Cooperative Agreement questions should be addressed to the Grants Officer, Olen Northern. Correspondence should be addressed as follows:

Teresa Lee
U.S. Army Corps of Engineers
Environmental and Special Projects Branch
ATTN: CEPOA-PM-ESP
P.O. Box 6898
JBER, AK 99506-0898
Phone: 907-753-2681
Email: Teresa.A.Lee@usace.army.mil

Olen Northern
U.S. Army Corps of Engineers
Contracting Division
ATTN: CEPOA-CT
P.O. Box 6898
JBER, AK 99506-0898
Phone: (907) 753-2525
Email: Olen.R.Northern@usace.army.mil

10.0 PERIOD OF PERFORMANCE

The period of performance is twenty four (24) months from date of award. The parties understand that should litigation be required to obtain easements, the period of performance may need to be extended.

11.0 ADDITIONAL TERMS AND CONDITIONS

i. Nondiscrimination

By signing this agreement or accepting funds under this agreement, the recipient assures that it will comply with applicable provisions of the following, national policies prohibiting discrimination. In addition the recipient assures that it will flow down these requirements to sub-recipients:

- a. On the basis of race, color, or national origin, in Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d, et seq.), as implemented by DOD regulations at 32 CFR part 195.
- b. On the basis of sex or blindness, in Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), as implemented by DOD regulations at 32 CFR part 196.
- c. On the basis of age, in the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.), as implemented by Department of Health and Human Services regulations at 45 CFR part 90.
- d. On the basis of handicap, in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by Department of Justice regulations at 28 CFR part 41 and DOD regulations at 32 CFR part 56.

ii. Debarment and Suspension

The recipient agrees to comply with the requirements regarding debarment and suspension in Subpart C of the OMB guidance in 2 CFR part 180, as implemented by the Department of Defense in 2 CFR part 1125. The recipient also agrees to communicate the requirement to comply with Subpart C to persons at the next lower tier with whom the recipient enters into transactions that are “covered transactions” under Subpart B of 2 CFR part 180 and the DOD implementation in 2 CFR part 1125.

iii. Environmental Standards

By signing this agreement or accepting funds under this agreement, the recipient assures that it will:

- a. Comply with applicable provisions of the Clean Air Act (42 U.S.C. 7401, et. seq.) and Clean Water Act (33 U.S.C. 1251, et. seq.), as implemented by Executive Order 11738 [3 CFR, 1971- 1975 Comp., p. 799] and Environmental Protection Agency (EPA) rules at Subpart J of 40 CFR part 32

iv. Drug-Free Workplace

The recipient agrees to comply with the requirements regarding drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 32 CFR part 26, which implements sec. 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701, et seq.).

v. Officials Not to Benefit

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this agreement, or to any benefit arising from it, in accordance with 41 U.S.C. 22.

1. Additional Administrative Requirements

i. 2 CFR 200.330 Sub-awards

Unless sections of this part specifically exclude sub-recipients from coverage, the provisions of this part shall be applied to sub-recipients performing work under awards if such sub-recipients are institutions of higher education, hospitals or other non-profit organizations.

ii. 2 CFR 200.305 Payments

(a) For states, payments are governed by Treasury-State CMIA agreements and default procedures codified at 31 CFR Part 205 “Rules and Procedures for Efficient Federal-State Funds Transfers” and TFM 4A-2000 Overall Disbursing Rules for All Federal Agencies.

(b) For non-Federal entities other than states, payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means. See also § 200.302 Financial management paragraph (f). Except as noted elsewhere in this part, Federal agencies must require recipients to use only OMB-approved standard government-wide information collection requests to request payment.

(1) The non-Federal entity must be paid in advance, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in this part. Advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs. The non-Federal entity must make timely payment to contractors in accordance with the contract provisions.

- (i) The Federal awarding entity shall pay the Cooperator in a timely fashion to ensure payment of contractors in accordance with federal requirements.
- (ii) The Cooperator cannot accept any payment method other than advance payment methods as described in paragraph (b)(1) above.

(2) Whenever possible, advance payments must be consolidated to cover anticipated cash needs for all Federal awards made by the Federal awarding agency to the recipient.

(i) Advance payment mechanisms include, but are not limited to, Treasury check and electronic funds transfer and should comply with applicable guidance in 31 CFR part 208.

(ii) Non-Federal entities must be authorized to submit requests for advance payments and reimbursements at least monthly when electronic fund transfers are not used, and as often as they like when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act (15 U.S.C. 1601).

(3) Reimbursement is the preferred method when the requirements in paragraph (b) cannot be met, when the Federal awarding agency sets a specific condition per § 200.207 Specific conditions, or when the non-Federal entity requests payment by reimbursement. This method may be used on any Federal award for construction, or if the major portion of the construction project is accomplished through private market financing or Federal loans, and the Federal award constitutes a minor portion of the project. When the reimbursement method is used, the Federal awarding agency or pass-through entity must make payment within 30 calendar days after receipt of the billing, unless the Federal awarding agency or pass-through entity reasonably believes the request to be improper.

(4) If the non-Federal entity cannot meet the criteria for advance payments and the Federal awarding agency or pass-through entity has determined that reimbursement is not feasible because the non-Federal entity lacks sufficient working capital, the Federal awarding agency or pass-through entity may provide cash on a working capital advance basis. Under this procedure, the Federal awarding agency or pass-through entity must advance cash payments to the non-Federal entity to cover its estimated disbursement needs for an initial period generally geared to the non-Federal entity's disbursing cycle. Thereafter, the Federal awarding agency or pass-through entity must reimburse the non-Federal entity for its actual cash disbursements. Use of the working capital advance method of payment requires that the pass-through entity provide timely advance payments to any sub-recipients in order to meet the sub-recipient's actual cash disbursements. The working capital advance method of payment must not be used by the pass-through entity if the reason for using this method is the unwillingness or inability of the pass-through entity to provide timely advance payments to the sub-recipient to meet the sub-recipient's actual cash disbursements.

(5) Use of resources before requesting cash advance payments. To the extent available, the non-Federal entity must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments.

(6) Unless otherwise required by Federal statutes, payments for allowable costs by non-Federal entities must not be withheld at any time during the period of performance unless the conditions of §§ 200.207 Specific conditions, Subpart D—Post Federal Award Requirements of this part, 200.338 Remedies for Noncompliance, or the following apply:

(i) The non-Federal entity has failed to comply with the project objectives, Federal statutes, regulations, or the terms and conditions of the Federal award.

(ii) The non-Federal entity is delinquent in a debt to the United States as defined in OMB Guidance A-129, “Policies for Federal Credit Programs and Non-Tax Receivables.” Under such conditions, the Federal awarding agency or pass-through entity may, upon reasonable notice, inform the non-Federal entity that payments must not be made for obligations incurred after a specified date until the conditions are corrected or the indebtedness to the Federal government is liquidated.

(iii) A payment withheld for failure to comply with Federal award conditions, but without suspension of the Federal award, must be released to the non-Federal entity upon subsequent compliance. When a Federal award is suspended, payment adjustments will be made in accordance with § 200.342 Effects of suspension and termination.

(iv) A payment must not be made to a non-Federal entity for amounts that are withheld by the non-Federal entity from payment to contractors to assure satisfactory completion of work. A payment must be made when the non-Federal entity actually disburses the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(7) Standards governing the use of banks and other institutions as depositories of advance payments under Federal awards are as follows.

(i) The Federal awarding agency and pass-through entity must not require separate depository accounts for funds provided to a non-Federal entity or establish any eligibility requirements for depositories for funds provided to the non-Federal entity. However, the non-Federal entity must be able to account for the receipt, obligation and expenditure of funds.

(ii) Advance payments of Federal funds must be deposited and maintained in insured accounts whenever possible.

(8) The non-Federal entity must maintain advance payments of Federal awards in interest-bearing accounts, unless the following apply.

(i) The non-Federal entity receives less than \$120,000 in Federal awards per year.

(ii) The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.

(iii) The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.

(iv) A foreign government or banking system prohibits or precludes interest bearing accounts.(9) Interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$500 per year may be retained by the non-Federal entity for administrative expense.

(9) Except as noted elsewhere in this part, only the following forms shall be authorized for the recipients in requesting advances and reimbursements. DOD Components shall not require more than an original and two copies of these forms.

(i) SF-270, Request for Advance or Reimbursement. Each DOD Component shall adopt the SF-270 as a standard form for all non-construction programs when electronic funds transfer or predetermined advance methods are not used. DOD Components, however, have the option of using this form for construction programs in lieu of the SF-271,4 “Outlay Report and Request for Reimbursement for Construction Programs.”

(ii) Payment Request. Payment Requests shall be submitted to the address below:

U.S. Army Corps of Engineers – Alaska District
Attn: CEPOA-PM-ESP (Lee)
P.O. Box 6898
Elmendorf AFB AK 99506-0898

Physical Address:
2204 Third Street
Elmendorf AFB, AK 99506)

(iii) Payment will be made via check and/or EFT from the following office:

U.S. Army Engineer District, Alaska
C/O USACE Finance Center
5720 Integrity Drive
Millington, TN 38054-5005

iii. 2 CFR 200.403 Allowable costs

(a) General. For each kind of recipient or sub-recipient of a cost-type assistance award, or each contractor receiving a cost-type contract under an assistance award, there is a set of Federal principles for determining allowable costs. Allowability of costs shall be determined in accordance with the cost principles applicable to the entity incurring the costs.

(b) Higher educational institutions. The allowability of costs incurred by institutions of higher education that may be recipients, sub-recipients, or contractors is determined in accordance with the provisions of 2 CFR 220, “Cost Principles for Educational Institutions,”(Does not apply to this project)

(c) State, Local and Indian Tribal Governments. The allowability of costs incurred by State, Local and Indian Tribal Governments that may be recipients, sub-recipients, or contractors is determined in accordance with the provisions of 2 CFR 225, "Cost Principles for State, Local and Indian Tribal Governments,"

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(f) The Federal entity shall promptly evaluate all submitted costs and notify the Cooperator in a timely fashion of any disputed costs.

iv. 2 CFR 200.308 Revision of budget and program plans

(a) The approved budget for the Federal award summarizes the financial aspects of the project or program as approved during the Federal award process. It may include either the Federal and non-Federal share (see §200.43 Federal share) or only the Federal share, depending upon Federal awarding agency requirements. It must be related to performance for program evaluation purposes whenever appropriate.

(b) Recipients are required to report deviations from budget or project scope or objective, and request prior approvals from Federal awarding agencies for budget and program plan revisions, in accordance with this section.

(c)(1) For non-construction Federal awards, recipients must request prior approvals from Federal awarding agencies for one or more of the following program or budget-related reasons:

(i) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).

(ii) Change in a key person specified in the application or the Federal award.

(iii) The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

(v) The transfer of funds budgeted for participant support costs as defined in §200.75 Participant support costs to other categories of expense.

(vi) Unless described in the application and funded in the approved Federal awards, the sub-awarding, transferring or contracting out of any work under a Federal award, including fixed amount sub-awards as described in §200.332 Fixed amount sub-awards. This provision does not apply to the acquisition of supplies, material, equipment or general support services.

(vii) Changes in the approved cost-sharing or matching provided by the non-Federal entity.

(viii) The need arises for additional Federal funds to complete the project.

(2) No other prior approval requirements for specific items may be imposed unless an exception has been approved by OMB. See also §§200.102 Exceptions and 200.407 Prior written approval (prior approval).

(d) Except for requirements listed in paragraph (c)(1) of this section, the Federal awarding agency is authorized, at its option, to waive prior written approvals required by paragraph (c) this section. Such waivers may include authorizing recipients to do any one or more of the following:

(1) Incur project costs 90 calendar days before the Federal awarding agency makes the Federal award. Expenses more than 90 calendar days pre-award require prior approval of the Federal awarding agency. All costs incurred before the Federal awarding agency makes the Federal award are at the recipient's risk (i.e., the Federal awarding agency is under no obligation to reimburse such costs if for any reason the recipient does not receive a Federal award or if the Federal award is less than anticipated and inadequate to cover such costs). See also §200.458 Pre-award costs.

(2) Initiate a one-time extension of the period of performance by up to 12 months unless one or more of the conditions outlined in paragraphs (d)(2)(i) through (iii) of this section apply. For one-time extensions, the recipient must notify the Federal awarding agency in writing with the supporting reasons and revised period of performance at least 10 calendar days before the end of the period of performance specified in the Federal award. This one-time extension may not be exercised merely for the purpose of using unobligated balances. Extensions require explicit prior Federal awarding agency approval when:

(i) The terms and conditions of the Federal award prohibit the extension.

(ii) The extension requires additional Federal funds.

(iii) The extension involves any change in the approved objectives or scope of the project.

(3) Carry forward unobligated balances to subsequent periods of performance.

(e) The Federal awarding agency may, at its option, restrict the transfer of funds among direct cost categories or programs, functions and activities for Federal awards in which the Federal share of the project exceeds the Simplified Acquisition Threshold and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency. The Federal awarding agency cannot permit a transfer that would cause any Federal appropriation to be used for purposes other than those consistent with the appropriation.

(f) All other changes to non-construction budgets, except for the changes described in paragraph (c) of this section, do not require prior approval (see also §200.407 Prior written approval (prior approval)).

(g) For construction Federal awards, the recipient must request prior written approval promptly from the Federal awarding agency for budget revisions whenever paragraph (g)(1), (2), or (3) of this section applies.

(1) The revision results from changes in the scope or the objective of the project or program.

(2) The need arises for additional Federal funds to complete the project.

(3) A revision is desired which involves specific costs for which prior written approval requirements may be imposed consistent with applicable OMB cost principles listed in Subpart E—Cost Principles of this part.

(4) No other prior approval requirements for budget revisions may be imposed unless an exception has been approved by OMB.

(5) When a Federal awarding agency makes a Federal award that provides support for construction and non-construction work, the Federal awarding agency may require the recipient to obtain prior approval from the Federal awarding agency before making any fund or budget transfers between the two types of work supported.

(h) When requesting approval for budget revisions, the recipient must use the same format for budget information that was used in the application, unless the Federal awarding agency indicates a letter of request suffices.

(i) Within 30 calendar days from the date of receipt of the request for budget revisions, the Federal awarding agency must review the request and notify the recipient whether the budget revisions have been approved. If the revision is still under consideration at the end of 30 calendar days, the Federal awarding agency must inform the recipient in writing of the date when the recipient may expect the decision.

v. 2 CFR 200.310 through 2 CFR 200.316 property.

2 CFR 200.310 through 2 CFR 200.316 set forth uniform standards governing management and disposition of property furnished by the Federal Government and property whose cost was charged to a project supported by a Federal award. DOD Components shall require recipients to observe these standards under awards and shall not impose additional requirements, unless specifically required by Federal statute. The recipient may use its own property management standards and procedures provided it observes the provisions of 2 CFR 200.310 through 2 CFR 200.316

vi. 2 CFR 200.310 & 2 CFR 200.447 Insurance coverage.

The non-Federal entity must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the non-Federal entity. Federally-owned property need not be insured unless required by the terms and conditions of the Federal award.

vii. 2 CFR 200.311 Real property.

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to real property acquired or improved under a Federal award will vest upon acquisition in the non-Federal entity.

(b) *Use.* Except as otherwise provided by Federal statutes or by the Federal awarding agency, real property will be used for the originally authorized purpose as long as needed for that purpose, during which time the non-Federal entity must not dispose of or encumber its title or other interests.

(c) *Disposition.* When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from the Federal awarding agency or pass-through entity. The instructions must provide for one of the following alternatives:

(1) Retain title after compensating the Federal awarding agency. The amount paid to the Federal awarding agency will be computed by applying the Federal awarding agency's percentage of participation in the cost of the original purchase (and costs of any improvements) to the fair market value of the property. However, in those situations where non-Federal entity is disposing of real property acquired or improved with a Federal award and acquiring replacement real property under the same Federal award, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.

(2) Sell the property and compensate the Federal awarding agency. The amount due to the Federal awarding agency will be calculated by applying the Federal awarding agency's percentage of participation in the cost of the original purchase (and cost of any improvements) to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the Federal award has not been closed out, the net proceeds from sale may be offset against the original cost of the property. When non-Federal entity is directed to sell property, sales procedures must be followed that provide for competition to the extent practicable and result in the highest possible return.

(3) Transfer title to the Federal awarding agency or to a third party designated/approved by the Federal awarding agency. The non-Federal entity is entitled to be paid an amount calculated by applying the non-Federal entity's percentage of participation in the purchase of the real property (and cost of any improvements) to the current fair market value of the property.

viii. 2 CFR 200.312 Federally-owned and exempt property.

(a) Title to federally-owned property remains vested in the Federal government. The non-Federal entity must submit annually an inventory listing of federally-owned property in its custody to the Federal awarding agency. Upon completion of the Federal award or when the property is no longer needed, the non-Federal entity must report the property to the Federal awarding agency for further Federal agency utilization.

(b) If the Federal awarding agency has no further need for the property, it must declare the property excess and report it for disposal to the appropriate Federal disposal authority, unless the Federal awarding agency has statutory authority to dispose of the property by alternative methods (e.g., the authority provided by the Federal Technology Transfer Act (15 U.S.C. 3710 (i)) to donate research equipment to educational and non-profit organizations in accordance with Executive Order 12999, "Educational Technology: Ensuring Opportunity for All Children in the Next Century."). The Federal awarding agency must issue appropriate instructions to the non-Federal entity.

(c) Exempt federally-owned property means property acquired under a Federal award the title based upon the explicit terms and conditions of the Federal award that indicate the Federal awarding agency has chosen to vest in the non-Federal entity without further obligation to the Federal government or under conditions the Federal agency considers appropriate. The Federal awarding agency may exercise this option when statutory authority exists. Absent statutory authority and specific terms and conditions of the Federal award, title to exempt federally-owned property acquired under the Federal award remains with the Federal government.

ix. 2 CFR 200.313 Equipment.

See also § 200.439 Equipment and other capital expenditures.

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity. Unless a statute specifically authorizes the Federal agency to vest title in the non-Federal entity without further obligation to the Federal government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest in the non-Federal entity subject to the following conditions:

- (1) Use the equipment for the authorized purposes of the project until funding for the project ceases, or until the property is no longer needed for the purposes of the project.
- (2) Not encumber the property without approval of the Federal awarding agency or pass-through entity.
- (3) Use and dispose of the property in accordance with paragraphs (b), (c) and (e) of this section.

(b) A state must use, manage and dispose of equipment acquired under a Federal award by the state in accordance with state laws and procedures. Other non-Federal entities must follow paragraphs (c) through (e) of this section.

(c) *Use.* (1) Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

- (i) Activities under a Federal award from the Federal awarding agency which funded the original program or project, then

(ii) Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems.

(2) During the time that equipment is used on the project or program for which it was acquired, the non-Federal entity must also make equipment available for use on other projects or programs currently or previously supported by the Federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by Federal awarding agency that financed the equipment and second preference must be given to programs or projects under Federal awards from other Federal awarding agencies. Use for non-federally-funded programs or projects is also permissible. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in § 200.307 Program income to earn program income, the non-Federal entity must not use equipment acquired with the Federal award to provide services for a fee that is less than private companies charge for equivalent services unless specifically authorized by Federal statute for as long as the Federal government retains an interest in the equipment.

(4) When acquiring replacement equipment, the non-Federal entity may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

(d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) *Disposition.* When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in

Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions:

(1) Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

(2) Except as provided in § 200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

(3) The non-Federal entity may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.

(4) In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal awarding agency may direct the non-Federal entity to take disposition actions.

x. 2 CFR 200.314 Supplies.

See also § 200.453 Materials and supplies costs, including costs of computing devices.

(a) Title to supplies will vest in the non-Federal entity upon acquisition. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal award, the non-Federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal government for its share. The amount of compensation must be computed in the same manner as for equipment. See § 200.313 Equipment, paragraph (e)(2) for the calculation methodology.

(b) As long as the Federal government retains an interest in the supplies, the non-Federal entity must not use supplies acquired under a Federal award to provide services to other organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute.

xi. 2 CFR 200.315 Intangible property.

(a) Title to intangible property (see § 200.59 Intangible property) acquired under a Federal award vests upon acquisition in the non-Federal entity. The non-Federal entity must use that property for the originally-authorized purpose, and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in § 200.313 Equipment paragraph (e).

(b) The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

(c) The non-Federal entity is subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce at 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements."

(d) The Federal government has the right to: (1) Obtain, reproduce, publish, or otherwise use the data produced under a Federal award; and (2) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

(e) Freedom of Information Act (FOIA). (1) In addition, in response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal government in developing an agency action that has the force and effect of law, the Federal awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Federal awarding agency obtains the research data solely in response to a FOIA request, the Federal awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the Federal awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)). (2) Published research findings means when:

(i) Research findings are published in a peer-reviewed scientific or technical journal; or

(ii) A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. "Used by the Federal government in developing an agency action that has the force and effect of law" is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

(3) Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This "recorded" material excludes physical objects (e.g., laboratory samples). Research data also do not include:

(i) Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and

(ii) Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

xii. 2 CFR 200.316 Property trust relationship.

Real property, equipment, and intangible property, that are acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved. The Federal awarding agency may require the non-Federal entity to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a Federal award and that use and disposition conditions apply to the property.

xiii. 2 CFR 200.317 through 2 CFR 200.326 Procurement standards.

2 CFR 200.317 through 2 CFR 200.326 set forth standards for use by recipients in establishing procedures for the procurement of supplies and other expendable property, equipment, real property and other services with Federal funds. These standards are furnished to ensure that such materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal statutes and executive orders.

Recipient responsibilities.

The standards contained in this section do not relieve the recipient of the contractual responsibilities arising under its contract(s). The recipient is the responsible authority, without recourse to the DOD Component that made the award, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurements entered into in support of an award or other agreement. This includes disputes, claims, protests of award, source evaluation or other matters of a contractual nature. Matters concerning violation of statute are to be referred to such Federal, State or local authority as may have proper jurisdiction.

Codes of conduct.

The recipient shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements. However, recipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.

xiv. 2 CFR 200.319 Competition.

(a) All transactions must be conducted in a manner that provides competition to the maximum extent practicable. In order to ensure objective contractor performance and eliminate unfair competitive advantage, Master Cooperative Agreement recipients that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such requirements. Some of the situations considered to be restrictive of competition include but are not limited to:

- (1) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (2) Requiring unnecessary experience and excessive bonding;
- (3) Noncompetitive pricing practices between firms or between affiliated companies;
- (4) Noncompetitive contracts to consultants that are on retainer contracts;
- (5) Organizational conflicts of interest;
- (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- (7) Any arbitrary action in the procurement process.

(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

- (1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
- (2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

xv. 2 CFR 200.320 Procurement procedures.

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$3,000 (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

- (i) A complete, adequate, and realistic specification or purchase description is available;
- (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and
- (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:

- (i) The invitation for bids will be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids;
- (ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- (iii) All bids will be publicly opened at the time and place prescribed in the invitation for bids;
- (iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors

such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

(2) Proposals must be solicited from an adequate number of qualified sources;

(3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

(4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

(1) The item is available only from a single source;

(2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or

(4) After solicitation of a number of sources, competition is determined inadequate.

xvi. 2 CFR 200.323 Contract cost and price.

(a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract

modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

(b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

(d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

xvii. 2 CFR 200.326 Contract provisions.

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to 2 CFR Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

xviii. 32 CFR 32.49 Resource Conservation and Recovery Act.

Under the Resource Conservation and Recovery Act (RCRA) (section 6002, Pub. L. 94–580, 42 U.S.C. 6962), any State agency or agency of a political subdivision of a State which is using appropriated Federal funds must comply with section 6002. Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency (EPA) (40 CFR parts 247–254). Accordingly, State and local institutions of higher education, hospitals, and non-profit organizations that receive direct Federal awards or other Federal funds shall give preference in their procurement programs funded with Federal funds to the purchase of recycled products pursuant to the EPA guidelines.

xix. 2 CFR 200.333 through 2 CFR 200.337, Records

Sections 32.51 through 32.52 set forth the procedures for monitoring and reporting on the recipient's financial and program performance and the necessary standard reporting forms. They also set forth record retention requirements.

xx. 2 CFR 200.328 Monitoring and reporting program performance.

(a) Monitoring by the non-Federal entity. The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See also § 200.331 Requirements for pass-through *entities*.

(b) *Non-construction performance reports*. The Federal awarding agency must use standard, OMB-approved data elements for collection of performance information (including performance progress reports, Research Performance Progress Report, or such future collections as may be approved by OMB and listed on the OMB Web site).

(1) The non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes. Annual reports must be due 90 calendar days after the reporting period; quarterly or semiannual reports must be due 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report will be due 90 calendar days after the period of performance end date. If a justified request is submitted by a non-Federal entity, the Federal agency may extend the due date for any performance report.

(2) The non-Federal entity must submit performance reports using OMB-approved government-wide standard information collections when providing performance information. As appropriate in accordance with above mentioned information collections, these reports will contain, for each Federal award, brief information on the following unless other collections are approved by OMB:

(i) A comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal award can be quantified, a computation of the cost (for example, related to units of accomplishment) may be required if that information will be useful. Where performance trend data and analysis would be informative to the Federal awarding agency program, the Federal awarding agency should include this as a performance reporting requirement.

(ii) The reasons why established goals were not met, if appropriate.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(c) Construction performance reports. For the most part, onsite technical inspections and certified percentage of completion data are relied on heavily by Federal awarding agencies and pass-through entities to monitor progress under Federal awards and subawards for

construction. The Federal awarding agency may require additional performance reports only when considered necessary.

(d) Significant developments. Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the non-Federal entity must inform the Federal awarding agency or pass-through entity as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

(e) The Federal awarding agency may make site visits as warranted by program needs.

(f) The Federal awarding agency may waive any performance report required by this part if not needed.

xxi. 2 CFR 200.327 Financial reporting.

Unless otherwise approved by OMB, the Federal awarding agency may solicit only the standard, OMB-approved government-wide data elements for collection of financial information (at time of publication the Federal Financial Report or such future collections as may be approved by OMB and listed on the OMB Web site). This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting.

xxii. 2 CFR 200.333 Retention requirements for records.

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a sub-recipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

(a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

(b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.

(c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.

(d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.

(e) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.

(f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).

(1) *If submitted for negotiation.* If the proposal, plan, or other computation is required to be submitted to the Federal government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.

(2) *If not submitted for negotiation.* If the proposal, plan, or other computation is not required to be submitted to the Federal government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

xxiii. 2 CFR 200.334 Requests for Transfer of Records

The Federal awarding agency must request transfer of certain records to its custody from the non-Federal entity when it determines that the records possess long-term retention value. However, in order to avoid duplicate recordkeeping, the Federal awarding agency may make arrangements for the non-Federal entity to retain any records that are continuously needed for joint use.

xxiv. 2 CFR 200.335 Methods for Collection, Transmission and Storage of Information

In accordance with the May 2013 Executive Order on Making Open and Machine Readable the New Default for Government Information, the Federal awarding agency and the non-Federal entity should, whenever practicable, collect, transmit, and store Federal award-related information in open and machine readable formats rather than in closed formats or on paper. The Federal awarding agency or pass-through entity must always provide or accept

paper versions of Federal award-related information to and from the non-Federal entity upon request. If paper copies are submitted, the Federal awarding agency or pass-through entity must not require more than an original and two copies. When original records are electronic and cannot be altered, there is no need to create and retain paper copies. When original records are paper, electronic versions may be substituted through the use of duplication or other forms of electronic media provided that they are subject to periodic quality control reviews, provide reasonable safeguards against alteration, and remain readable.

xxv. 2 CFR 200.336 Access to records.

(a) *Records of non-Federal entities.* The Federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents.

(b) Only under extraordinary and rare circumstances would such access include review of the true name of victims of a crime. Routine monitoring cannot be considered extraordinary and rare circumstances that would necessitate access to this information. When access to the true name of victims of a crime is necessary, appropriate steps to protect this sensitive information must be taken by both the non-Federal entity and the Federal awarding agency. Any such access, other than under a court order or subpoena pursuant to a bona fide confidential investigation, must be approved by the head of the Federal awarding agency or delegate.

(c) *Expiration of right of access.* The rights of access in this section are not limited to the required retention period but last as long as the records are retained. Federal awarding agencies and pass-through entities must not impose any other access requirements upon non-Federal entities.

xxvi. 2 CFR 200.339 Termination.

(a) The Federal award may be terminated in whole or in part as follows:

(1) By the Federal awarding agency or pass-through entity, if a non-Federal entity fails to comply with the terms and conditions of a Federal award;

(2) By the Federal awarding agency or pass-through entity for cause;

(3) By the Federal awarding agency or pass-through entity with the consent of the non-Federal entity, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated; or

(4) By the non-Federal entity upon sending to the Federal awarding agency or pass-through entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated.

However, if the Federal awarding agency or pass-through entity determines in the case of partial termination that the reduced or modified portion of the Federal award or subaward will not accomplish the purposes for which the Federal award was made, the Federal awarding agency or pass-through entity may terminate the Federal award in its entirety.

(b) When a Federal award is terminated or partially terminated, both the Federal awarding agency or pass-through entity and the non-Federal entity remain responsible for compliance with the requirements in §§ 200.343 Closeout and 200.344 Post-closeout adjustments and continuing responsibilities.

(c) In the event of the termination of the Federal award by the Federal entity for any reason, the Federal entity shall pay all allowable costs as defined in this agreement incurred by the non-Federal entity prior to the termination of the agreement.

xxvii. 2 CFR 200.338 Remedies for noncompliance.

If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in § 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

(a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.

(b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.

(c) Wholly or partly suspend or terminate the Federal award.

(d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).

(e) Withhold further Federal awards for the project or program.

(f) Take other remedies that may be legally available.

xxviii. 2 CFR 200.341 Opportunities to object, hearings and appeals.

Upon taking any remedy for non-compliance, the Federal awarding agency must provide the non-Federal entity an opportunity to object and provide information and documentation challenging the suspension or termination action, in accordance with written processes and procedures published by the Federal awarding agency. The Federal awarding agency or pass-through entity must comply with any requirements for hearings, appeals or other

administrative proceedings which the non-Federal entity is entitled under any statute or regulation applicable to the action involved.

xxix. 2 CFR 200.343 Closeout.

The Federal agency or pass-through entity will close-out the Federal award when it determines that all applicable administrative actions and all required work of the Federal award have been completed by the non-Federal entity. This section specifies the actions the non-Federal entity and Federal awarding agency or pass-through entity must take to complete this process at the end of the period of performance.

(a) The non-Federal entity must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by or the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by the non-Federal entity.

(b) Unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all obligations incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.

(c) The Federal awarding agency or pass-through entity must make prompt payments to the non-Federal entity for allowable reimbursable costs under the Federal award being closed out.

(d) The non-Federal entity must promptly refund any balances of unobligated cash that the Federal awarding agency or pass-through entity paid in advance or paid and that is not authorized to be retained by the non-Federal entity for use in other projects. See OMB Circular A-129 and see § 200.345 Collection of amounts due for requirements regarding unreturned amounts that become delinquent debts.

(e) Consistent with the terms and conditions of the Federal award, the Federal awarding agency or pass-through entity must make a settlement for any upward or downward adjustments to the Federal share of costs after closeout reports are received.

(f) The non-Federal entity must account for any real and personal property acquired with Federal funds or received from the Federal government in accordance with §§ 200.310 Insurance coverage through 200.316 Property trust relationship and 200.329 Reporting on real property.

(g) The Federal awarding agency or pass-through entity should complete all closeout actions for Federal awards no later than one year after receipt and acceptance of all required final reports.

xxx. 2 CFR 200.344 Post-closeout adjustments and continuing responsibilities.

(a) The closeout of a Federal award does not affect any of the following.

~~(1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding~~

~~agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.~~

(2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

(3) Audit requirements in Subpart F—Audit Requirements of this part.

(4) Property management and disposition requirements in Subpart D—Post Federal Award Requirements of this part, §§ 200.310 Insurance Coverage through 200.316 Property trust relationship.

(5) Records retention as required in Subpart D—Post Federal Award Requirements of this part, §§ 200.333 Retention requirements for records through 200.337 Restrictions on public access to records.

(b) After closeout of the Federal award, a relationship created under the Federal award may be modified or ended in whole or in part with the consent of the Federal awarding agency or pass-through entity and the non-Federal entity, provided the responsibilities of the non-Federal entity referred to in paragraph (a) of this section including those for property management as applicable, are considered and provisions made for continuing responsibilities of the non-Federal entity, as appropriate.

xxxi. 2 CFR 200.345 Collection of amounts due.

(a) Any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal government. If not paid within 90 calendar days after demand, the Federal awarding agency may reduce the debt by:

- (1) Making an administrative offset against other requests for reimbursements;
- (2) Withholding advance payments otherwise due to the non-Federal entity; or
- (3) Other action permitted by Federal statute.

(b) Except where otherwise provided by statutes or regulations, the Federal awarding agency will charge interest on an overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed is not extended by litigation or the filing of any form of appeal.

2. Reporting

i. Quarterly and Annual Reporting Requirements

Awardees must provide progress reports that validate progress on the required tasks to the USACE project manager on a quarterly basis at a minimum. Communications in person, by phone, and by email shall supplement the progress reporting requirements whenever key, complex, or high-profile activities are underway to ensure that USACE is never lacking pertinent project information.

Progress reports and invoices must match, i.e. quarterly invoices should be delivered with quarterly progress reports. Monthly invoices will require monthly progress reports.

Final reports must be provided to USACE at the end of the Agreement Order or upon request. Quarterly reports should accompany invoices since they are reviewed prior to processing invoices. File nomenclature should follow the format:

YYMMDD_AgreementOrder#_EntityAbbreviation.pdf

Example: 180417_AO546_USACE.pdf

ii. OMB Guidance, Grants and Agreements, Guidelines to Agencies on Government-wide Debarment and Suspension 2 CFR 180 Subpart C .335-.350

2 CFR 180.335-.350 provides answers to questions an applicant may have regarding information an applicant must provide before entering into a covered transaction with a federal agency.

This is covered by #4 above.

Final
**REMEDIAL ACTION CONSTRUCTION
PHASE TWO SOUTH LOOP WATER SUPPLY AND DISTRIBUTION SYSTEM
MOOSE CREEK, ALASKA
20 June 2019**

Total Project Cost Ceiling \$13,859,152

1.0 SUBJECT

This Cooperative Agreement is to provide details of work to be performed by the City of North Pole, Alaska (Cooperator) in support of Air Force Civil Engineer Center (AFCEC) through a cooperative agreement administered by the U.S. Army Corps of Engineers, Alaska District (USACE-AK). Construction will occur in two phases. Phase 1 activities include the construction of a water supply line from North Pole Water Distribution System (WDS) and a local distribution in the southern half of the Community of Moose Creek, pump house, and storage system for Moose Creek, Alaska. Phase 2 activities will include construction of the local distribution system in the southern half of the community of Moose Creek, Alaska. These activities are in support of the Eielson Air Force Base (EAFB) Environmental Restoration Program.

In accordance with FAR 7.503(e), projects provided for execution under this cooperative agreement (CA) by USACE do not include any functions to be performed that are inherently governmental. This determination is made with the assessment that places emphasis on the degree to which conditions and facts restrict the discretionary authority, decision-making responsibility, or accountability of Government officials using cooperator services or work products.

2.0 PURPOSE

The purpose of this agreement is to establish the relationships, responsibilities, and activities to construct a water supply line from North Pole WDS and a local distribution, pump house, and storage system for Moose Creek, Alaska. The design of the water supply and distribution system is necessary to meet the Remedial Action Objective (RAO) for Moose Creek under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Process.

3.0 AUTHORITY *(Additional authorities may be added)*

Cooperative Agreements are entered into with USACE under the following authorities:

- 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which includes Office of Management and Budget (OMB) Guidance and Cost Principles (formerly OMB Circular A-110) Title 10 U.S.C. 2701d Environmental Restoration Program;
- Title 32 – National Defense, Chapter 1 - Office of the Secretary of Defense,
 - Part 21 - DOD Grants and Agreements (32CFR21.100-680);
 - Part 22 - DOD Grants and Agreements - Award and Administrations (32CFR22.100-825);
 - Part 32 - DOD Administrative Requirements for Grants and Agreements with

- Institutions of Higher Education Hospitals, and Other Non-Profit Organizations (32CFR32.1-73);
- 10 USC 2701

4.0 BACKGROUND

4.1 Project Location

The community of Moose Creek is located adjacent to the northern edge of EAFB, east of Fairbanks, Alaska (Figure 1). The Community of Moose Creek lies approximately 120 miles south of the Arctic Circle, 21 miles southeast of Fairbanks, and 7 miles southeast of the city of North Pole.

Approximately 750 people live in the Community of Moose Creek, and land use includes both residential and commercial activities. Nearby EAFB is an active military installation that has been used for military operations since its establishment in 1944. The community of Moose Creek was originally settled as a result of the growth of EAFB and the nearby community of North Pole, and remains a primarily residential community. Drinking water in the community has historically been supplied by shallow wells located on the individual properties. Future land use is expected to be primarily residential in nature.



4.2 Project Description

The RAO for Moose Creek is to protect human health by preventing human ingestion of perfluorooctanesulfonic acid (PFOS) or perfluorooctanoic acid (PFOA) contaminated groundwater that exceeds the 2016 lifetime health advisory (LHA) value of 0.07 µg/L and ADEC groundwater clean-up levels of 0.40 µg/L. In support of this objective, this project, in coordination with multiple stakeholders, shall construct the South loop water distribution system within Moose Creek. The potable water shall be supplied by the Municipality of

North Pole Water Treatment Plant located in North Pole. The Phase Two South Loop Water Supply and Distribution System project shall be constructed in accordance with volumes:

G401 – the North Loop sections 041 Transmission Main and 043 South Distribution Loop of the Moose Creek Water Expansion Design. The design is currently at 35% design (June 2019) The North Pole water supply is located approximately 5 miles downgradient of Moose Creek.

The local distribution system will need to be pressurized and circulated with heat input to prevent freezing during winter. Local connections will be made to South Loop properties in the Community of Moose Creek.

5.0 TASKS

TASK 1 PROJECT MANAGEMENT SUPPORT

The Cooperator shall designate a Project Manager who shall be the primary technical and managerial interface between the Cooperator, the USACE and AFCEC. The name of this person, and alternate, who shall act for the Cooperator when the Project Manager is absent, shall be designated in writing. The Project Manager or alternate will have full authority to act for the Cooperator on all agreement matters relating to daily operations. The Project Manager or alternate must be available during normal duty hours and to meet with government personnel within 24 hours of the request to discuss problems.

Task 1.1 Schedule

The Cooperator shall develop and maintain a project schedule that fully supports the technical approach and outlines the due dates for all major deliverables and milestones and integrates the Government's associated management, review, and oversight activities. The schedule shall be consistent with all orders, agreements, and regulations applicable to the work described in this Statement Of Work. The schedule shall be submitted within thirty (30) days of cooperative agreement award and updated as needed throughout the period of performance.

Task 1.2 Meeting Attendance

Preconstruction Conference

Cooperator shall hold a preconstruction conference with the Government and others as directed or approved by the Government and as described in the *Remedial Design/Remedial Action Handbook*, EPA 540/R-95/059 (June 1995). Cooperator shall prepare minutes of the conference and shall distribute the minutes to all Parties.

Progress Meetings

Progress meetings shall be held weekly at a minimum. In addition to task performance and progress, Progress Meetings shall include a review of technical and/or programmatic

issues, accomplishments, and forecasts. The Cooperator shall prepare an agenda and any relevant presentation materials and submit to the Government at least one (1) working day in advance of the scheduled meeting. The cooperator shall prepare and provide meeting minutes, including a list of all attendees, from progress meetings and submit to the Government within five (5) working days after the meeting.

Task 1.3 Monthly Status Report

The Cooperator shall provide a monthly status report that includes the following information:

- A description of milestones and deliverables
- Funds expended during the reporting period and cumulative to date
- Summary of work accomplished during the reporting period and percent complete
- Any issues or problems encountered along with their ultimate resolution
- Schedule of activities planned and estimated time to complete activities

This report shall be submitted along with the Cooperator's invoice and is due no later than the 10th day of each month. A monthly status report shall be submitted every month whether an invoice is submitted or not.

TASK 2 PLANNING DOCUMENTS

The overall objective of this task is to assist EAFB and AFCEC personnel and ensure project requests meet validated requirements; are in compliance with all applicable standards; are programmed at the lowest life cycle cost; achieve optimum resource efficiency and minimize damage to the natural and human environments. Work is expected to be performed in support of the following project; construct a local distribution system, for the South Loop of Moose Creek, Alaska. Where practical, previous planning documents utilized in Phase One North Loop Water Supply and Distribution System documents may be updated for Phase Two South Loop efforts.

Prepare Remedial Action Work Plan

The Cooperator shall develop a Remedial Action Work Plan. Cooperator shall submit a RA Work Plan (RAWP) for Government approval that includes:

- (a) A proposed RA Construction Schedule [such as critical path method, Gantt chart, or PERT];
- (b) An updated health and safety plan that covers activities during the RA [developed and maintained in accordance with most recent requirements of the USACE Safety and Health Requirements EM 385-1-1 and OSHA standard 29 CFR 1910 and all applicable Federal, State, and local safety and occupational health laws and regulations.]; and
- (c) Plans for satisfying permitting requirements, including obtaining permits for off-site activity and for satisfying substantive requirements of permits for on-site activity.

- (d) Well Decommissioning Plan
- (e) The Cooperator shall develop the Construction Quality Assurance Plan (CQAP). The purpose of the CQAP is to describe planned and systemic activities that provide confidence that the RA construction will satisfy all plans, specifications, and related requirements, including quality objectives. The purpose of the Construction Quality Control Plan (CQCP) is to describe the activities to verify that RA construction has satisfied all plans, specifications, and related requirements, including quality objectives. The CQA/QCP must:
 - (1) Identify, and describe the responsibilities of, the organizations and personnel implementing the CQA/QCP;
 - (2) Describe the PS required to be met to achieve Completion of the RA;
 - (3) Describe the activities to be performed: (i) to provide confidence that PS will be met; and (ii) to determine whether PS have been met;
 - (4) Describe verification activities, such as inspections, sampling, testing, monitoring, and production controls, under the CQA/QCP;
 - (5) Describe industry standards and technical specifications used in implementing the CQA/QCP;
 - (6) Describe procedures for tracking construction deficiencies from identification through corrective action;
 - (7) Describe procedures for documenting all CQA/QCP activities; and
 - (8) Describe procedures for retention of documents and for final storage of documents.

TASK 3 REMEDIAL ACTION CONSTRUCTION

The overall objective of this task is to complete the Remedial Action (RA) Construction of a South Loop local water distribution system within Moose Creek community in accordance with the Moose Creek Water Expansion Design. The design for the Moose Creek Water Expansion is at 35% complete. The final design is scheduled to be completed in December 2019. The system shall be constructed in accordance with UFC 3-230-01 and all other applicable laws, criteria, and regulations.

A civil engineer shall be responsible for the construction. Work shall consist of the complete South Loop local distribution system including but not limited to the following: earthwork, grading, drainage, minimal landscaping, utilities, and coordination with other disciplines; existing water supply wells in the South Loop of the community of Moose Creek shall be decommissioned; and water tanks, granulated active carbon (GAC) systems, and 5-gallon water carboys previously installed by the AF shall be removed and properly disposed. The engineer of record shall be licensed in the State of Alaska as a Civil Engineer.

Design shall take into consideration topography and natural characteristics of the area, including climatic conditions, prevailing winds, areas of snow accumulations, etc. Design shall provide a functional system requiring only routine maintenance through its design life.

Materials and installation specifications shall contain appropriate requirements per UFC 3-230-01, City of North Pole standards, and those that have been established by the industry in its technical publications, such as ASTM, AWWA, WEF, and APWA.. Requirements shall be set forth in the specifications for the pipe and methods of bedding and backfilling so as not to damage the pipe or its joints, impede cleaning operations and future tapping, nor create excessive side fill pressure or deformation of the pipe, nor seriously impair flow capacity. All bends, tees, wires, plugs and other fittings will be constrained with thrust bolts, constrained joint piping or other approved means to prevent damage from pipe movement.

The Cooperator shall obtain all permits and approvals for the required construction and operation of the system.

The Contractor shall provide daily quality assurance reports on observed field activities to include relevant information, photographs, and drawings as needed to support review and analysis of contractor progress and schedules. These reports shall be submitted via email to the USACE and AF PM by 10 a.m. the following day.

The Cooperator shall follow all applicable Air Force, UFC, ASTM, OSHA, USACE Safety Manual EM 385-1-1, EPA, ADEC, state, federal and City of North Pole criteria, regulations and requirements. ADEC approval of the water supply system is required. Of particular note are:

Reference No.	Title	Date
ANSI/AWWA C150/A21.50-14	Thickness Design of Ductile-Iron Pipe	01 Sep 2014
ANSI/AWWA C600-17	Installation of Ductile-Iron Mains and Their Appurtenances	01 Jul 2017
ANSI/AWWA C906-15	Polyethylene (PE) Pressure Pipe and Fittings	01 Sep 2015
UFC 3-130-05	Utilities: Arctic and Subarctic Construction	16 Jan 2004
UFC 3-230-01	Water Storage, Distribution, and Transmission with Change 2	1 July 2014
UFC 3-230-03A	Water Supply	16 Jan 2004
UFC 3-230-13A	Water Supply Pumping Stations	16 Jan 2004
City of North Pole	Utility Standards of Construction	June 2007
City of North Pole	City of North Pole Service Line Requirements for Water and Wastewater — Commercial and Residential Structures	Nov. 2018

Inspections

- (9) The Government or its representative shall conduct periodic inspections of [or have an on-site presence during] the Work. At the Government's request, the Supervising Cooperator or other designee

shall accompany EPA and/or ADEC or its representative during inspections.

- (10) Respondents shall provide office space for Government personnel to perform their oversight duties if needed. The minimum office requirements are a private office with at least 100 square feet of floor space, an office desk with chair, wireless internet access, and sanitation facilities.
- (11) Cooperator shall provide personal protective equipment needed for Government personnel and any oversight officials to perform their oversight duties.
- (12) Upon notification by the Government of any deficiencies in the RA Construction, Respondents shall take all necessary steps to correct the deficiencies and/or bring the RA Construction into compliance with the approved Final RD, any approved design changes, and/or the approved RAWP. If applicable, Cooperator shall comply with any schedule provided by the Government in its notice of deficiency.

TASK 4 REPORTING

RA Report

Cooperator shall submit an “RA Report”. The RA Report must:

- (1) include statements by a registered professional engineer and by Cooperator’s Project Coordinator that construction of the system is complete and that the system is functioning properly and as designed;
- (2) include a demonstration, and supporting documentation, that construction of the system is complete and that the system is functioning properly and as designed;
- (3) include as-built drawings signed and stamped by a registered professional engineer;
- (4) include Well Decommissioning Report to include documentation of GAC systems and water tank removals;
- (5) be prepared in accordance with Chapter 2 (Remedial Action Completion) of EPA’s *Close Out Procedures for NPL Sites* guidance (May 2011), as supplemented by *Guidance for Management of Superfund Remedies in Post Construction*, OLEM 9200.3-105 (Feb. 2017); and
- (6) must be signed by the Coordinator’s Project Coordinator, other responsible official of Coordinators, and must contain the following statement:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the

information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I have no personal knowledge that the information submitted is other than true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

6.0 GENERAL SPECIFICATIONS

All reports and data generated under this cooperative agreement are the property of the government and distribution by the Cooperator to any source, unless previously authorized by the Air Force Technical POC, is prohibited. The Cooperator is authorized to use reports and data for internal purposes of the Cooperator and is specifically authorized to incorporate data into maps the Cooperator provides to contractors working in the vicinity of the infrastructure.

Except as required by the Alaska Public Records law, the Cooperator shall not make available to the news media or publicly disclose any data generated or reviewed under this cooperative agreement. When approached by the news media, the Cooperator shall refer them to the AF Technical POC for response. All responses by the AF Technical POC must comply with applicable law.

7.0 GOVERNMENT FURNISHED MATERIAL

Additional government furnished material includes:

- 1) Historical aerial imagery, if needed;
- 2) Current installation GIS data, if needed
- 3) Available environmental reports upon request
- 4) Community contact information
- 5) Moose Creek Water Expansion Concept Design, May 2019
- 6) Moose Creek Water Expansion Design, June 2019

8.0 SCHEDULE

Deliverables and Schedule	Submission Instructions/Details	Deliverable Due Date
Project Schedule	E-mail	within thirty (30) days of final design
Meeting minutes	E-mail	within five (5) working days after the meeting
Pre-Draft Remedial Action Work Plan	E-mail/ 2 CDs 2 hardcopies	within thirty (30) days of final design
Response to USACE, AF, and other Stakeholder Comments	Email	7 days

Draft Remedial Action Work Plan	E-mail/2 CDs 2 hardcopies	Within 14 days of acceptance of comments
Response to USACE, AF, EPA, ADEC, and other Stakeholder Comments	Email	7 days
Draft-Final Remedial Action Work Plan	E-mail/2 CDs 2 hardcopies	Within 14 days of acceptance of comments
Response to USACE, AF, EPA, ADEC, and other Stakeholder Comments	Email	7 days
Final Remedial Action Work Plan	E-mail/CD 2 hardcopies	Within 14 days of acceptance of comments
Pre-Construction Conference		Within 7 days of final RAWP
Start of Construction		Within 7 days of Pre-Construction Conference
Daily Quality Assurance Reports	E-mail	Daily during construction period
Pre-Final Inspection		
Pre-Final Inspection Report	Email	
Final Inspection		
Pre-Draft RA Report	E-mail/ 2 CDs 2 hardcopies	60 days from final inspection
Response to USACE, AF, and other Stakeholder Comments	Email	14 days
Draft RA Report	E-mail/ 2 CDs 2 hardcopies	Within 14 days of acceptance of comments
Response to USACE, AF, and other Stakeholder Comments	Email	14 days
Draft-Final RA Report	E-mail/ 2 CDs 2 hardcopies	Within 14 days of acceptance of comments
Response to USACE, AF, and other Stakeholder Comments	Email	14 days
Final RA Report	E-mail/ 2 CDs 2 hardcopies	Within 14 days of acceptance of comments

9.0 POINTS OF CONTACT

9.1 The AF Technical Point of Contact for this project is:

Kevin Thomas
AFCEC/CZOP

10471 20th Street, Ste 345
JBER AK 99506
Phone: 907-552-4112
Email: kevin.thomas.1@us.af.mil

9.2 The USACE POC for Project Management is Teresa Lee. Cooperative Agreement questions should be addressed to the Grants Officer, Olen Northern. Correspondence should be addressed as follows:

Teresa Lee
U.S. Army Corps of Engineers
Environmental and Special Projects Branch
ATTN: CEPOA-PM-ESP
P.O. Box 6898
JBER, AK 99506-0898
Phone: 907-753-2681
Email: Teresa.A.Lee@usace.army.mil

Olen Northern
U.S. Army Corps of Engineers
Contracting Division
ATTN: CEPOA-CT
P.O. Box 6898
JBER, AK 99506-0898
Phone: (907) 753-2525
Email: Olen.R.Northern@usace.army.mil

10.0 PERIOD OF PERFORMANCE

The period of performance is twenty four (24) months from date of award. The parties understand that should litigation be required to obtain easements, the period of performance may need to be extended.

11.0 ADDITIONAL TERMS AND CONDITIONS

i. Nondiscrimination

By signing this agreement or accepting funds under this agreement, the recipient assures that it will comply with applicable provisions of the following, national policies prohibiting discrimination. In addition the recipient assures that it will flow down these requirements to sub-recipients:

- a. On the basis of race, color, or national origin, in Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d, et seq.), as implemented by DOD regulations at 32 CFR part 195.
- b. On the basis of sex or blindness, in Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), as implemented by DOD regulations at 32 CFR part 196.

c. On the basis of age, in the Age Discrimination Act of 1975 (42 U.S.C. 6101, et seq.), as implemented by Department of Health and Human Services regulations at 45 CFR part 90.

d. On the basis of handicap, in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by Department of Justice regulations at 28 CFR part 41 and DOD regulations at 32 CFR part 56.

ii. Debarment and Suspension

The recipient agrees to comply with the requirements regarding debarment and suspension in Subpart C of the OMB guidance in 2 CFR part 180, as implemented by the Department of Defense in 2 CFR part 1125. The recipient also agrees to communicate the requirement to comply with Subpart C to persons at the next lower tier with whom the recipient enters into transactions that are “covered transactions” under Subpart B of 2 CFR part 180 and the DOD implementation in 2 CFR part 1125.

iii. Environmental Standards

By signing this agreement or accepting funds under this agreement, the recipient assures that it will:

a. Comply with applicable provisions of the Clean Air Act (42 U.S.C. 7401, et. seq.) and Clean Water Act (33 U.S.C. 1251, et. seq.), as implemented by Executive Order 11738 [3 CFR, 1971- 1975 Comp., p. 799] and Environmental Protection Agency (EPA) rules at Subpart J of 40 CFR part 32

iv. Drug-Free Workplace

The recipient agrees to comply with the requirements regarding drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 32 CFR part 26, which implements sec. 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701, et seq.).

v. Officials Not to Benefit

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this agreement, or to any benefit arising from it, in accordance with 41 U.S.C. 22.

1. Additional Administrative Requirements

i. 2 CFR 200.330 Sub-awards

Unless sections of this part specifically exclude sub-recipients from coverage, the provisions of this part shall be applied to sub-recipients performing work under awards if such sub-recipients are institutions of higher education, hospitals or other non-profit organizations.

ii. 2 CFR 200.305 Payments

(a) For states, payments are governed by Treasury-State CMIA agreements and default procedures codified at 31 CFR Part 205 “Rules and Procedures for Efficient Federal-State Funds Transfers” and TFM 4A-2000 Overall Disbursing Rules for All Federal Agencies.

(b) For non-Federal entities other than states, payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means. See also § 200.302 Financial management paragraph (f). Except as noted elsewhere in this part, Federal agencies must require recipients to use only OMB-approved standard government-wide information collection requests to request payment.

(1) The non-Federal entity must be paid in advance, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in this part. Advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs. The non-Federal entity must make timely payment to contractors in accordance with the contract provisions.

- (i) The Federal awarding entity shall pay the Cooperator in a timely fashion to ensure payment of contractors in accordance with federal requirements.
- (ii) The Cooperator cannot accept any payment method other than advance payment methods as described in paragraph (b)(1) above.

(2) Whenever possible, advance payments must be consolidated to cover anticipated cash needs for all Federal awards made by the Federal awarding agency to the recipient.

(i) Advance payment mechanisms include, but are not limited to, Treasury check and electronic funds transfer and should comply with applicable guidance in 31 CFR part 208.

(ii) Non-Federal entities must be authorized to submit requests for advance payments and reimbursements at least monthly when electronic fund transfers

are not used, and as often as they like when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act (15 U.S.C. 1601).

(3) Reimbursement is the preferred method when the requirements in paragraph (b) cannot be met, when the Federal awarding agency sets a specific condition per § 200.207 Specific conditions, or when the non-Federal entity requests payment by reimbursement. This method may be used on any Federal award for construction, or if the major portion of the construction project is accomplished through private market financing or Federal loans, and the Federal award constitutes a minor portion of the project. When the reimbursement method is used, the Federal awarding agency or pass-through entity must make payment within 30 calendar days after receipt of the billing, unless the Federal awarding agency or pass-through entity reasonably believes the request to be improper.

(4) If the non-Federal entity cannot meet the criteria for advance payments and the Federal awarding agency or pass-through entity has determined that reimbursement is not feasible because the non-Federal entity lacks sufficient working capital, the Federal awarding agency or pass-through entity may provide cash on a working capital advance basis. Under this procedure, the Federal awarding agency or pass-through entity must advance cash payments to the non-Federal entity to cover its estimated disbursement needs for an initial period generally geared to the non-Federal entity's disbursing cycle. Thereafter, the Federal awarding agency or pass-through entity must reimburse the non-Federal entity for its actual cash disbursements. Use of the working capital advance method of payment requires that the pass-through entity provide timely advance payments to any sub-recipients in order to meet the sub-recipient's actual cash disbursements. The working capital advance method of payment must not be used by the pass-through entity if the reason for using this method is the unwillingness or inability of the pass-through entity to provide timely advance payments to the sub-recipient to meet the sub-recipient's actual cash disbursements.

(5) Use of resources before requesting cash advance payments. To the extent available, the non-Federal entity must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments.

(6) Unless otherwise required by Federal statutes, payments for allowable costs by non-Federal entities must not be withheld at any time during the period of performance unless the conditions of §§ 200.207 Specific conditions, Subpart D—Post Federal Award Requirements of this part, 200.338 Remedies for Noncompliance, or the following apply:

(i) The non-Federal entity has failed to comply with the project objectives, Federal statutes, regulations, or the terms and conditions of the Federal award.

(ii) The non-Federal entity is delinquent in a debt to the United States as defined in OMB Guidance A-129, "Policies for Federal Credit Programs and Non-Tax Receivables." Under such conditions, the Federal awarding agency or pass-

through entity may, upon reasonable notice, inform the non-Federal entity that payments must not be made for obligations incurred after a specified date until the conditions are corrected or the indebtedness to the Federal government is liquidated.

(iii) A payment withheld for failure to comply with Federal award conditions, but without suspension of the Federal award, must be released to the non-Federal entity upon subsequent compliance. When a Federal award is suspended, payment adjustments will be made in accordance with § 200.342 Effects of suspension and termination.

(iv) A payment must not be made to a non-Federal entity for amounts that are withheld by the non-Federal entity from payment to contractors to assure satisfactory completion of work. A payment must be made when the non-Federal entity actually disburses the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(7) Standards governing the use of banks and other institutions as depositories of advance payments under Federal awards are as follows.

(i) The Federal awarding agency and pass-through entity must not require separate depository accounts for funds provided to a non-Federal entity or establish any eligibility requirements for depositories for funds provided to the non-Federal entity. However, the non-Federal entity must be able to account for the receipt, obligation and expenditure of funds.

(ii) Advance payments of Federal funds must be deposited and maintained in insured accounts whenever possible.

(8) The non-Federal entity must maintain advance payments of Federal awards in interest-bearing accounts, unless the following apply.

(i) The non-Federal entity receives less than \$120,000 in Federal awards per year.

(ii) The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.

(iii) The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.

(iv) A foreign government or banking system prohibits or precludes interest bearing accounts.(9) Interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$500 per year may be retained by the non-Federal entity for administrative expense.

(9) Except as noted elsewhere in this part, only the following forms shall be authorized for the recipients in requesting advances and reimbursements. DOD Components shall not require more than an original and two copies of these forms.

(i) SF-270, Request for Advance or Reimbursement. Each DOD Component shall adopt the SF-270 as a standard form for all non-construction programs when electronic funds transfer or predetermined advance methods are not used. DOD Components, however, have the option of using this form for construction programs in lieu of the SF-271,4 “Outlay Report and Request for Reimbursement for Construction Programs.”

(ii) Payment Request. Payment Requests shall be submitted to the address below:

U.S. Army Corps of Engineers – Alaska District
Attn: CEPOA-PM-ESP (Lee)
P.O. Box 6898
Elmendorf AFB AK 99506-0898

Physical Address:
2204 Third Street
Elmendorf AFB, AK 99506)

(iii) Payment will be made via check and/or EFT from the following office:

U.S. Army Engineer District, Alaska
C/O USACE Finance Center
5720 Integrity Drive
Millington, TN 38054-5005

iii. 2 CFR 200.403 Allowable costs

(a) General. For each kind of recipient or sub-recipient of a cost-type assistance award, or each contractor receiving a cost-type contract under an assistance award, there is a set of Federal principles for determining allowable costs. Allowability of costs shall be determined in accordance with the cost principles applicable to the entity incurring the costs.

(b) Higher educational institutions. The allowability of costs incurred by institutions of higher education that may be recipients, sub-recipients, or contractors is determined in accordance with the provisions of 2 CFR 220, “Cost Principles for Educational Institutions,” (Does not apply to this project)

(c) State, Local and Indian Tribal Governments. The allowability of costs incurred by State, Local and Indian Tribal Governments that may be recipients, sub-recipients, or contractors is determined in accordance with the provisions of 2 CFR 225, “Cost Principles for State, Local and Indian Tribal Governments,”

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(f) The Federal entity shall promptly evaluate all submitted costs and notify the Cooperator in a timely fashion of any disputed costs.

iv. 2 CFR 200.308 Revision of budget and program plans

(a) The approved budget for the Federal award summarizes the financial aspects of the project or program as approved during the Federal award process. It may include either the Federal and non-Federal share (see §200.43 Federal share) or only the Federal share, depending upon Federal awarding agency requirements. It must be related to performance for program evaluation purposes whenever appropriate.

(b) Recipients are required to report deviations from budget or project scope or objective, and request prior approvals from Federal awarding agencies for budget and program plan revisions, in accordance with this section.

(c)(1) For non-construction Federal awards, recipients must request prior approvals from Federal awarding agencies for one or more of the following program or budget-related reasons:

(i) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).

(ii) Change in a key person specified in the application or the Federal award.

(iii) The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

(v) The transfer of funds budgeted for participant support costs as defined in §200.75 Participant support costs to other categories of expense.

(vi) Unless described in the application and funded in the approved Federal awards, the sub-awarding, transferring or contracting out of any work under a Federal award, including fixed amount sub-awards as described in §200.332 Fixed amount sub-awards. This provision does not apply to the acquisition of supplies, material, equipment or general support services.

(vii) Changes in the approved cost-sharing or matching provided by the non-Federal entity.

(viii) The need arises for additional Federal funds to complete the project.

(2) No other prior approval requirements for specific items may be imposed unless an exception has been approved by OMB. See also §§200.102 Exceptions and 200.407 Prior written approval (prior approval).

(d) Except for requirements listed in paragraph (c)(1) of this section, the Federal awarding agency is authorized, at its option, to waive prior written approvals required by paragraph (c) this section. Such waivers may include authorizing recipients to do any one or more of the following:

(1) Incur project costs 90 calendar days before the Federal awarding agency makes the Federal award. Expenses more than 90 calendar days pre-award require prior approval of the Federal awarding agency. All costs incurred before the Federal awarding agency makes the Federal award are at the recipient's risk (i.e., the Federal awarding agency is under no obligation to reimburse such costs if for any reason the recipient does not receive a Federal award or if the Federal award is less than anticipated and inadequate to cover such costs). See also §200.458 Pre-award costs.

(2) Initiate a one-time extension of the period of performance by up to 12 months unless one or more of the conditions outlined in paragraphs (d)(2)(i) through (iii) of this section apply. For one-time extensions, the recipient must notify the Federal awarding agency in writing with the supporting reasons and revised period of performance at least 10 calendar days before the end of the period of performance specified in the Federal award. This one-time extension may not be exercised merely for the purpose of using unobligated balances. Extensions require explicit prior Federal awarding agency approval when:

(i) The terms and conditions of the Federal award prohibit the extension.

(ii) The extension requires additional Federal funds.

(iii) The extension involves any change in the approved objectives or scope of the project.

(3) Carry forward unobligated balances to subsequent periods of performance.

(e) The Federal awarding agency may, at its option, restrict the transfer of funds among direct cost categories or programs, functions and activities for Federal awards in which the Federal share of the project exceeds the Simplified Acquisition Threshold and the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total budget as last approved by the Federal awarding agency. The Federal awarding agency cannot permit a transfer that would cause any Federal appropriation to be used for purposes other than those consistent with the appropriation.

(f) All other changes to non-construction budgets, except for the changes described in paragraph (c) of this section, do not require prior approval (see also §200.407 Prior written approval (prior approval)).

(g) For construction Federal awards, the recipient must request prior written approval promptly from the Federal awarding agency for budget revisions whenever paragraph (g)(1), (2), or (3) of this section applies.

(1) The revision results from changes in the scope or the objective of the project or program.

(2) The need arises for additional Federal funds to complete the project.

(3) A revision is desired which involves specific costs for which prior written approval requirements may be imposed consistent with applicable OMB cost principles listed in Subpart E—Cost Principles of this part.

(4) No other prior approval requirements for budget revisions may be imposed unless an exception has been approved by OMB.

(5) When a Federal awarding agency makes a Federal award that provides support for construction and non-construction work, the Federal awarding agency may require the recipient to obtain prior approval from the Federal awarding agency before making any fund or budget transfers between the two types of work supported.

(h) When requesting approval for budget revisions, the recipient must use the same format for budget information that was used in the application, unless the Federal awarding agency indicates a letter of request suffices.

(i) Within 30 calendar days from the date of receipt of the request for budget revisions, the Federal awarding agency must review the request and notify the recipient whether the budget revisions have been approved. If the revision is still under consideration at the end of 30 calendar days, the Federal awarding agency must inform the recipient in writing of the date when the recipient may expect the decision.

v. 2 CFR 200.310 through 2 CFR 200.316 property.

2 CFR 200.310 through 2 CFR 200.316 set forth uniform standards governing management and disposition of property furnished by the Federal Government and property whose cost was charged to a project supported by a Federal award. DOD Components shall require recipients to observe these standards under awards and shall not impose additional requirements, unless specifically required by Federal statute. The recipient may use its own property management standards and procedures provided it observes the provisions of 2 CFR 200.310 through 2 CFR 200.316

vi. 2 CFR 200.310 & 2 CFR 200.447 Insurance coverage.

The non-Federal entity must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the non-Federal entity. Federally-owned property need not be insured unless required by the terms and conditions of the Federal award.

vii. 2 CFR 200.311 Real property.

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to real property acquired or improved under a Federal award will vest upon acquisition in the non-Federal entity.

(b) *Use.* Except as otherwise provided by Federal statutes or by the Federal awarding agency, real property will be used for the originally authorized purpose as long as needed for that purpose, during which time the non-Federal entity must not dispose of or encumber its title or other interests.

(c) *Disposition.* When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from the Federal

awarding agency or pass-through entity. The instructions must provide for one of the following alternatives:

(1) Retain title after compensating the Federal awarding agency. The amount paid to the Federal awarding agency will be computed by applying the Federal awarding agency's percentage of participation in the cost of the original purchase (and costs of any improvements) to the fair market value of the property. However, in those situations where non-Federal entity is disposing of real property acquired or improved with a Federal award and acquiring replacement real property under the same Federal award, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.

(2) Sell the property and compensate the Federal awarding agency. The amount due to the Federal awarding agency will be calculated by applying the Federal awarding agency's percentage of participation in the cost of the original purchase (and cost of any improvements) to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the Federal award has not been closed out, the net proceeds from sale may be offset against the original cost of the property. When non-Federal entity is directed to sell property, sales procedures must be followed that provide for competition to the extent practicable and result in the highest possible return.

(3) Transfer title to the Federal awarding agency or to a third party designated/approved by the Federal awarding agency. The non-Federal entity is entitled to be paid an amount calculated by applying the non-Federal entity's percentage of participation in the purchase of the real property (and cost of any improvements) to the current fair market value of the property.

viii. 2 CFR 200.312 Federally-owned and exempt property.

(a) Title to federally-owned property remains vested in the Federal government. The non-Federal entity must submit annually an inventory listing of federally-owned property in its custody to the Federal awarding agency. Upon completion of the Federal award or when the property is no longer needed, the non-Federal entity must report the property to the Federal awarding agency for further Federal agency utilization.

(b) If the Federal awarding agency has no further need for the property, it must declare the property excess and report it for disposal to the appropriate Federal disposal authority, unless the Federal awarding agency has statutory authority to dispose of the property by alternative methods (e.g., the authority provided by the Federal Technology Transfer Act (15 U.S.C. 3710 (i)) to donate research equipment to educational and non-profit organizations in accordance with Executive Order 12999, "Educational Technology: Ensuring Opportunity for All Children in the Next Century."). The Federal awarding agency must issue appropriate instructions to the non-Federal entity.

(c) Exempt federally-owned property means property acquired under a Federal award the title based upon the explicit terms and conditions of the Federal award that indicate the Federal awarding agency has chosen to vest in the non-Federal entity without further

obligation to the Federal government or under conditions the Federal agency considers appropriate. The Federal awarding agency may exercise this option when statutory authority exists. Absent statutory authority and specific terms and conditions of the Federal award, title to exempt federally-owned property acquired under the Federal award remains with the Federal government.

ix. 2 CFR 200.313 Equipment.

See also § 200.439 Equipment and other capital expenditures.

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity. Unless a statute specifically authorizes the Federal agency to vest title in the non-Federal entity without further obligation to the Federal government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest in the non-Federal entity subject to the following conditions:

- (1) Use the equipment for the authorized purposes of the project until funding for the project ceases, or until the property is no longer needed for the purposes of the project.
- (2) Not encumber the property without approval of the Federal awarding agency or pass-through entity.
- (3) Use and dispose of the property in accordance with paragraphs (b), (c) and (e) of this section.

(b) A state must use, manage and dispose of equipment acquired under a Federal award by the state in accordance with state laws and procedures. Other non-Federal entities must follow paragraphs (c) through (e) of this section.

(c) *Use.* (1) Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

- (i) Activities under a Federal award from the Federal awarding agency which funded the original program or project, then
- (ii) Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems.

(2) During the time that equipment is used on the project or program for which it was acquired, the non-Federal entity must also make equipment available for use on other projects or programs currently or previously supported by the Federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by Federal awarding agency that financed the equipment and second preference must be given to programs or projects under Federal awards from other Federal awarding agencies. Use for non-federally-funded programs or projects is also permissible. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in § 200.307 Program income to earn program income, the non-Federal entity must not use equipment acquired with the Federal award to provide services for a fee that is less than private companies charge for equivalent services unless specifically authorized by Federal statute for as long as the Federal government retains an interest in the equipment.

(4) When acquiring replacement equipment, the non-Federal entity may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

(d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) *Disposition.* When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions:

(1) Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

(2) Except as provided in § 200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market

value in excess of \$5,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

(3) The non-Federal entity may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.

(4) In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal awarding agency may direct the non-Federal entity to take disposition actions.

x. 2 CFR 200.314 Supplies.

See also § 200.453 Materials and supplies costs, including costs of computing devices.

(a) Title to supplies will vest in the non-Federal entity upon acquisition. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal award, the non-Federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal government for its share. The amount of compensation must be computed in the same manner as for equipment. See § 200.313 Equipment, paragraph (e)(2) for the calculation methodology.

(b) As long as the Federal government retains an interest in the supplies, the non-Federal entity must not use supplies acquired under a Federal award to provide services to other organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute.

xi. 2 CFR 200.315 Intangible property.

(a) Title to intangible property (see § 200.59 Intangible property) acquired under a Federal award vests upon acquisition in the non-Federal entity. The non-Federal entity must use that property for the originally-authorized purpose, and must not encumber the property without approval of the Federal awarding agency. When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in § 200.313 Equipment paragraph (e).

(b) The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

(c) The non-Federal entity is subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce

at 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements.”

(d) The Federal government has the right to: (1) Obtain, reproduce, publish, or otherwise use the data produced under a Federal award; and (2) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

(e) Freedom of Information Act (FOIA). (1) In addition, in response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal government in developing an agency action that has the force and effect of law, the Federal awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the Federal awarding agency obtains the research data solely in response to a FOIA request, the Federal awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the Federal awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)). (2) Published research findings means when:

(i) Research findings are published in a peer-reviewed scientific or technical journal; or

(ii) A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. “Used by the Federal government in developing an agency action that has the force and effect of law” is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

(3) Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This “recorded” material excludes physical objects (e.g., laboratory samples). Research data also do not include:

(i) Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and

(ii) Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

xii. 2 CFR 200.316 Property trust relationship.

Real property, equipment, and intangible property, that are acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved. The Federal awarding agency may require the non-Federal entity to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a Federal award and that use and disposition conditions apply to the property.

xiii. 2 CFR 200.317 through 2 CFR 200.326 Procurement standards.

2 CFR 200.317 through 2 CFR 200.326 set forth standards for use by recipients in establishing procedures for the procurement of supplies and other expendable property, equipment, real property and other services with Federal funds. These standards are furnished to ensure that such materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal statutes and executive orders.

Recipient responsibilities.

The standards contained in this section do not relieve the recipient of the contractual responsibilities arising under its contract(s). The recipient is the responsible authority, without recourse to the DOD Component that made the award, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurements entered into in support of an award or other agreement. This includes disputes, claims, protests of award, source evaluation or other matters of a contractual nature. Matters concerning violation of statute are to be referred to such Federal, State or local authority as may have proper jurisdiction.

Codes of conduct.

The recipient shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub-agreements. However, recipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.

xiv. 2 CFR 200.319 Competition.

(a) All transactions must be conducted in a manner that provides competition to the maximum extent practicable. In order to ensure objective contractor performance and eliminate unfair competitive advantage, Master Cooperative Agreement recipients that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such requirements. Some of the situations considered to be restrictive of competition include but are not limited to:

- (1) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (2) Requiring unnecessary experience and excessive bonding;

- (3) Noncompetitive pricing practices between firms or between affiliated companies;
- (4) Noncompetitive contracts to consultants that are on retainer contracts;
- (5) Organizational conflicts of interest;
- (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- (7) Any arbitrary action in the procurement process.

(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions.

These procedures must ensure that all solicitations:

- (1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
- (2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

xv. 2 CFR 200.320 Procurement procedures.

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$3,000 (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among

qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

- (i) A complete, adequate, and realistic specification or purchase description is available;
- (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and
- (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:

- (i) The invitation for bids will be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids;
- (ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- (iii) All bids will be publicly opened at the time and place prescribed in the invitation for bids;
- (iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- (v) Any or all bids may be rejected if there is a sound documented reason.

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- (1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

- (2) Proposals must be solicited from an adequate number of qualified sources;
- (3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
- (4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- (5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- (1) The item is available only from a single source;
- (2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- (3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
- (4) After solicitation of a number of sources, competition is determined inadequate.

xvi. 2 CFR 200.323 Contract cost and price.

(a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

(b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part.

The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

(d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

xvii. 2 CFR 200.326 Contract provisions.

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to 2 CFR Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

xviii. 32 CFR 32.49 Resource Conservation and Recovery Act.

Under the Resource Conservation and Recovery Act (RCRA) (section 6002, Pub. L. 94–580, 42 U.S.C. 6962), any State agency or agency of a political subdivision of a State which is using appropriated Federal funds must comply with section 6002. Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency (EPA) (40 CFR parts 247–254). Accordingly, State and local institutions of higher education, hospitals, and non-profit organizations that receive direct Federal awards or other Federal funds shall give preference in their procurement programs funded with Federal funds to the purchase of recycled products pursuant to the EPA guidelines.

xix. 2 CFR 200.333 through 2 CFR 200.337, Records

Sections 32.51 through 32.52 set forth the procedures for monitoring and reporting on the recipient's financial and program performance and the necessary standard reporting forms. They also set forth record retention requirements.

xx. 2 CFR 200.328 Monitoring and reporting program performance.

(a) Monitoring by the non-Federal entity. The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See also § 200.331 Requirements for pass-through *entities*.

(b) *Non-construction performance reports.* The Federal awarding agency must use standard, OMB-approved data elements for collection of performance information (including performance progress reports, Research Performance Progress Report, or such future collections as may be approved by OMB and listed on the OMB Web site).

(1) The non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements

in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes. Annual reports must be due 90 calendar days after the reporting period; quarterly or semiannual reports must be due 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report will be due 90 calendar days after the period of performance end date. If a justified request is submitted by a non-Federal entity, the Federal agency may extend the due date for any performance report.

(2) The non-Federal entity must submit performance reports using OMB-approved government-wide standard information collections when providing performance information. As appropriate in accordance with above mentioned information collections, these reports will contain, for each Federal award, brief information on the following unless other collections are approved by OMB:

(i) A comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal award can be quantified, a computation of the cost (for example, related to units of accomplishment) may be required if that information will be useful. Where performance trend data and analysis would be informative to the Federal awarding agency program, the Federal awarding agency should include this as a performance reporting requirement.

(ii) The reasons why established goals were not met, if appropriate.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(c) Construction performance reports. For the most part, onsite technical inspections and certified percentage of completion data are relied on heavily by Federal awarding agencies and pass-through entities to monitor progress under Federal awards and subawards for construction. The Federal awarding agency may require additional performance reports only when considered necessary.

(d) Significant developments. Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the non-Federal entity must inform the Federal awarding agency or pass-through entity as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

(e) The Federal awarding agency may make site visits as warranted by program needs.

(f) The Federal awarding agency may waive any performance report required by this part if not needed.

xxi. 2 CFR 200.327 Financial reporting.

Unless otherwise approved by OMB, the Federal awarding agency may solicit only the standard, OMB-approved government-wide data elements for collection of financial information (at time of publication the Federal Financial Report or such future collections as may be approved by OMB and listed on the OMB Web site). This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting.

xxii. 2 CFR 200.333 Retention requirements for records.

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a sub-recipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

- (a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
- (b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.
- (c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
- (d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.
- (e) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.

(f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).

(1) *If submitted for negotiation.* If the proposal, plan, or other computation is required to be submitted to the Federal government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.

(2) *If not submitted for negotiation.* If the proposal, plan, or other computation is not required to be submitted to the Federal government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

xxiii. 2 CFR 200.334 Requests for Transfer of Records

The Federal awarding agency must request transfer of certain records to its custody from the non-Federal entity when it determines that the records possess long-term retention value. However, in order to avoid duplicate recordkeeping, the Federal awarding agency may make arrangements for the non-Federal entity to retain any records that are continuously needed for joint use.

xxiv. 2 CFR 200.335 Methods for Collection, Transmission and Storage of Information

In accordance with the May 2013 Executive Order on Making Open and Machine Readable the New Default for Government Information, the Federal awarding agency and the non-Federal entity should, whenever practicable, collect, transmit, and store Federal award-related information in open and machine readable formats rather than in closed formats or on paper. The Federal awarding agency or pass-through entity must always provide or accept paper versions of Federal award-related information to and from the non-Federal entity upon request. If paper copies are submitted, the Federal awarding agency or pass-through entity must not require more than an original and two copies. When original records are electronic and cannot be altered, there is no need to create and retain paper copies. When original records are paper, electronic versions may be substituted through the use of duplication or other forms of electronic media provided that they are subject to periodic quality control reviews, provide reasonable safeguards against alteration, and remain readable.

xxv. 2 CFR 200.336 Access to records.

(a) *Records of non-Federal entities.* The Federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable

access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents.

(b) Only under extraordinary and rare circumstances would such access include review of the true name of victims of a crime. Routine monitoring cannot be considered extraordinary and rare circumstances that would necessitate access to this information. When access to the true name of victims of a crime is necessary, appropriate steps to protect this sensitive information must be taken by both the non-Federal entity and the Federal awarding agency. Any such access, other than under a court order or subpoena pursuant to a bona fide confidential investigation, must be approved by the head of the Federal awarding agency or delegate.

(c) *Expiration of right of access.* The rights of access in this section are not limited to the required retention period but last as long as the records are retained. Federal awarding agencies and pass-through entities must not impose any other access requirements upon non-Federal entities.

xxvi. 2 CFR 200.339 Termination.

(a) The Federal award may be terminated in whole or in part as follows:

(1) By the Federal awarding agency or pass-through entity, if a non-Federal entity fails to comply with the terms and conditions of a Federal award;

(2) By the Federal awarding agency or pass-through entity for cause;

(3) By the Federal awarding agency or pass-through entity with the consent of the non-Federal entity, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated; or

(4) By the non-Federal entity upon sending to the Federal awarding agency or pass-through entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Federal awarding agency or pass-through entity determines in the case of partial termination that the reduced or modified portion of the Federal award or subaward will not accomplish the purposes for which the Federal award was made, the Federal awarding agency or pass-through entity may terminate the Federal award in its entirety.

(b) When a Federal award is terminated or partially terminated, both the Federal awarding agency or pass-through entity and the non-Federal entity remain responsible for compliance with the requirements in §§ 200.343 Closeout and 200.344 Post-closeout adjustments and continuing responsibilities.

(c) In the event of the termination of the Federal award by the Federal entity for any reason, the Federal entity shall pay all allowable costs as defined in this agreement incurred by the non-Federal entity prior to the termination of the agreement.

xxvii. 2 CFR 200.338 Remedies for noncompliance.

If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in § 200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

(a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.

(b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.

(c) Wholly or partly suspend or terminate the Federal award.

(d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).

(e) Withhold further Federal awards for the project or program.

(f) Take other remedies that may be legally available.

xxviii. 2 CFR 200.341 Opportunities to object, hearings and appeals.

Upon taking any remedy for non-compliance, the Federal awarding agency must provide the non-Federal entity an opportunity to object and provide information and documentation challenging the suspension or termination action, in accordance with written processes and procedures published by the Federal awarding agency. The Federal awarding agency or pass-through entity must comply with any requirements for hearings, appeals or other administrative proceedings which the non-Federal entity is entitled under any statute or regulation applicable to the action involved.

xxix. 2 CFR 200.343 Closeout.

The Federal agency or pass-through entity will close-out the Federal award when it determines that all applicable administrative actions and all required work of the Federal award have been completed by the non-Federal entity. This section specifies the actions the non-Federal entity and Federal awarding agency or pass-through entity must take to complete this process at the end of the period of performance.

(a) The non-Federal entity must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by or the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by the non-Federal entity.

(b) Unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all obligations incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.

(c) The Federal awarding agency or pass-through entity must make prompt payments to the non-Federal entity for allowable reimbursable costs under the Federal award being closed out.

(d) The non-Federal entity must promptly refund any balances of unobligated cash that the Federal awarding agency or pass-through entity paid in advance or paid and that is not authorized to be retained by the non-Federal entity for use in other projects. See OMB Circular A-129 and see § 200.345 Collection of amounts due for requirements regarding unreturned amounts that become delinquent debts.

(e) Consistent with the terms and conditions of the Federal award, the Federal awarding agency or pass-through entity must make a settlement for any upward or downward adjustments to the Federal share of costs after closeout reports are received.

(f) The non-Federal entity must account for any real and personal property acquired with Federal funds or received from the Federal government in accordance with §§ 200.310 Insurance coverage through 200.316 Property trust relationship and 200.329 Reporting on real property.

(g) The Federal awarding agency or pass-through entity should complete all closeout actions for Federal awards no later than one year after receipt and acceptance of all required final reports.

xxx. 2 CFR 200.344 Post-closeout adjustments and continuing responsibilities.

(a) The closeout of a Federal award does not affect any of the following.

~~(1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.~~

(2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

(3) Audit requirements in Subpart F—Audit Requirements of this part.

(4) Property management and disposition requirements in Subpart D—Post Federal Award Requirements of this part, §§ 200.310 Insurance Coverage through 200.316 Property trust relationship.

(5) Records retention as required in Subpart D—Post Federal Award Requirements of this part, §§ 200.333 Retention requirements for records through 200.337 Restrictions on public access to records.

(b) After closeout of the Federal award, a relationship created under the Federal award may be modified or ended in whole or in part with the consent of the Federal awarding agency or pass-through entity and the non-Federal entity, provided the responsibilities of the non-Federal entity referred to in paragraph (a) of this section including those for property management as applicable, are considered and provisions made for continuing responsibilities of the non-Federal entity, as appropriate.

xxxi. 2 CFR 200.345 Collection of amounts due.

(a) Any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal government. If not paid within 90 calendar days after demand, the Federal awarding agency may reduce the debt by:

- (1) Making an administrative offset against other requests for reimbursements;
- (2) Withholding advance payments otherwise due to the non-Federal entity; or
- (3) Other action permitted by Federal statute.

(b) Except where otherwise provided by statutes or regulations, the Federal awarding agency will charge interest on an overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed is not extended by litigation or the filing of any form of appeal.

2. Reporting

i. Quarterly and Annual Reporting Requirements

Awardees must provide progress reports that validate progress on the required tasks to the USACE project manager on a quarterly basis at a minimum. Communications in person, by phone, and by email shall supplement the progress reporting requirements whenever key, complex, or high-profile activities are underway to ensure that USACE is never lacking pertinent project information.

Progress reports and invoices must match, i.e. quarterly invoices should be delivered with quarterly progress reports. Monthly invoices will require monthly progress reports.

Final reports must be provided to USACE at the end of the Agreement Order or upon request. Quarterly reports should accompany invoices since they are reviewed prior to processing invoices. File nomenclature should follow the format:

YYMMDD_AgreementOrder#_EntityAbbreviation.pdf

Example: 180417_AO546_USACE.pdf

ii. OMB Guidance, Grants and Agreements, Guidelines to Agencies on Government-wide Debarment and Suspension 2 CFR 180 Subpart C .335-.350

2 CFR 180.335-.350 provides answers to questions an applicant may have regarding information an applicant must provide before entering into a covered transaction with a federal agency.

This is covered by #4 above.

Memo

To: Mayor Welch, North Pole City Council
From: Fire Chief Coon
Date: 06/25/2019
Re: Authorization to order new vehicle



I am requesting that the North Pole City Council authorize the fire department to order (1) one new command vehicle in the amount of \$39,367.00. This price includes standard options and does not include striping, siren, radios, auto start or additional warning lights.

We will be using the State of Alaska CA1991-2016 Bid which meets or exceeds the City of North Pole Bidding requirements listed in NPMC section 4.16.040 Competitive sealed bidding.

Thank you

Chief Coon

FORD F150 SUPERCREW 3.5L Ecoboost, 4x4, MODEL W1P

		\$	\$
0	Ford F150 SUPERCREW, 4x4, White w/Black hood <i>Includes: 3.5L V6 EcoBoost, Spray In Bed Liner, Tow Package and Block Heater, SYNC, Rearview Camera 18" Tires, Cloth 40/blank/40 Front Cloth Seats, Driver Seat is HD Police Grade Cloth, 8 Way Power</i>	36,555.00	-
		\$	\$
1	Ford F150 SUPERCREW, 4x4, Random Color	36,255.00	36,255.00
		\$	\$
1	Pre-Collision Assist w/Pedestrian Detection (60P)	145.00	145.00
		\$	\$
1	Rear Window Defrost W/Privacy Glass	320.00	320.00
		\$	\$
1	LED Sideview Mirror Spotlights includes heated power mirror	570.00	570.00
		\$	\$
1	LED Red/Blue Warning Strobes (Pre-Installed)	725.00	725.00
		\$	\$
0	LED Amber Warning Strobes (Pre-Installed)	675.00	-
		\$	\$
1	Fog Lamps	140.00	140.00
		\$	\$
1	Integrated Trailer Brake Controller	270.00	270.00
		\$	\$
1	Daytime Running Lights	42.00	42.00
		\$	\$
1	Running Boards	250.00	250.00
		\$	\$
1	Reverse Sensing System (76R)	275.00	275.00
		\$	\$
		Delivery	375.00
		\$	\$
		TOTAL	39,367.00

<div>CONTRACT AWARD</div>		<div>STATE OF ALASKA</div> <div>HQ, STATE EQUIPMENT FLEET (Contracting Authority)</div> <div>2200 E. 42nd Avenue</div> <div>Anchorage, Alaska 99508</div>		<div>CONTRACT AWARD NUMBER</div> <div>CA1991-16</div>	
ORDERING DEPARTMENT: HEADQUARTERS, STATE EQUIPMENT FLEET 2200 E. 42ND AVENUE ANCHORAGE, ALASKA 99508 (907) 269-0793 PHONE / (907) 269-0801 FAX			DATE OF CONTRACT: AUGUST 24, 2015 DATE INITIAL CONTRACT BEGINS: AUGUST 7, 2015 DATE INITIAL CONTRACT ENDS: AUGUST 7, 2016 NUMBER & PERIOD OF RENEWALS: THREE 1-YEAR RENEWALS RENEWALS EXPIRE (MO/YR): AUGUST 7, 2019 ISSUED IN ACCORDANCE WITH BID # SEF- 1991 DATED: JULY 2, 2015 ESTIMATED VALUE OF INITIAL TERM: \$1,750,000.00		
CONTRACTOR: CAL WORTHINGTON FORD ADDRESS: 431 UNGA STREET ANCHORAGE, ALASKA 99501 CONTACT NAME: RAY MARCUM PHONE NUMBER: 907-793-8213 E-MAIL: FLEETOIL@AOL.COM					
SEND INVOICES IN DUPLICATE TO: STATE EQUIPMENT FLEET, 2200 E. 42ND AVENUE, ANCHORAGE AK 99508					
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.					
<div>DESCRIPTION</div> <div> <div>CONTRACT FOR FORD POLICE VEHICLES</div> <div>CONTRACTING OFFICER: KRISTI FUTREL</div> <div>(907) 269-0793 PHONE</div> <div>KRISTI.FUTREL@ALASKA.GOV</div> <div>SECTION I - SPECIAL TERMS AND CONDITIONS</div> <div>SECTION II - STANDARD TERMS AND CONDITIONS</div> <div>SECTION III - SPECIFICATIONS</div> <div>SECTION IV - BID PRICE SCHEDULE</div> </div>					
CONTRACTING AUTHORITY NAME & TITLE KRISTI FUTREL, CONTRACTING OFFICER III			SIGNATURE		
CONTRACTOR AUTHORITY NAME RAY MARCUM			SIGNATURE On File		
<div>IMPORTANT</div> <div> 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 32, IRS Code Registration No. 92-601185. Items are for the exclusive use of the State and not for resale. </div>					

1.0 CONTRACT INTENT: Contract for Ford police vehicles.

- 1.1 Contract Period: One Year with Three (1) One-Year Renewals
- 1.2 Location of Use: Statewide
- 1.3 Warranty locations: At a minimum Anchorage and Fairbanks
- 1.4 In addition to the State of Alaska requirements, the Municipality of Anchorage and other Alaska political subdivisions may cooperatively purchase from the resulting contract.
 - 1.4.1 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 (as applicable to the type of equipment):
 - 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 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.
- 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.

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 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, GP Bucket 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 EQUIPMENT RELIABILITY:

- 5.1 Reliability of equipment is of paramount importance to the State. It is the policy of SEF to require minimum levels of reliability from owned or leased equipment for it to be considered acceptable. Equipment offered for this bid must be capable of meeting the acceptable reliability standard stated below.
- 5.2 Acceptable Reliability: The State will monitor equipment reliability. Acceptable reliability for this contract is achieved when a machine achieves or maintains a Reliability Ratio (RR) equal to or exceeding the following:
 - 5.2.1 .90 (90 percent) RR during any consecutive 12-months (365 days) during the warranty period.
 - 5.2.2 .75 (75 percent) RR per operational month (recognizing operational as subject to weather and being defined by calendar days) during the consecutive 12-month period.
 - 5.2.3 A RR below the state percentages does not meet minimum reliability requirements for state owned equipment.

6.0 WARRANTY:

- 6.1 **Standard Warranty Package:** Unless otherwise stipulated by this ITB, the successful bidder will provide:
 - 6.1.1 Full (100%) Parts and Labor Warranty Coverage of all components for 36 months (three years)/36,000 miles (whichever comes first), from the date the unit is placed in service at the assigned location.
 - 6.1.2 Full (100%) Warranty Coverage includes all cost of labor, parts, freight, lubricants, miscellaneous cost, etc., to place the unit in like-new condition.
 - 6.1.3 Powertrain Warranty on pursuit rated vehicles for 60 months (five years)/100,000 miles (whichever comes first).
 - 6.1.4 Powertrain Warranty on non-pursuit rated vehicles for 60 months (five years)/60,000 miles (whichever comes first).
 - 6.1.5 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.

- 6.1.6 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.
 - 6.1.7 Warranty on Attachments: Same as Standard Warranty Package.
 - 6.1.8 In-Service Date: Warranty on vehicles not placed in service immediately upon receipt because of time lag to construct body components and/or installation of special equipment, or due to seasonal usage or other delay, shall be warranted from the date the vehicle is placed in service. The receiving agency shall notify the vendor/manufacture in writing of the actual "in service" date. Notification of the requirement for delayed warranty will be provided on delivery orders whenever possible.
- 6.2 **Warranty Claims:**
- 6.2.1 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.
 - 6.2.2 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.
 - 6.2.3 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.
 - 6.2.4 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.
 - 6.2.5 Failure to notify the State that the vendor intends to begin to perform warranty is considered a contractual breach.
 - 6.2.6 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.
- 6.3 **Warranty Performed by Vendor:**
- 6.3.1 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:
 - 6.3.1.1 Mileage Charge: Mileage will only be reimbursed for travel within Alaska at the rate allowable by the IRS.
 - 6.3.1.2 Meals are paid at actual and charges must be accompanied by receipts and are not to exceed the State authorized \$60.00 per day.
 - 6.3.1.3 Transportation, such as airfare, shall be reimbursed at actual and all charges are to be accompanied by a receipt/copy of the coach ticket.
 - 6.3.1.4 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.
 - 6.3.2 Travel will only be reimbursed for time in Alaska.
 - 6.3.3 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.
- 6.4 **Authorized Warranty (Contractor/Bidder):**
- 6.4.1 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.

- (*) Kendall Ford, 2701 E Mountain Village Dr., Wasilla, Alaska 99654
- Seekins Ford, 1625 Seekins Drive, Fairbanks, Alaska 99701

Provide contact name and contact information for Warranty Administrator:

- (*) Seekins Ford, Tim Edsell 907-459-4000
- Worthington Ford, Brooks Axt, 907-276-5300
- Kendall Ford, 907-376-5656

Provide documentation of factory certified and trained personnel:

- (*) Ford technicians are trained and certified

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

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

6.5 **Factory Recall:**

6.5.1 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.

7.0 **REPAIR ORDERS AND DOCUMENTATION:**

7.1 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.

8.0 **PUBLICATIONS:**

8.1 Paper publications are to be received by the State at the time of delivery. Delivery will not be considered complete until the publications for each unit have been received by the State of Alaska. Note: Publications, when required, will be ordered on the same Purchase Order as the unit itself.

8.1.1 All paper manuals are to be pre-assembled in factory binders prior to delivery.

8.1.2 Electronic publications may be requested.

8.2 Standard OEM Owner's Manual

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

9.0 **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 Avenue Room #318
Anchorage, Alaska 99508

10.0 **WEIGHT VERIFICATION SLIPS:** If required in the Bid Price Schedule, a weight scale ticket of the completed unit will be included with the Statement of Origin.

11.0 **PRICE:**

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

12.0 REPLACEMENT PARTS AND REPAIRS:

- 12.1 This contract encompasses a full parts and labor contract for manufacturer parts and repairs for the entire warranty period.
- 12.2 The State of Alaska shall expect the dealer or manufacturer to provide replacement wear parts at their authorized warranty facilities for the entire warranty period within seven (7) days of order. All other parts must be available within ten (10) working days.
- 12.3 Back order procedures: Back orders are acceptable; however, the ordering shop shall be appraised at time of original orders as to the expected delay in delivery.
- 12.4 Warranty: All products supplied by the contractor shall be warranted against defects in materials and workmanship for a minimum of 90 days, commencing at the time of installation as long as the installation is within 12 months of purchase. The cost of any defective product and the labor required to replace the defective product shall be the obligation of the contractor.
- 12.4.1 If the manufacturer's warranty exceeds the stated warranty then manufacturer's warranty supersedes.
- 12.4.2 Parts Return: Within 12 months of the invoice date, the State is to be allowed to return new parts with full refund, less actual shipping charges. **Cores returned within 12 months of original invoice date will receive full core credit.** Returned parts will be in new, resellable condition. Refund will be in the form of a credit/invoice credited to the SOA account with the vendor.
- 12.4.3 Invoicing: Full description of item is required on all invoices, packing lists and billings.

SECTION II
STANDARD TERMS & CONDITIONS

- 1.0 COMPLIANCE:** In the performance of a contract that results from this ITB, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state, and borough taxes.
- 2.0 SUITABLE MATERIALS, ETC.:** Unless otherwise specified, all materials, supplies or equipment offered by a bidder shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.
- 3.0 FIRM OFFER:** For the purpose of award, offers made in accordance with this ITB must be good and firm for a period of ninety (90) days from the date of bid opening.
- 4.0 EXTENSION OF PRICES:** In case of error in the extension of prices in the bid, the unit prices will govern; in a lot bid, the lot prices will govern.
- 5.0 CONSOLIDATION OF AWARDS:** Due to high administrative costs associated with processing of purchase orders, a single low bid of \$50 or less may, at the discretion of the State, be awarded to the next low bidder receiving other awards for consolidation purposes. This paragraph is not subject to the protest terms enumerated in "INSTRUCTION TO BIDDERS", "FILING A PROTEST" above.
- 6.0 CONTRACT FUNDING:** Bidders are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.
- 7.0 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.
- 8.0 ASSIGNMENT(S):** Assignment of rights, duties, or payments under a contract resulting from this ITB is not permitted unless authorized in writing by the procurement officer of the contracting agency. Bids that are conditioned upon the State's approval of an assignment will be rejected as nonresponsive.
- 9.0 FORCE MAJEURE (Impossibility to perform):** The parties to a contract resulting from this ITB are not liable for the consequences of any failure to perform, or default in performing, any of its obligations under the contract, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this ITB, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.
- 10.0 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.
- 11.0 DEFAULT:** In case of default by the contractor, for any reason whatsoever, the State of Alaska may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.
- 12.0 DISPUTES:** If a contractor has a claim arising in connection with a contract resulting from this ITB that it cannot resolve with the State by mutual agreement, it shall pursue a claim, if at all, in accordance with the provisions of AS 36.30.620 – 632.
- 13.0 CONSUMER ELECTRICAL PRODUCT:** AS 45.45.910 requires that "...a person may not sell, offer to sell, or otherwise transfer in the course of the person's business a consumer electrical product that is manufactured after August 14, 1990, unless the product is clearly marked as being listed by an approved third party certification program." Electrical consumer products manufactured before August 14, 1990, must either be clearly marked as being third party certified or be marked with a warning label that complies with AS 45.45.910(e). Even exempted electrical

SECTION II
STANDARD TERMS & CONDITIONS

products must be marked with the warning label. By signature on this bid the bidder certifies that the product offered is in compliance with the law. A list of approved third party certifiers, warning labels and additional information is available from: Department of Labor and Workforce Development, Labor Standards & Safety Division, Mechanical Inspection Section, P.O. Box 107020, Anchorage, Alaska 99510-7020, (907)269-4925.

- 14.0 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.
- 15.0 GOVERNING LAW; FORUM SELECTION:** A contract resulting from this ITB is governed by the laws of the State of Alaska. To the extent not otherwise governed by section 17 of these Standard Terms and Conditions, any claim concerning the contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.
- 16.0 NEW EQUIPMENT:** Equipment offered in response to this ITB must be new equipment. New equipment means equipment that is currently in production by the manufacturer and is still the latest model, edition or version generally offered. The equipment must be warranted as new by the manufacturer and may not have been used for any purpose, other than display (not demonstration), prior to its sale to the state. The state will not accept remanufactured, used, or reconditioned equipment. It is the contractor's responsibility to ensure that each piece of equipment delivered to the state complies with this requirement. A contractor's failure to comply with this requirement will cause the state to seek remedies under breach of contract.
- 17.0 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.
- 18.0 INSPECTION:** Equipment offered for lease may be subject to inspection and approval by the state prior to the award of the ITB. The equipment and attachments must be in good repair and capable of performing the work for which they were designed.
- 19.0 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.
- 20.0 DISCONTINUED ITEMS:** In the event an item is discontinued by the manufacturer during the life of the contract, another item may be substituted, provided that the contracting officer makes a written determination that it is equal to or better than the discontinued item and provided that it is sold at the same price or less than the discontinued item.
- 21.0 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.
- 22.0 DELIVERY TIME:** The elapsed time between the time the state places an order and the time that order is actually shipped from the contractor's place of business must be entered in space provided under "BID SCHEDULE". This processing time is to remain constant throughout the life of the contract(s).
- 23.0 DELIVERY CONFIRMATION:** Bidders must obtain a confirmation from the manufacturer that the items offered are scheduled for production in sufficient time to meet the scheduled delivery dates. A copy of the manufacturer's confirmation may be included with the bid or submitted within 10 days of the state's request. The bidder's failure to provide the manufacturers confirmation as required will cause the state to consider the bid non-responsive and reject the bid.
- 24.0 THIRD-PARTY FINANCING AGREEMENTS NOT ALLOWED:** Because of the additional administrative and accounting time required of state agencies when third party financing agreements are permitted, they will not be allowed under this contract.
- 25.0 CONTINUING OBLIGATION OF CONTRACTOR:** Regardless of the terms and conditions of any third-party financing agreement, the contractor agrees that none of its responsibilities under this contract are transferable and that the

SECTION II
STANDARD TERMS & CONDITIONS

contractor alone will continue to be solely responsible until the expiration date of the contract. Such responsibilities include, but are not limited to, the provision of equipment, training, warranty service, maintenance, parts and the provision of consumable supplies. By signature on the face page of this ITB the bidder acknowledges this requirement and indicates unconditional acceptance of this continuing obligation clause.

- 26.0 ESTIMATED QUANTITIES:** The quantities referenced in this ITB are the state's estimated requirements and may vary more or less from the quantities actually purchased. The state does not guarantee any minimum purchase. Orders will be issued throughout the contract period on an as-needed basis.
- 27.0 SERVICE CHARGES:** Regardless whether the contractor repairs equipment on-site or off-site, the state will not be liable for any charges associated with the repair of broken equipment, including, but not limited to, unhooking, disassembly, packaging, crating, repair, transportation, replacement, reassembly, or rewiring.
- 28.0 PARTS:** Only parts designed for the purpose they are being used, and warranted as new, may be used in the repair of state equipment.
- 29.0 COMPLETION OF SERVICE:** The service will not be complete and the equipment will not be considered serviced, repaired, or acceptable until it performs in compliance with the manufacturer's published performance specifications.
- 30.0 SERVICE TECHNICIAN QUALIFICATIONS:** Bidders must provide evidence that the person performing the service work is a manufacturer's authorized service technician; or, the bidder may provide evidence that they have contracted with a manufacturer's authorized service technician to perform the service work.
- Acceptable evidence of the service technician's competence may take the form of a letter or certificate, signed by an authorized officer of the manufacturer, that the service technician has been trained and authorized by the manufacturer to provide manufacturer's authorized warranty service.
- The bidder's failure to provide the evidence mentioned above, within the time required by the state, may cause the state to consider the bid non-responsive and reject the bid.
- 31.0 WORKMANSHIP & MATERIALS:** All work must be performed in a thorough and workmanlike manner and in accordance with current industry practices. The contractor will be held responsible for the quality of the finished item. The state will reject any item that does not meet the specifications of the ITB. Rejected items will be returned to the contractor at the contractor's risk and expense.
- 32.0 CONTRACT CANCELLATION:** The state reserves the right to cancel the contract at its convenience upon 30 calendar days written notice to the contractor. The state is liable only for payment in accordance with the payment provisions of this contract for services or supplies provided before the effective date of termination.
- 33.0 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.
- 34.0 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.
- 59.0 PAYMENT FOR STATE PURCHASES:** 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 that establishes a lower interest rate or precludes the charging of interest.
- 60.0 CONTRACT ADMINISTRATION:** The administration of this contract is the responsibility of State Equipment Fleet, Contracting Officer, Department of Transportation.
- 61.0 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

SECTION II
STANDARD TERMS & CONDITIONS

provide the contractor with written notice when damaged goods are received. The state will deduct the cost of the damaged goods from the invoice prior to payment. The contractor must file all claims against the carrier(s) for reimbursement of the loss.

62.0 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.

**CITY OF NORTH POLE
ORDINANCE NO. 19-12**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
TO AMEND THE 2019 OPERATING BUDGET AND OTHER
FUNDS TO PURCHASE AN EQUIPPED COMMAND
VEHICLE**

WHEREAS, changes to the public services practices and policies is a continually changing requirement; and,

WHEREAS, the City of North Pole budget should be amended to conform to the requirements of the City; and,

WHEREAS, adjustment in the budget are necessary to remain compliant with council approved authorizations and budget management rules, and

WHEREAS, fiscal notes are the method prescribed by the code to amend a budget; and,

WHEREAS, fiscal notes have been reviewed by the Accountant and Mayor for accuracy and will be recorded as amendments to the budget upon approval,

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of North Pole that it approves changes as listed in the fiscal note to be attached to this ordinance for the purpose managing the City budget.

Section 1. This ordinance is of a general nature and shall not be codified.

Section. Effective date.

This ordinance shall become effective immediately upon passage.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this ____ day of ____, 2019.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, City Clerk

PASSED/FAILED
Yes:
No:
Absent:



City of North Pole, Alaska

Fiscal Note Year: 2019

Accompanying Ordinance/Resolution:

Originator / sponsor: Chief Coon

Date: June 25, 2019

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

FUND	Account Description	Account #	Debit	Credit
22	Vehicle Purchase	22-10-9-922	40,000.00	
22	Transfer In	22-00-3-999		40,000.00

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).

To authorize the purchase of a command vehicle with emergency equipment.

Prepared By: Tricia Fogarty

Date: June 25, 2019

Finance Approval: Tricia Fogarty

Date: June 25, 2019

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.

Memo

To: Mayor Welch, North Pole City Council
From: Fire Chief Coon
Date: 06/25/2019
Re: Authorization to purchase furnaces



I am requesting that the North Pole City Council authorize the fire department to purchase and have installed (2) two new forced air furnaces for the fire department training annex. The current furnaces are in excess of 40 years old. Despite best efforts we have struggled to keep them going. It has been determined that these furnaces have exceeded their usable life and need to be replaced.

The cost for replacement of both furnaces are \$15,411.20 by Rocky's Heating Services.

This repair will be paid for from Fund 20 Capital Reserve fund.

Chief Coon

A handwritten signature in purple ink, appearing to read "Duff Coon", is written over the printed name "Chief Coon".

Geoff Coon

From: Chad Heineken
Sent: Thursday, June 20, 2019 9:17 AM
To: Geoff Coon
Subject: Furnace Replacement
Attachments: PROPOSAL FOR FURNACE REPLACEMENT.pdf

Chief,

Attached you will find the quote from Rocky's Heating to replace both forced air furnaces in the annex building. The quote is from January and I confirmed this week with Rocky's that the pricing is still accurate. I also talked with them about options to convert the building to a boiler type system.

Replacement cost of both forced air furnaces- \$15,411.20

Rough estimate to convert building to boiler- \$25,000 to \$30,000

When talking with Jeff at Rocky's about the option to convert to a boiler with base board heating he stated they would need to come out and re evaluate the building to give an accurate quote he stated that with known expense of the boiler and plumbing needed the price would at least be within the range listed above. This would not include any other unexpected needs such as building modifications, electrical needs and thermostat installation for multiple zones.

Chad Heineken
Deputy Fire Chief
City of North Pole Fire Dept.
907-488-0444 work
907-488-3747 fax
cheineken@northpolefire.org

HEAT-ME, INC. dba Rocky's Heating Service



2441 Hill Road Unit C
Fairbanks, AK 99709
Phone 1-907-456-4120
Fax 1-907-455-7341

January 8, 2019

North Pole Fire Department
125 Snowman Lane
North Pole, AK 99705

RE: 110 Lewis Street
North Pole, AK 99705

Dear Chief Chad,

Thank you for the opportunity to look at this project for you. Below you will find my proposal for replacing the rear forced air furnace in the annex building located within the workout room. This quote is to only replace one of the furnaces within the annex. If you choose to replace both of the furnaces within the annex the total project cost in this bid can simply be doubled. I understand that this is not an inexpensive project. If you have any questions in regards to this quote please feel free to contact our office.

SCOPE OF WORK:

We will:

1. Remove and dispose of your existing furnace.
2. Install a new Thermo Pride OD6 oil fired forced air furnace. We will be reusing the existing fuel system, air distribution ducting, electrical and insulated chimney.
3. Make some ducting modifications within the furnace room to adapt the existing return air plenum to the new furnace.
4. Modify the existing combustion air system so that it is in compliance with code and properly ducted to the outside of the building.
5. Test, tune and commission the furnace upon project completion to ensure proper operation.

TOTAL PROJECT COST:

\$7,705.60

ASSUMPTIONS, EXCLUSIONS, SPECIFICATIONS:

- Costs provided are only for work performed as outlined within the scope above.
- Proposal assumes all items to be reused, are in good working order and were installed in compliance with current code requirements.

Thank you again for choosing Rocky's Heating Service to provide you with this proposal. We look forward to working with you. Once again, please do not hesitate to contact me with any questions.

Sincerely,

Jason Cevalco, Foreman
Rocky's Heating Service
(907) 456-4120

HEAT-ME, INC. dba Rocky's Heating Service



2441 Hill Road Unit C
Fairbanks, AK 99709
Phone 1-907-456-4120
Fax 1-907-455-7341

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Rocky's Heating Service
(907) 456-4120