



***CITY OF NORTH POLE***  
**Regular Meeting July 15, 2019**  
**North Pole Council Chambers**  
**125 Snowman Lane, North Pole, Alaska**  
[www.northpolealaska.com](http://www.northpolealaska.com)

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***Monday, July 15, 2019***  
**Committee of the Whole: 6:30 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. July 01, 2019 (page 3)**
- 6. Communications from the Mayor**
- 7. Council Member Questions of the Mayor**
- 8. Communications from Department Heads, Borough Representative and the City Clerk**
- 9. Ongoing Projects Report**

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

**11. Old Business**

- a. 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. (page 10)
- b. 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. (page 85)

**12. New Business**

- a. Request for Approval to Write-Off Utility Account 5776.02. (page 99)
- b. Request for Approval to Move SeneGence from Monthly to Annual Filing Status. (page 100)
- c. Ordinance 19-13, An Ordinance of the City of North Pole to Accept a \$10,000 Grant from the Fairbanks North Star Borough to Support Economic Development Activities in the City. (page 103)
- d. Request to Approve the Amendment to Provide Construction Management Service for the Moose Creek Water System Expansion Project as Part of the Agreement Between Owner and Engineer for Professional Services with PDC Engineers. (page 112)

**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](http://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  
REGULAR MEETING MINUTES, JULY 01, 2019  
NORTH POLE CITY COUNCIL CHAMBERS  
125 SNOWMAN LANE, NORTH POLE, ALASKA

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Mayor Michael Welch called the regular City Council meeting of Monday, July 01, 2019 to order at 7:00 p.m with the following Council Members in attendance:

Council Members Present: Avery Thompson, Deputy Mayor Pro Tem  
Perry Walley, Alt Dep Mayor Pro Tem  
Aino Welch  
David Skipps  
DeJohn Cromer

Excused: Doug Isaacson, Mayor Pro Tem

Also Present: Judy Binkley, City Clerk/HR Manager  
William Butler, Director of City Services,  
Tricia Fogarty, Chief Financial Officer,  
Steve Dutra, Police Chief  
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 Walley.

**APPROVAL OF AGENDA**

**Mr. Thompson** *moved to approve the agenda of July 01, 2019.*

**Seconded by Ms. Welch.**

**Discussion**

**Mr. Thompson** *moved to consent the following items:*

**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.

**New Business:**

- a. Resolution 19-02, A Resolution of the North Pole City Council in Support of the Salcha-Badger Road Area Plan.
- 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.

**Seconded by Ms. Welch**

**Discussion**

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE AGENDA OF JULY 01, 2019 AS FOLLOWS:

YES: 6 – Skipps, Thompson, Cromer, Walley, 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 JULY 01, 2019 AS FOLLOWS:

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

NO: 0

ABSTAIN: 0

**Mayor Welch** declared the MOTION CARRIED

**APPROVAL OF MINUTES**

**Mr. Thompson** *moved to* **approve the Minutes of June 12, 2019 and June 17, 2019.**

**Seconded by Ms. Welch.**

**Discussion**

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE MINUTES OF JUNE 12, 2019 AND JUNE 17, 2019 AS FOLLOWS:

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

NO: 0

ABSTAIN: 0

**Mayor Welch** declared the MOTION CARRIED

**COMMUNICATIONS FROM THE MAYOR** (Audio 3:40)

- 4<sup>th</sup> of July Parade – we have a good parade committee and everything is falling into place. Pancakes will be served at the Senior Center at 9:00 and the parade itself will start forming off Carey at 10:00, start at 11:00 and end at the high school.
- July 13<sup>th</sup> – Air show at Eielson and gates will open at 8:00 a.m.
- July 27<sup>th</sup> – Memorial at the Fallen Heroes Park at 11:00 a.m.
- Gary Hutchison with KSH presented the 2018 audit.

**COUNCIL MEMBER QUESTIONS OF THE MAYOR**

None

**COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK**

**Police Department, Chief Dutra** (Audio 44:36)

- Letter of Commendation Jerron W. Lindgren.
- Stats – a lot of DUI's but normal this time of year. Vandalism at HS. Culprits ID'd.
- Show video of PSA for DOTS. 850 of them in route.
- Ofc. Brett Welborn has successfully completed FTO. Is now on the streets.
- Our new WatchGuard Video server has arrived. Working on configuration and installation.
- We have ordered our new tactical plates.
- So far we have 4 of us who have completed the Leadership phase 1 training.
- Memorial Park Fallen Heroes ceremony is July 27<sup>th</sup> at 11:00. Please mark your calendars.
- Reserve Association has donated \$1600 to 4<sup>th</sup> of July kid events.
- HB49 should be signed by Governor on July 8<sup>th</sup>. Effective July 9<sup>th</sup>. A lot of sweeping changes. Briefing is 73 pages.
- Nils Degerlund has completed the replat for the impound lot parcel so we can now move forward with the purchase and possible clearing of the lot.
- **Mr. Skipps** asked if there was an update on the vandalism done at the high school this past weekend. Chief Dutra replied that we figured out who it was and it's been covered up for the July 4<sup>th</sup> festival.

### **Fire Department, Chief Coon** (Audio 54:50)

- We have completed the hiring process for the Captain position. We are pleased to announce Richard Hagen will be the next C-shift Captain.
- With Richard's promotion we have posted the Lieutenant position. It is on the City website and will be in the News-Miner. Applications will be taken until July 15<sup>th</sup> at 1300 hours.
- State of Alaska did ban the sale of fireworks until conditions change. All burning is suspended. This includes burn barrels.
- Training:
  - We currently do not have anyone in a program class. Tuesday night drills are still continuing.
- Maintenance Report:
  - We are working on replacing a steering box leak. We are having some difficulty finding a rebuild kit for it. Engine 24 was built in 1993.
  - Hydrant testing is complete. B-shift will start pump testing of all of our engines.
- Engine 23 is still for sale down at the auction site.
- **Mayor Welch** asked if Chief Coon found anything more out about a rebate for the \$3000 fee fireworks vendors pay. Chief Coon replied he did not do any research on it. The fireworks vendors pay us \$3000 to sell fireworks inside the City. Some of that goes to our prevention fund where we do public service and ads on fireworks prevention. It's a one-time fee for selling in July and December. We will look into it and if they are owed a rebate, we'd be happy to do it.

### **Director of City Services, Bill Butler** (Audio 1:02:03)

#### **Building Department**

- One new residential building permit application submitted.
  - 9 new residential home building permits submitted to date.
- Charter school project received a foundation permit.

#### **Public Works**

- Second reading before the Council this evening to increase funding for temporary hires.
- PW's predominate activities going forward are landscaping.
  - City Hall landscaping project – plans include tourist features.
- The City received a \$10,000 Economic Development Grant from the FNSB which has typically been used to support tourist friendly and beautification projects managed by Public Works.

#### **Utility Department**

- Sulfolane settlement.
  - 100% of Zone 4's water mains installed.
  - 95% of Zone 3's water mains installed.
  - Specialized gaskets used with ductile iron pipe in Zone 3 faulty and must be replaced.
  - Approximately 55 new customers have been connected to the system to date.

- Moose Creek Water System Expansion Project.
  - Work continues on the 65% design and engineering work for the Moose Creek Water System Expansion. Submission due August 10.
  - First vote on cooperative agreements for the construction of the Moose Creek Water System Expansion is before Council this evening.

**Borough Representative, Council Member Welch** (Audio 1:09:41)

- The fireworks sale has been banned.
- There was an alcohol permit that was not protested.
- There was discussion on funding for testing the dilution control devices that they are working on – either an ESP or some kind of catalytic converter.

**City Clerk, Judy Binkley** (Audio 1:11:39)

- The three local municipal clerks' offices hosted the Candidate Open House this past Saturday. Thanks to Mr. Skipps for coming out to represent the City. Turnout was better than last year and we are already coming up with ideas to improve for next year. One of our goals is to encourage greater voter turnout and remind our community that we have a municipal election EVERY year.
- The local clerks' offices will be participating in Golden Days this year with our new "Vote Local" campaign. We will be passing out candy and "Vote Local" swag.
- The Candidate Filing period is coming up and the information is on our website. I also have packets available in my office. The filing period will run from 8:00 a.m. Monday, July 15<sup>th</sup> through 5:00 p.m. Monday, July 29<sup>th</sup>.

**ONGOING PROJECTS**

None

**CITIZEN'S COMMENTS – (Limited to Five (5) minutes per Citizen)** (Audio 1:13:09)

- **Karen Lane**, 2265 Flight Street, North Pole: Spoke about North Pole's sister city in Japan and the groups of North Pole students they have taken over and the many groups that have come to North Pole. A group from Japan will be visiting in August and traditionally, City Council and City employees are sometimes involved. There will be a welcome party and a goodbye party.

**OLD BUSINESS**

Consented

**Public Comment**

None

## **NEW BUSINESS**

### **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.**

Mr. Butler introduced the ordinance. (Audio 1:22:02)

#### **Public Comment** (Audio 1:49:09)

- **Linda Hilliard**, 900 Turner Drive, North Pole: Asked if the water expansion was going to include Baker Subdivision. Mayor Welch replied it does not.

**Mr. Thompson** *moved to* **Introduce and Advance 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.**

**Seconded by Mr. Cromer**

#### **Discussion**

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO INTRODUCE AND ADVANCE 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 AS FOLLOWS:

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

NO: 0

ABSTAIN: 0

**Mayor Welch** declared the MOTION CARRIED

#### **COUNCIL COMMENTS**

None

**Mr. Walley** *moved to* **adjourn the meeting at 8:59 p.m.**

**Seconded by Mr. Skipps.**

The regular meeting of Monday, July 01, 2019 adjourned at 9:00 p.m.



**These minutes passed and approved** by a duly constituted quorum of the North Pole City Council on Monday, July 15, 2019.

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Michael W. Welch, Mayor

**ATTEST:**

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Judy L. Binkley, City Clerk

Draft

**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.

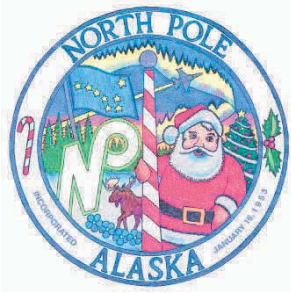
**PASSED AND APPROVED** by a duly constituted quorum of the North Pole City Council this  
\_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Michael W. Welch, Mayor

ATTEST:

\_\_\_\_\_  
Judy L. Binkley, City Clerk

PASSED/FAILED Yes: No: Absent:
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# 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**

<b>Deliverables and Schedule</b>	<b>Submission Instructions/Details</b>	<b>Deliverable Due Date</b>
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 20<sup>th</sup> 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](mailto: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**

<b>Deliverables and Schedule</b>	<b>Submission Instructions/Details</b>	<b>Deliverable Due Date</b>
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 20<sup>th</sup> 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](mailto: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

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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

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**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
		\$	\$
		<b>Delivery</b>	<b>375.00</b>
			\$
		<b>TOTAL</b>	<b>39,367.00</b>

<div style="background-color: #e0e0e0; padding: 5px; text-align: center;"> <b>CONTRACT AWARD</b> </div>	<b>STATE OF ALASKA</b> HQ, STATE EQUIPMENT FLEET (Contracting Authority) 2200 E. 42nd Avenue Anchorage, Alaska 99508	<div style="background-color: #e0e0e0; padding: 5px;"> <b>CONTRACT AWARD NUMBER</b> </div> <div style="font-size: 1.5em; font-weight: bold; margin-top: 5px;"> <b>CA1991-16</b> </div>								
<b>ORDERING DEPARTMENT:</b> HEADQUARTERS, STATE EQUIPMENT FLEET 2200 E. 42ND AVENUE ANCHORAGE, ALASKA 99508 (907) 269-0793 PHONE / (907) 269-0801 FAX	<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;"><b>DATE OF CONTRACT:</b></td> <td>AUGUST 24, 2015</td> </tr> <tr> <td><b>DATE INITIAL CONTRACT BEGINS:</b></td> <td>AUGUST 7, 2015</td> </tr> <tr> <td><b>DATE INITIAL CONTRACT ENDS:</b></td> <td>AUGUST 7, 2016</td> </tr> </table>		<b>DATE OF CONTRACT:</b>	AUGUST 24, 2015	<b>DATE INITIAL CONTRACT BEGINS:</b>	AUGUST 7, 2015	<b>DATE INITIAL CONTRACT ENDS:</b>	AUGUST 7, 2016		
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<b>DATE INITIAL CONTRACT ENDS:</b>	AUGUST 7, 2016									
<b>CONTRACTOR:</b> CAL WORTHINGTON FORD  <b>ADDRESS:</b> 431 UNGA STREET ANCHORAGE, ALASKA 99501  <b>CONTACT NAME:</b> RAY MARCUM <b>PHONE NUMBER:</b> 907-793-8213 <b>E-MAIL:</b> FLEETOIL@AOL.COM	<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;"><b>NUMBER &amp; PERIOD OF RENEWALS:</b></td> <td>THREE 1-YEAR RENEWALS</td> </tr> <tr> <td><b>RENEWALS EXPIRE (MO/YR):</b></td> <td>AUGUST 7, 2019</td> </tr> <tr> <td colspan="2"><b>ISSUED IN ACCORDANCE WITH BID # SEF- 1991      DATED: JULY 2, 2015</b></td> </tr> <tr> <td><b>ESTIMATED VALUE OF INITIAL TERM:</b></td> <td>\$1,750,000.00</td> </tr> </table>		<b>NUMBER &amp; PERIOD OF RENEWALS:</b>	THREE 1-YEAR RENEWALS	<b>RENEWALS EXPIRE (MO/YR):</b>	AUGUST 7, 2019	<b>ISSUED IN ACCORDANCE WITH BID # SEF- 1991      DATED: JULY 2, 2015</b>		<b>ESTIMATED VALUE OF INITIAL TERM:</b>	\$1,750,000.00
<b>NUMBER &amp; PERIOD OF RENEWALS:</b>	THREE 1-YEAR RENEWALS									
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<b>ISSUED IN ACCORDANCE WITH BID # SEF- 1991      DATED: JULY 2, 2015</b>										
<b>ESTIMATED VALUE OF INITIAL TERM:</b>	\$1,750,000.00									
<b>SEND INVOICES IN DUPLICATE TO: STATE EQUIPMENT FLEET, 2200 E. 42ND AVENUE, ANCHORAGE AK 99508</b>										
<b>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.</b>										
<div style="font-weight: bold; font-size: 1.2em; margin-bottom: 20px;">             DESCRIPTION           </div> <div style="margin-bottom: 20px;"> <b>CONTRACT FOR FORD POLICE VEHICLES</b>  <b>CONTRACTING OFFICER: KRISTI FUTREL</b>  <b>(907) 269-0793 PHONE</b>  <b>KRISTI.FUTREL@ALASKA.GOV</b> </div> <div> <b>SECTION I - SPECIAL TERMS AND CONDITIONS</b>  <b>SECTION II - STANDARD TERMS AND CONDITIONS</b>  <b>SECTION III - SPECIFICATIONS</b>  <b>SECTION IV - BID PRICE SCHEDULE</b> </div>										
<b>CONTRACTING AUTHORITY NAME &amp; TITLE</b> KRISTI FUTREL, CONTRACTING OFFICER III	<b>SIGNATURE</b>									
<b>CONTRACTOR AUTHORITY NAME</b> RAY MARCUM	<b>SIGNATURE</b> On File									
<b>IMPORTANT</b> 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.										

**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. 42<sup>nd</sup> 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

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- 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

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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

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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

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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:
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# 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:** Bill Butler, Director of City Services  
**From:** Melanie Swanson, Utilities Billing Clerk  
**Date:** July 1, 2019  
**Re:** Francine Harris Utility Account 5776.02

Bill, the above account has been thru all the collection stages and the City was awarded a Judgment that was recorded on November 8, 2018. This account has been closed since July 7, 2017 and has since been purchased by a new owner.

The balance on the account is \$5397.77. All mail sent to Ms. Francine Harris by our attorney's office has also been returned and the attorney office is unable to retrieve any current info on where Ms. Harris may be.

I respectfully ask, that this balance be written off as past and any future collection attempts seem futile.

Respectfully Submitted,

Melanie Swanson

Utility Billing Clerk



June 6, 2019

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

Taxpayer: SGII, Inc. dba SeneGence International, Inc.  
Account Number: 1253

To Whom It May Concern:

SeneGence International, Inc. respectfully requests to change its sales tax filing frequency from monthly to annually. Please let me know if our request is approved. Should you have any questions or concerns I can be reached at 949.521.6161 x 1139.

Regards,

SENEGENCE INTERNATIONAL, INC.

A handwritten signature in black ink that reads "Sharon Jones".

Sharon Jones  
Tax Director

SeneGence International • 19651 Alter • Foothill Ranch, CA 92610  
(949)521-6161 • [www.senegence.com](http://www.senegence.com)



# Memorandum

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**To:** *North Pole City Council*

**From:** *Tricia Fogarty, CFO*

**Date:** 7/9/2019

**Re:** Request by SeneGence to move from monthly to annual sales tax returns

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**Recommendation:** Approve to move SeneGence from monthly to annual filing status.

I recommend the City Council approve the request to move SeneGence to a annual filing status. SeneGence has filed monthly sales tax returns since February 2018; their returns have been on time and are under the \$500.00 threshold. SeneGence is in good standing with the City of North Pole.

Attached North Pole Municipal Code: **4.08.090 Submittal of forms and remittance.**

Thank you  
Tricia

#### **4.08.090 Submittal of forms and remittance.**

The City shall provide sales tax return forms for sellers. Sellers making a taxable sale in any month shall transmit the tax collected no later than the last day of the following month in which tax was collected along with a completed return. Returns and taxes remitted must be received by the City administrative offices no later than 5:00 p.m. on the due date.

A. The sales tax forms furnished by the City shall have spaces setting forth the amount received from the following:

1. All sales, services, or rentals made within City limits;
2. The amount received from nontaxable sales, services, and rentals;
3. The amount of credit card service fees paid on credit card sales within the City;
4. The amount of taxable sales, services, and rentals;
5. The amount of sales tax owed;
6. The amount of penalties owed;
7. The total amount of sales tax and penalties owed to the City;
8. Such other information and supporting documentation as may be required.

B. Quarterly Filing.

1. A seller who, for one year, has transmitted taxes and filed returns as required by this chapter may file with the Sales Tax Administrator a written request to transmit taxes and file returns quarterly.
2. The Sales Tax Administrator shall evaluate the seller's compliance with this chapter, and make a recommendation to the City Council to approve or deny the seller's petition.
3. If the City Council approves the petition, the seller shall file returns and transmit the taxes imposed by this chapter no later than the last day of the month following the quarter the taxes were collected.
4. Upon approval of the Council, quarterly filing will revert to monthly filing if reports are not transmitted on time.

C. Annual Filing.

1. A seller who, for one year, has transmitted taxes and filed returns as required by this chapter may file with the Sales Tax Administrator a written request to transmit taxes and file returns annually so long as the annual amount of tax collected is estimated to be less than \$500 (five hundred dollars).
2. The Sales Tax Administrator shall evaluate the seller's compliance with this chapter, and make a recommendation to the City Council to approve or deny the seller's petition.
3. If the City Council approves the petition, the seller shall file returns and transmit the taxes imposed by this chapter no later than the last day of the month following the year the taxes were collected.
4. Upon approval of the Council, annual filing will revert to monthly filing if reports are not transmitted on time. (Ord. 17-02 § 2, 2017; Ord. 16-26 § 2, 2016; Ord. 14-26 § 2, 2014; Ord. 03-01 § 2, 2003; Ord. 99-29 § 2, 1999)



**CITY OF NORTH POLE  
ORDINANCE 19-13**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA  
TO AMEND THE 2019 OPERATING BUDGET TO ACCEPT A  
\$10,000 GRANT FROM THE FAIRBANKS NORTH STAR  
BOROUGH TO SUPPORT ECONOMIC DEVELOPMENT  
ACTIVITIES IN THE CITY**

**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 accepting a \$10,000 grant from the Fairbanks North Star Borough to support economic development activities within the City.

**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.

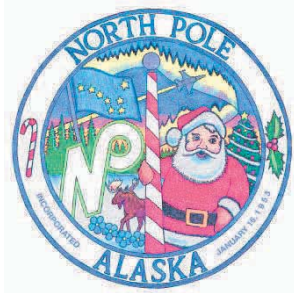
**PASSED AND APPROVED** by a duly constituted quorum of the North Pole City Council this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Michael W. Welch, Mayor

ATTEST:

\_\_\_\_\_  
Judy L. Binkley, City Clerk

PASSED/FAILED Yes: No: Absent:
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# City of North Pole, Alaska

**Fiscal Note Year:** 2019

Accompanying Ordinance/Resolution: 19-13

Originator / sponsor: Bill Butler

Date: 7/11/2019

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

FUND	Account Description	Account #	Debit	Credit
33	FNSB Beautification 2019-20	33-01-9-501	\$10,000	
33	FNSB Revenue	33-00-3-300		\$10,000

**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).

The source of the funds is a \$10,000 grant from the FNSB to support economic development activities in the City. For the past several years, the Public Works Department has used these funds for beautification, parks and trails and other expenses the improve the City.

Prepared By: Bill Butler Date: 7/11/2019

Finance Approval: Tricia Fogarty Date: 7/11/2019

**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.



FAIRBANKS NORTH STAR BOROUGH  
BOROUGH-FUNDED GRANT PROGRAMS  
PUBLIC PURPOSE GRANT AWARD

**\*\* PUBLIC PURPOSE, BUDGET, GOALS & OBJECTIVES, SCOPE OF WORK \*\***

**NAME OF RECIPIENT ORGANIZATION:**

City of North Pole

**ADDRESS OF RECIPIENT ORGANIZATION:**

125 Snowman Lane  
North Pole, AK 99705

**PERSON COMPLETING THIS FORM:**

**NAME:** William Butler

**TITLE:** Director of City Services

**PHONE:** 488-8593

**EMAIL:** bill.butler@northpolealaska.org

SIGNATURE

DATE

**PROJECT BUDGET:** Please provide an estimated budget for the public purpose for which your organization plans to spend its grant award:

Personnel Services	\$	
Casual Labor	\$	
Event Planning and Supplies	\$	
Education, Health and Safety	\$	
Public Communications	\$	
Contractual Services	\$	
Professional Services	\$	
Insurance and Bonding	\$	
Operating Materials & Supplies	\$	10,000.00
Utilities	\$	
Repairs and Maintenance	\$	
Equipment Purchase/Rental/Lease	\$	
Facility Purchase/Rental/Lease	\$	
Facility Construction	\$	
OTHER:	\$	
OTHER:	\$	
<b>TOTAL</b>	\$	10,000.00

**PUBLIC PURPOSE:** Please *describe the goals and objectives, scope of work, and the public purpose* your organization plans to accomplish with the grant funds:

The City of North Pole will use the grant funds for beautification efforts within the City. Items the City plans to spend the funds include, but are not limited to, flowers, soil, landscape pavers, hydro-seeding, playground equipment and signage.

**Project Completion (Lapse) Date**

6/30/20

**CERTIFICATION:** I hereby certify that the above budget, goals and objectives, and scope of work accurately describe my organization's proposed use of its grant award and that the funds will be used for a public purpose and in accordance with the attached grant requirements as set forth in [FNSB Code Section 7.08](#) and procurement policies. I have read and understand the applicable Code requirements (Attachment B) and procurement policies (Attachment C) and will properly account for the grant funds. Upon completion of the grant purpose, I will provide the Borough with a Statement of Completion (Attachment D). Should the Borough grant choose to audit my organization's use of the funds, I will timely make available to the Borough all source documentation it asks for upon request.

**SIGNATURE OF EXECUTIVE DIRECTOR / CHIEF EXECUTIVE OFFICER**

**DATE**

**Printed Name:** Michael Welch

**Phone:** 488-8593

**Printed Title:** Mayor

**Email:** bill.butler@northpolealaska.org

**RETURN THIS FORM TO:**

**FNSB Administrator:** Krista Major

**FNSB Dept/Division:** Mayor's Office

907 Terminal Street

P.O. Box 71267

City Council Agenda Packet, July 15, 2019  
Fairbanks, Alaska 99707-1267

**APPENDED TO THIS FORM:**

Attachment A: Signed Terms for Release of Payment  
Attachment B: Initialed FNSB Code Chapter 7.08  
Attachment C: Initialed FNSB Public Procurement  
Attachment D: Statement of Completion, when done

**ATTACHMENT A**  
**TERMS FOR RELEASE OF PAYMENT**  
**FNSB PUBLIC PURPOSE GRANT AWARD**  
**GRANT PROJECT TITLE:** City of North Pole

Release of funds for the above-named Public Purpose Grant Award shall be based on the following schedule:

Pmt. No.	Approximate % Funds Released	Amount to be Paid Upon Borough Approval	Contingent Upon:
1	<u>90</u> % Advance	\$ <u>9,000.00</u>	Execution and submittal of Public Purpose Grant Award form describing public purpose, budget, goals and objectives, and scope of work, with Attachments.
2	<u>      </u> % Progress Payment	\$ <u>                  </u>	Provision of progress report describing work accomplished as of <u>          </u> (date), goals and objectives achieved, risks or developments impacting the completion of the project, and description of work remaining.
3	<u>      </u> % Progress Payment	\$ <u>                  </u>	Provision of progress report describing work accomplished as of <u>          </u> (date), goals and objectives achieved, risks or developments impacting the completion of the project, and description of work remaining.
4	<u>      </u> % Progress Payment	\$ <u>                  </u>	Provision of progress report describing work accomplished as of <u>          </u> (date), goals and objectives achieved, risks or developments impacting the completion of the project, and description of work remaining.
5	<u>10</u> % Final Payment	\$ <u>1,000.00</u>	Upon completion of the project and submittal of Attachment D, Statement of Completion.
	<u>100</u> % Total	\$ <u>10,000.00</u>	

I certify that I have reviewed and approve the above terms for release of payment.

\_\_\_\_\_  
Signature of Grantee  
Executive Director / Chief Financial Officer

Printed Name: Michael Welch

Printed Title: Mayor

\_\_\_\_\_  
Signature of FNSB Administrator  
Printed Name: Krista Major

\_\_\_\_\_  
Bryce J. Ward  
Mayor, Fairbanks North Star Borough

**FAIRBANKS NORTH STAR BOROUGH  
PUBLIC PURPOSE GRANT AWARD  
ATTACHMENT B**

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**Fairbanks North Star Borough Code (Excerpt)  
Chapter 7.08  
GRANT MANAGEMENT**

Sections:

- 7.08.010 Minimum grant standards and requirements.
- 7.08.020 Exceptions.
- 7.08.030 Assembly notification.

**7.08.010 Minimum grant standards and requirements.**

A. The following minimum grant standards and requirements shall be incorporated into all borough grant agreements unless the assembly in the appropriating or authorizing ordinance waives a standard or requirement:

1. Goals and Objectives. Each grant recipient shall provide the borough with attainable and measurable goal(s), objective(s), and/or outcome(s) which address the purpose(s) of the grant award.
2. Payment Schedule. Each grant award shall outline a payment schedule which reflects the cash flow needs of the recipient balanced with the compliance requirements of the borough. Advances are neither prohibited nor required. Retainages are recommended.
3. Use of Grant Funds. Grant funds may not be used for expenses or obligations incurred outside the effective dates of the grant award.
  - a. Recipients of borough grants shall comply with the provisions of 2 CFR §200.400 (Sub-Part E – Cost Principles).
  - b. Notwithstanding 2 CFR §200.400 (Sub-Part E), the following costs shall be unallowable:
    - i. Alcoholic beverages;
    - ii. Bad debts;
    - iii. Contingency provisions;
    - iv. Donations and contributions;
    - v. Entertainment costs;
    - vi. Fines and penalties;
    - vii. Goods or services for personal use;
    - viii. Legal expenses for claims against the borough;
    - ix. Lobbying; and
    - x. Memberships in organizations substantially engaged in lobbying; and

The following costs shall require prior approval from the borough:

- xi. Fundraising costs;
    - xii. Capital expenditures.
- c. The grant agreement may, at the borough's sole discretion, prohibit or further restrict additional expenditures.

**FAIRBANKS NORTH STAR BOROUGH  
PUBLIC PURPOSE GRANT AWARD  
ATTACHMENT B**

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**Fairbanks North Star Borough Code (Excerpt)**

**Chapter 7.08**

**GRANT MANAGEMENT (Continued)**

- d. Expenditures charged to, and reimbursed by, the borough grant may not likewise be reported to, and reimbursed by, any other grant or other external funding source (i.e., no “double-dipping” is allowed).
- e. Disallowed expenditures shall be returned to the borough.

*(Sub-Parts  
4-6 apply  
to grant  
awards of  
\$100,000  
or more)*

- 4. Financial Management System. The grant recipient shall establish and maintain a financial management system conforming with generally accepted accounting principles and maintain the financial records and accounts in a manner which permits them to be audited for compliance with the grant award.
  - 5. Reporting. The grant recipient shall submit to the borough periodic financial reports, as prescribed by the chief financial officer (CFO), and narrative status reports at least quarterly. Barring compelling circumstances, as determined by the CFO, reports are due no later than one month after the reporting period end date. Narrative status reports shall describe progress toward the goal(s)/objective(s)/outcome(s) of the grant award.
  - 6. Audits. During normal business hours, the grant recipient shall permit the borough or its representative to review, monitor, audit, and evaluate all financial and programmatic records of the grant recipient to determine compliance with the terms and conditions of the grant award. If an independent, borough, federal, or state audit finding indicates unallowable costs, then a plan for reimbursement shall be submitted to the borough within 30 days of the audit completion. A plan for correcting all findings, questioned costs, internal control deficiencies/reportable conditions, and material weaknesses/significant deficiencies must also be submitted within 45 days of the audit completion.
- 
- 7. Records Management and Retention. The grant recipient shall retain grant and subcontract records, including records of the receipt and disposition of grant income, for a period of three years from the date of submission to the borough of the grant recipient’s final financial and narrative status reports. The grant recipient shall continue to retain records as long as an audit is in progress or as long as audit findings, litigation, or claims involving the records are pending. After resolution, the grant recipient shall retain required records for an additional three years. If for any reason the grant recipient ceases operations before the end of any record retention period, all financial and program records shall be delivered to the borough.
  - 8. Duties Upon Termination/Expiration. If the grant recipient receives payments exceeding the amount to which it is entitled, it shall remit the excess to the borough within 30 days of receiving written notice of termination. The grant recipient shall not be entitled to final compensation until all final financial and narrative status reports and documentation required or requested by the borough have been delivered to the borough. If any costs are disallowed as a result of a subsequent audit, the borough may recover those costs. Upon expiration of the grant award, the grant recipient shall promptly refund to the borough any unobligated grant funds paid to the grant recipient. Obligated funds must be expended or returned to the borough within 30 days after expiration of the grant award. (Ord. 2011-34 § 2, 2011; Ord. 2006-18 § 2, 2006)



**FAIRBANKS NORTH STAR BOROUGH  
PUBLIC PURPOSE GRANT AWARD  
ATTACHMENT B**

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**Fairbanks North Star Borough Code (Excerpt)  
Chapter 7.08  
GRANT MANAGEMENT (Continued)**

**7.08.020 Exceptions.**

- A. The minimum grant standard and requirements set forth in this chapter shall not apply:
1. To direct program or pass-through grants that do not involve or spend any borough money or funding; or
  2. To the extent a third party funding source's requirements conflict with a borough standard or requirement.
- B. FNSBC [7.08.010](#)(A)(4), Financial Management System, (A)(5), Reporting, and (A)(6), Audits, shall not apply to grants with a total value of less than \$100,000. (Ord. 2011-34 § 2, 2011; Ord. 2006-18 § 2, 2006)

**7.08.030 Assembly notification.**

The borough administration shall notify the assembly by memorandum when a grant is being pursued and provide a project description and amount. (Ord. 2011-34 § 2, 2011)

## FAIRBANKS NORTH STAR BOROUGH PUBLIC PURPOSE GRANT AWARD ATTACHMENT C

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### Fairbanks North Star Borough Public Procurement

- A. All procurement transactions will be conducted to provide to the maximum extent possible free and open competition among suppliers. Incorporate methods to ensure that the best possible price is obtained for comparable goods or services and to avoid the purchase of unnecessary items.
- B. To provide for increased public confidence in public procurement and provide safeguards for or maintaining integrity.
  - 1. No employee, officer, director, volunteer or agent of the Grant shall participate in the purchase, selection of a bid or contract if a conflict of interest is real or apparent to a reasonable person.
  - 2. Conflicts of interest arises when there is a beneficial interest in the vendor firm selected or considered for an award, either for financial or family gain through the show of favoritism.
  - 3. The Organization's employees, officers, directors, volunteers or agents shall neither solicit nor accept gratuities, gifts, consulting fees, trips, favors or from a vendor, potential vendor, or from the family or employees of a vendor, potential vendor or bidder.
  - 4. Private inurement is prohibited when a private individual may benefit when the Organization pays more for goods and services than they are worth.
- C. Selection. Price should be one of the factors in the procurement of goods and services, but the Organization is not required to take the lowest price if other factors are important to the decision. There should be an objective method for selection, and any factors for evaluation and selection should be listed in the procurement documents. Awards shall be made to the bidder or offeror whose bid is responsive to the solicitation and is most advantageous to the Organization (price, quality and other factors considered). A bid may be rejected when it is in the Organization's interest to do so.
- D. Documentation. At a minimum, procurement records show how organization selected the method of procurement and the contract used, and determined the basis for the cost or price.
- E. Contract Administration. The Organization has a duty to ensure proper oversight and management of procurement actions. The organization is responsible for documenting that terms, conditions and specifications of contracts are met.

FAIRBANKS NORTH STAR BOROUGH  
BOROUGH-FUNDED GRANT PROGRAMS  
PUBLIC PURPOSE GRANT AWARD



ATTACHMENT D

**\*\* STATEMENT OF COMPLETION \*\***

NAME OF RECIPIENT ORGANIZATION:

City of North Pole

ADDRESS OF RECIPIENT ORGANIZATION:

125 Snowman Lane  
North Pole, AK 99705

PERSON COMPLETING THIS FORM:

NAME: William Butler

TITLE: Director of City Services

PHONE: 488-8593

EMAIL: bill.butler@northpolealaska.org

SIGNATURE

DATE

**GRANT CHARGES:** Please provide the amount of grant funds that your organization actually expended in each category:

Personnel Services	\$	
Casual Labor	\$	
Event Planning and Supplies	\$	
Education, Health and Safety	\$	
Public Communications	\$	
Contractual Services	\$	
Professional Services	\$	
Insurance and Bonding	\$	
Operating Materials & Supplies	\$	10,000.00
Utilities	\$	
Repairs and Maintenance	\$	
Equipment Purchase/Rental/Lease	\$	
Facility Purchase/Rental/Lease	\$	
Facility Construction	\$	
OTHER:	\$	
OTHER:	\$	
<b>TOTAL</b>	<b>\$</b>	<b>10,000.00</b>

**DESCRIPTION OF WORK COMPLETED:** Please describe goals and objectives achieved, actual work completed, and the public purpose your organization accomplished:

Project Completion (Lapse) Date

6/30/20

**CERTIFICATION:** I hereby certify that this Statement of Completion accurately describes 1) my organization's use of its grant award, 2) that the grant funds were expended in accordance with [FNSB Code Section 7.08](#) (Attachment B) and procurement policies (Attachment C), 3) that the grant funds were properly accounted for, and 4) that my organization will timely make available to the Borough copies of all relevant source documents requested that support the information provided above, should the Borough choose to verify or audit my organization's use of the grant funds.

SIGNATURE OF EXECUTIVE DIRECTOR / CHIEF EXECUTIVE OFFICER

DATE

Printed Name: Michael Welch

Phone: 488-8593

Printed Title: Mayor

Email: bill.butler@northpolealaska.org

RETURN THIS FORM TO:

FNSB Administrator: Krista Major

FNSB Dept/Division: Mayor's Office

907 Terminal Street

P.O. Box 71267

City Council Agenda Packet July 15, 2019 99707-1267

FNSB Administrator:

Once completed, route this form to A/P with the final PO payment request.

111 of 146

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

City of North Pole  
Director of City Services

# Memo

To: North Pole City Council  
From: Bill Butler  
Date: July 11, 2019  
Subject: Acceptance of an amendment to PDC professional services agreement for engineering services for Moose Creek Water System Expansion Project to provide construction administration services.

---

## Recommendation

Approve an amendment to professional services agreement with PDC Engineers to provide construction administration services for the Moose Creek Water System Expansion Project for \$2,655,073. Award of the agreement to PDC shall be dependent upon an award from the US Air Force/Army Corps of Engineers to the City of North Pole to finance 100% of the PDC's agreement.

## Background

PDC Engineers has a long history of providing engineering, design and construction administration services for the City. Much of the City's utility infrastructure from the 1980s to today was designed by PDC who also provided construction administration services for projects that include, but are not limited to, water and sewer mains, treatment works and pump houses. In support of this construction, PDC has developed a water flow model for the Utility that supports engineering and design of projects. PDC's lead project engineer for the Moose Creek Project, Keith Hanneman, has worked on utility projects in the City since the 1980s. PDC also has extensive experience across Alaska designing and engineering utility projects from Anchorage to the North Slope. When the City first engaged the US Air Force about the North Pole Utility as a potential source of drinking water, PDC assisted the City at no charge to propose a conceptual design for extension of utility services to Moose Creek. This assistance helped the Utility to be considered by the USAF as a viable alternative source of drinking water.

This is **EXHIBIT K**, consisting of 2 pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated April 15, 2019.

**AMENDMENT TO OWNER-ENGINEER AGREEMENT**  
**Amendment No. 1**

**The Effective Date of this Amendment is: August 15, 2019.**

Background Data

Effective Date of Owner-Engineer Agreement: April 15, 2019

Owner: City of North Pole

Engineer: PDC Engineers

Project: Moose Creek Water Expansion

Nature of Amendment:

  X   Additional Services to be performed by Engineer and related Amendments

Description of Modifications:

***Additional services include Procurement of Materials, Bid Phase Services, and Construction Administration Services. These services are described in the attached Statement of Services.***

Agreement Summary:

Original agreement amount:	\$ <u>2,121,443</u>
Net change for prior amendments:	\$ <u>0</u>
This amendment amount:	\$ <u>2,655,073</u>
Adjusted Agreement amount:	\$ <u>4,776,516</u>

Change in time for services (days or date, as applicable): See Exhibit A, Attachment 2 Statement of Services

## Summary of Task Breakdown Phase 1

1	Project Management Support	\$	4,860
2	Planning Documents	\$	79,080
3	Remedial Action Construction	\$	1,505,681
4	Reporting	\$	51,000
Total=		\$	1,640,621

## Summary of Task Breakdown Phase 2

1	Project Management Support	\$	5,005
2	Planning Documents	\$	56,214
3	Remedial Action Construction	\$	917,973
4	Reporting	\$	35,260
Total=		\$	1,014,452

### Attachments:

1. Exhibit A, Engineers Services (Note these are additional services to those included in the Original Contract)
2. Exhibit A, Attachment 2, Procurement, Bidding, and Construction Administration Statement of Services and Fee Proposal from PDC Engineers
3. Exhibit D, Duties, Responsibilities and Limitations of Authority of Resident Project Representative



The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

Add to Article 1—the following:

1.02 Intent and Incorporation of USACE Cooperative Agreements.

A. Engineer acknowledges and agrees that the intent of this Amendment is to establish the sole means through which Owner will perform and meet the duties and obligations which the Owner acquires as a result of the Owner's Cooperative Agreement with USACE for a two-phased construction project as set forth in the agreements entitled: Remedial Action Construction Phase One North Loop Water Supply and Distribution System Moose Creek, Alaska and Remedial Action Construction Phase Two South Loop Water Supply and Distribution System Moose Creek, Alaska

B. Engineer acknowledges and agrees that the above referenced USACE agreement with the Owner provides the sole source of funding for this agreement.

B. The Owner's Cooperative Agreement with USACE for the two-phased construction project, referenced above, is incorporated into this agreement and in the event that there is any inconsistency with this Agreement, including this Amendment, the Cooperative Agreement shall prevail.

Article 6.06 D.1 is modified as follows:

1. In the event of any termination under Paragraph 6.06, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all Reimbursable Expenses incurred through the effective date of termination. This and any other payment obligation, however, is limited only to the funds Owner receives for Engineers services from the USACE. Upon making such payment, Owner shall have the limited right to the use of Documents, at Owner's sole risk, subject to the provisions of Paragraph 6.03.

Article 8.01 is modified as follows:

1. Article 8.01 is modified to reflect the addition of Exhibit D, Duties, Responsibilities and Limitation of Authority of Resident Project Representative, as and Exhibit to the Agreement.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect.

OWNER:

ENGINEER:

By: \_\_\_\_\_  
Print  
name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
Judy Binkley  
City Clerk  
Date Signed: \_\_\_\_\_

By: \_\_\_\_\_  
Print  
name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

Approves as to form By: \_\_\_\_\_  
Zane Wilson  
City Attorney  
Date Signed: \_\_\_\_\_

This is **EXHIBIT A**, consisting of [ 7 ] pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated [ April 15, 2019 ].

## **Engineer's Services**

---

Article 1 of the Agreement is supplemented to include the following agreement of the parties.

Engineer shall provide Basic and Additional Services as set forth below.

### **PART 1 – BASIC SERVICES**

#### *A1.02 Bidding or Negotiating Phase*

- A. After acceptance by Owner of the final Drawings and Specifications, other Construction Contract Documents, bidding-related documents (or requests for proposals or other construction procurement documents), and the most recent opinion of probable Construction Cost as determined in the Final Design Phase, and upon written authorization by Owner to proceed, Engineer shall:
1. Assist Owner in advertising for and obtaining bids or proposals for the Work, assist Owner in issuing assembled design, contract, and bidding-related documents (or requests for proposals or other construction procurement documents) to prospective contractors, and, where applicable, maintain a record of prospective contractors to which documents have been issued, attend pre-bid conferences, if any, and receive and process contractor deposits or charges for the issued documents.
  2. Prepare and issue Addenda as appropriate to clarify, correct, or change the issued documents.
  3. Provide information or assistance needed by Owner in the course of any review of proposals or negotiations with prospective contractors.
  4. Consult with Owner as to the qualifications of prospective contractors.
  5. Consult with Owner as to the qualifications of subcontractors, suppliers, and other individuals and entities proposed by prospective contractors, for those portions of the Work as to which review of qualifications is required by the issued documents.
  6. If the issued documents require, the Engineer shall evaluate and determine the acceptability of "or equals" and substitute materials and equipment proposed by prospective contractors, provided that such proposals are allowed by the bidding-related documents (or requests for proposals or other construction procurement documents) prior to award of contracts for the Work. Services under this paragraph are subject to the provisions of Paragraph A2.02.A.2 of this Exhibit A.
  7. Attend the bid opening, prepare bid tabulation sheets to meet Owner's schedule, and assist Owner in evaluating bids or proposals, assembling final contracts for the Work for execution by Owner and Contractor, and in issuing notices of award of such contracts.

---

#### **Exhibit A – Engineer's Services**

**EJCDC® E-500, Agreement Between Owner and Engineer for Professional Services.**

8. If Owner engages in negotiations with bidders or proposers, assist Owner with respect to technical and engineering issues that arise during the negotiations.
  9. Perform or provide the following other Bidding or Negotiating Phase tasks or deliverables: Advertisement and Notice of Award
- B. The Bidding or Negotiating Phase will be considered complete upon commencement of the Construction Phase or upon cessation of negotiations with prospective contractors (except as may be required if Exhibit F is a part of this Agreement).

#### A1.03 Construction Phase

- A. Upon successful completion of the Bidding and Negotiating Phase, and upon written authorization from Owner, Engineer shall:
1. *General Administration of Construction Contract:* Consult with Owner and act as Owner's representative as provided in the Construction Contract. The extent and limitations of the duties, responsibilities, and authority of Engineer shall be as assigned in EJCDC® C-700, Standard General Conditions of the Construction Contract (2013 Edition), prepared by the Engineers Joint Contract Documents Committee, or other construction general conditions specified in this Agreement. If Owner, or Owner and Contractor, modify the duties, responsibilities, and authority of Engineer in the Construction Contract, or modify other terms of the Construction Contract having a direct bearing on Engineer, then Owner shall compensate Engineer for any related increases in the cost to provide Construction Phase services. Engineer shall not be required to furnish or perform services contrary to Engineer's responsibilities as a licensed professional. All of Owner's instructions to Contractor will be issued through Engineer, which shall have authority to act on behalf of Owner in dealings with Contractor to the extent provided in this Agreement and the Construction Contract except as otherwise provided in writing.
  2. *Resident Project Representative (RPR):* Provide the services of an RPR at the Site to assist the Engineer and to provide more extensive observation of Contractor's work. Duties, responsibilities, and authority of the RPR are as set forth in Exhibit D. The furnishing of such RPR's services will not limit, extend, or modify Engineer's responsibilities or authority except as expressly set forth in Exhibit D.
  3. *Pre-Construction Conference:* Participate in a pre-construction conference prior to commencement of Work at the Site.
  4. *Electronic Transmittal Protocols:* If the Construction Contract Documents do not specify protocols for the transmittal of Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, then together with Owner and Contractor jointly develop such protocols for transmittals between and among Owner, Contractor, and Engineer during the Construction Phase and Post-Construction Phase.
  5. *Original Documents:* If requested by Owner to do so, maintain and safeguard during the Construction Phase at least one original printed record version of the Construction Contract Documents, including Drawings and Specifications signed and sealed by Engineer and other design professionals in accordance with applicable Laws and Regulations.

---

#### Exhibit A – Engineer's Services

EJCDC® E-500, Agreement Between Owner and Engineer for Professional Services.

Throughout the Construction Phase, make such original printed record version of the Construction Contract Documents available to Contractor and Owner for review.

6. *Schedules:* Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.
7. *Baselines and Benchmarks:* As appropriate, establish baselines and benchmarks for locating the Work which in Engineer's judgment are necessary to enable Contractor to proceed.
8. *Visits to Site and Observation of Construction:* In connection with observations of Contractor's Work while it is in progress:
  - a. Make visits to the Site at intervals appropriate to the various stages of construction, as Engineer deems necessary, to observe as an experienced and qualified design professional the progress of Contractor's executed Work. Such visits and observations by Engineer, and the Resident Project Representative, if any, are not intended to be exhaustive or to extend to every aspect of the Work or to involve detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in this Agreement and the Construction Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer's exercise of professional judgment, as assisted by the Resident Project Representative, if any. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.
  - b. The purpose of Engineer's visits to the Site, and representation by the Resident Project Representative, if any, at the Site, will be to enable Engineer to better carry out the duties and responsibilities assigned to and undertaken by Engineer during the Construction Phase, and, in addition, by the exercise of Engineer's efforts as an experienced and qualified design professional, to provide for Owner a greater degree of confidence that the completed Work will conform in general to the Construction Contract Documents and that Contractor has implemented and maintained the integrity of the design concept of the completed Project as a functioning whole as indicated in the Construction Contract Documents. Engineer shall not, during such visits or as a result of such observations of the Work, supervise, direct, or have control over the Work, nor shall Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to any Constructor's work in progress, for the coordination of the Constructors' work or schedules, nor for any failure of any Constructor to comply with Laws and Regulations applicable to furnishing and performing of its work. Accordingly, Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish or perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents.

9. *Defective Work:* Reject Work if, on the basis of Engineer's observations, Engineer believes that such Work is defective under the terms and standards set forth in the Construction Contract Documents. Provide recommendations to Owner regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting such Work as provided in the Construction Contract Documents.
10. *Compatibility with Design Concept:* If Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner of such incompatibility, and provide recommendations for addressing such Work.
11. *Clarifications and Interpretations:* Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.
12. *Non-reviewable Matters:* If a submitted matter in question concerns the Engineer's performance of its duties and obligations, or terms and conditions of the Construction Contract Documents that do not involve (1) the performance or acceptability of the Work under the Construction Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer will not provide a decision or interpretation.
13. *Field Orders:* Subject to any limitations in the Construction Contract Documents, Engineer may prepare and issue Field Orders requiring minor changes in the Work.
14. *Change Orders and Work Change Directives:* Recommend Change Orders and Work Change Directives to Owner, as appropriate, and prepare Change Orders and Work Change Directives as required.
15. *Differing Site Conditions:* Respond to any notice from Contractor of differing site conditions, including conditions relating to underground facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews and prepare findings, conclusions, and recommendations for Owner's use.
16. *Shop Drawings, Samples, and Other Submittals:* Review and approve or take other appropriate action with respect to Shop Drawings, Samples, and other required Contractor submittals, but only for conformance with the information given in the Construction Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated by the Construction Contract Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto. Engineer shall meet any Contractor's submittal schedule that Engineer has accepted.



17. *Substitutes and "Or-equal"*: Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor, but subject to the provisions of Paragraph A2.02.A.2 of this Exhibit A.
18. *Inspections and Tests*:
  - a. Receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Construction Contract Documents. Engineer's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Construction Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Construction Contract Documents. Engineer shall be entitled to rely on the results of such inspections and tests.
  - b. As deemed reasonably necessary, request that Contractor uncover Work that is to be inspected, tested, or approved.
  - c. Pursuant to the terms of the Construction Contract, require special inspections or testing of the Work, whether or not the Work is fabricated, installed, or completed.
19. *Change Proposals and Claims*: (a) Review and respond to Change Proposals. Review each duly submitted Change Proposal from Contractor and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer will not resolve the Change Proposal. (b) Provide information or data to Owner regarding engineering or technical matters pertaining to Claims.
20. *Applications for Payment*: Based on Engineer's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:
  - a. Determine the amounts that Engineer recommends Contractor be paid. Recommend reductions in payment (set-offs) based on the provisions for set-offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Engineer's representation to Owner, based on such observations and review, that, to the best of Engineer's knowledge, information and belief, Contractor's Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work. In the case of unit price Work, Engineer's recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

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Exhibit A – Engineer's Services

EJCDC® E-500, Agreement Between Owner and Engineer for Professional Services.

- b. By recommending payment, Engineer shall not thereby be deemed to have represented that observations made by Engineer to check the quality or quantity of Contractor's Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in this Agreement. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose responsibility on Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims, security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid.
21. *Contractor's Completion Documents:* Receive from Contractor, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved as provided under Paragraph A1.05.A.17. Receive from Contractor, review, and transmit to Owner the annotated record documents which are to be assembled by Contractor in accordance with the Construction Contract Documents to obtain final payment. Engineer's review of redlines shall be a verification that field conditions and changes to the design documents are shown.
22. *Provide Record Drawings:* Incorporate Contractor's redlines in the CAD and Revit files. Submit 11x17 hard copy, and CD of pdfs as well as CAD and Revit files.
23. *Substantial Completion:* Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with Owner and Contractor, visit the Site to review the Work and determine the status of completion. Follow the procedures in the Construction Contract regarding the preliminary certificate of Substantial Completion, punch list of items to be completed, Owner's objections, notice to Contractor, and issuance of a final certificate of Substantial Completion. Assist Owner regarding any remaining engineering or technical matters affecting Owner's use or occupancy of the Work following Substantial Completion.
24. *Final Notice of Acceptability of the Work:* Conduct a final visit to the Project to determine if the Work is complete and acceptable so that Engineer may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, Engineer shall also provide a notice to Owner and Contractor in the form attached hereto as Exhibit E ("Notice of Acceptability of Work") that the Work is acceptable (subject to the provisions of the Notice and Paragraph A1.05.A.21.b) to the best of Engineer's knowledge, information, and belief, and based on the extent of the services provided by Engineer under this Agreement.

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Exhibit A – Engineer's Services

EJCDC® E-500, Agreement Between Owner and Engineer for Professional Services.

25. *Standards for Certain Construction-Phase Decisions:* Engineer will render decisions regarding the requirements of the Construction Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth in the Construction Contract for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.
- B. *Duration of Construction Phase:* The Construction Phase will commence with the execution of the first Construction Contract for the Project or any part thereof and will terminate upon written recommendation by Engineer for final payment to Contractors. If the Project involves more than one prime contract as indicated in Paragraph A1.03.D, then Construction Phase services may be rendered at different times in respect to the separate contracts. Subject to the provisions of Article 3, Engineer shall be entitled to an equitable increase in compensation if Construction Phase services (including Resident Project Representative services, if any) are required after the original date for completion and readiness for final payment of Contractor as set forth in the Construction Contract.



## **City of North Pole – Moose Creek Water Expansion- Procurement, Bidding and Construction Administration**

**STATEMENT OF SERVICES  
June 20, 2019**

The City of North Pole (Client) requested services to support the procurement, Bid Phase and Construction Administration of the Moose Creek Water System Expansion.

The Owner procurement will include the water transmission and distribution pipe materials. The piping will be uninsulated HDPE and/or DIP. The material will be determined prior to the 65% design submittal in August.

This Statement of services details the scope to be provided by PDC Engineers (ENGINEER).

### **ENGINEER REQUIREMENTS**

Upon this Agreement becoming effective, the ENGINEER shall perform the following tasks:

#### **Procurement Phase Services**

1. Develop RFP and Advertisement per the requirements set forth in the Cooperative agreement between the City and USACE for the City of North Pole to solicit bids for piping material.
2. Produce standalone technical specifications for the pipe products to go into bid package.
3. Coordinate with City as needed.
4. Review Proposals from vendors and recommend selection.
5. Develop Contract between the City and Vendor.
6. Track progress and inventory of materials as delivered.
7. Inspect delivered materials.
8. Approve pay requests.

#### **Bidding Phase Services**

1. Attend Prebid conference with Contractors interested in bidding as well as the City to generally describe the project. Each discipline will be present for answering questions.
2. Respond to bidding questions and provide Addendum to formalize responses to Contractors.
3. Review bid results with City and provide recommendations.
4. Develop Notice of Award per the requirements set forth in the Cooperative agreement between the City and USACE.

#### **Construction Administration**

1. Develop Remedial Action Schedule per EPA 540/R-95/059 to support technical approach and outline due dates for major milestones which integrates the Government's associated

management, review and oversight.

2. Provide Remedial Action Plan to include Construction Schedule which will be coordinated with the Construction Contractor, the project Health and Safety Plan, and the Construction Quality Assurance Plan.
3. Attend pre-construction meeting with contractor, Owner and design team.
4. Review submittals for products required by technical specifications.
5. Respond to construction questions (DCVRs) as needed.
6. Verify and flag primary construction control.
7. Provide onsite Project Representatives (1-lead/manager and 3 dedicated field staff) to observe construction and quality control, field questions from the contractor and residents.
8. Provide Geotechnical inspection of soils at the Pumphouse and Storage tank site to confirm excavation and compaction is adequate.
9. Review Change Order requests and recommend to the City course of action.
10. Review pay requests each month to verify quantities match with what has been installed.
11. Conduct weekly meetings with contractor.
12. Provide daily reports of construction activities.
13. Conduct substantial and final inspections.
14. Coordinate with Contractor to verify Commissioning.
15. Review contractor redlines to verify they include all updates made during construction.
16. Prepare Record Drawings for ADEC submittal and ROW permits as well as for the City of North Pole records.
17. Prepare ADEC Interim and Final Approval Applications
18. Provide Remedial Action Report to include statements that work is complete and complies with the Contract Documents, Record Drawings, and Permits. This will be prepared in accordance with EPA's Close Out Procedures for NPL Sites Guidance (May 2011).

### **CLIENT RESPONSIBILITIES**

Client will provide:

1. All criteria and full information as to OWNER's requirements for the Project.

### **ASSUMPTIONS**

Engineering and Survey Assumptions:

1. It is anticipated that the construction will take 2 years. PDC plans to have 4 people dedicated to the project while the contractor is in the field.
2. Construction control will be verified and flagged for the Construction Contractor by PDC.
3. PDC will provide special inspections for the Moose Creek Pump House building on 3 separate occasions.

## **SCHEDULE**

The schedule for the project is as follows:

1.	Notice to Proceed:	August 15, 2019
2.	Draft Procurement Documents	September 23, 2019
3.	Final Procurement Documents	October 8, 2019
4.	Procurement Bid Ready to Advertise	October 15, 2019
5.	Construction Bid Ready to Advertise	December 8, 2019
6.	RA Schedule and Plan	December 20, 2019
7.	Construction	2- Seasons, TBD
8.	RA Report	November 15, 2021

## **METHOD OF PAYMENT**

The Consultant will perform the above described Services on a time and materials basis, not to exceed \$2,655,073.

This will be divided into two phases:

- Phase 1- \$1,640,621
- Phase 2- \$1,014,452

## **END OF STATEMENT OF SERVICES**

Appendices:

1. PDC Fee Spreadsheet



6/20/2019

## PDC Summary Sheet

#	PHASE	P. M.	STRUCT	MECH	ELECT	CIVIL	ENVIR / PLANNER	SURVEY	GEOTECH	PDC Total	CEDR	Subconsultant Total	Subconsultant Markup	Total
0														
12	Procurement of Materials	\$ 12,630	\$ -	\$ -	\$ -	\$ 12,770	\$ -	\$ -	\$ -	\$ 25,400		\$ -	\$ -	\$ 25,400
	Reimbursable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Phase Total	\$ 12,630	\$ -	\$ -	\$ -	\$ 12,770	\$ -	\$ -	\$ -	\$ 25,400	\$ -	\$ -	\$ -	\$ 25,400
37	Bid Phase Services	\$ 11,160	\$ 5,380	\$ 7,610	\$ 6,180	\$ 27,500	\$ 5,360	\$ 5,743	\$ 1,520	\$ 70,453	\$ 4,000	\$ 4,000	\$ 200	\$ 74,653
	Reimbursable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Phase Total	\$ 11,160	\$ 5,380	\$ 7,610	\$ 6,180	\$ 27,500	\$ 5,360	\$ 5,743	\$ 1,520	\$ 70,453	\$ 4,000	\$ 4,000	\$ 200	\$ 74,653
80a.1	Construction Administration 2020.1	\$ 2,820	\$ -	\$ -	\$ -	\$ 2,040	\$ -	\$ -	\$ -	\$ 4,860		\$ -	\$ -	\$ 4,860
	Reimbursable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Phase Total	\$ 2,820	\$ -	\$ -	\$ -	\$ 2,040	\$ -	\$ -	\$ -	\$ 4,860	\$ -	\$ -	\$ -	\$ 4,860
80a.2	Construction Administration 2020.2	\$ 79,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,080		\$ -	\$ -	\$ 79,080
	Reimbursable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Phase Total	\$ 79,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,080	\$ -	\$ -	\$ -	\$ 79,080
80a.3	Construction Administration 2020.3	\$ 26,790	\$ 29,040	\$ 64,450	\$ 17,470	\$ 1,149,685	\$ 21,440	\$ 24,996	\$ 20,520	\$ 1,354,391	\$ 10,000	\$ 10,000	\$ 500	\$ 1,364,891
	Reimbursable	\$ 31,605	\$ 80	\$ 159	\$ 106	\$ 845	\$ 845	\$ 1,545	\$ 5,552	\$ 40,737		\$ -	\$ -	\$ 40,737
	Phase Total	\$ 58,395	\$ 29,120	\$ 64,609	\$ 17,576	\$ 1,150,530	\$ 22,285	\$ 26,541	\$ 26,072	\$ 1,395,128	\$ 10,000	\$ 10,000	\$ 500	\$ 1,405,628
80a.4	Construction Administration 2020.4	\$ 51,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,000		\$ -	\$ -	\$ 51,000
	Reimbursable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Phase Total	\$ 51,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,000	\$ -	\$ -	\$ -	\$ 51,000
80b.1	Construction Administration 2021.1	\$ 2,904	\$ -	\$ -	\$ -	\$ 2,101	\$ -	\$ -	\$ -	\$ 5,005		\$ -	\$ -	\$ 5,005
	Reimbursable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Phase Total	\$ 2,904	\$ -	\$ -	\$ -	\$ 2,101	\$ -	\$ -	\$ -	\$ 5,005	\$ -	\$ -	\$ -	\$ 5,005
80b.2	Construction Administration 2021.2	\$ 56,214	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,214		\$ -	\$ -	\$ 56,214
	Reimbursable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Phase Total	\$ 56,214	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,214	\$ -	\$ -	\$ -	\$ 56,214
80b.3	Construction Administration 2021.3	\$ 15,972	\$ -	\$ -	\$ -	\$ 841,601	\$ 16,008	\$ 12,006	\$ 2,744	\$ 888,331		\$ -	\$ -	\$ 888,331
	Reimbursable	\$ 27,090	\$ -	\$ -	\$ -	\$ 722	\$ 722	\$ 618	\$ 490	\$ 29,642		\$ -	\$ -	\$ 29,642
	Phase Total	\$ 43,062	\$ -	\$ -	\$ -	\$ 842,323	\$ 16,730	\$ 12,624	\$ 3,234	\$ 917,973	\$ -	\$ -	\$ -	\$ 917,973
80b.4	Construction Administration 2021.4	\$ 35,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,260		\$ -	\$ -	\$ 35,260
	Reimbursable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
	Phase Total	\$ 35,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,260	\$ -	\$ -	\$ -	\$ 35,260
	Subtotal	\$ 352,525	\$ 34,500	\$ 72,219	\$ 23,756	\$ 2,037,264	\$ 44,375	\$ 44,908	\$ 30,826	\$ 2,640,373	\$ 14,000	\$ 14,000	\$ 700	\$ 2,655,073
	Estimated Sales Tax													\$ -
	Grand Total													\$ 2,655,073

6/20/2019

## PROJECT MANAGEMENT

#	TASK	Principal	Senior Engineer	Project Engineer	Technical Editor	Senior Engineering Technician		
	Billing Rate (\$/hr)	\$235.00	\$195.00	\$150.00	\$110.00	\$120.00		
12	<b>Procurement of Materials</b>						Hourly Subtotal	Subtotal Cost
	Develop RFP and Advertisement	20			8		28	\$ 5,580
	Coordinate with City	10					10	\$ 2,350
	Coordinate with Civil	4					4	\$ 940
	Review Proposals	8					8	\$ 1,880
	Develop Contract	8					8	\$ 1,880
	<b>Hourly Subtotal</b>	50	0	0	8	0	58	
	<b>Cost</b>	\$ 11,750	\$ -	\$ -	\$ 880	\$ -		\$ 12,630
37	<b>Bid Phase Services</b>						Hourly Subtotal	Subtotal Cost
	Conduct prebid conference, Present Project Overview	4					4	\$ 940
	Coordinate bidder questions and responses	20			16		36	\$ 6,460
	Review bids and coordinate with City	8					8	\$ 1,880
	Develop notice of award and Contract	8					8	\$ 1,880
	<b>Hourly Subtotal</b>	40	0	0	16	0	56	
	<b>Cost</b>	\$ 9,400	\$ -	\$ -	\$ 1,760	\$ -		\$ 11,160
80a.1	<b>Construction Administration 2020.1</b>						Hourly Subtotal	Subtotal Cost
	Provide monthly status report of Progress	12					12	\$ 2,820
	<b>Hourly Subtotal</b>	12	0	0	0	0	12	
	<b>Cost</b>	\$ 2,820	\$ -	\$ -	\$ -	\$ -		\$ 2,820
80a.2	<b>Construction Administration 2020.2</b>						Hourly Subtotal	Subtotal Cost
	Develop RD/RA Schedule	10		20			30	\$ 5,350
	Provide Remedial Action Plan	50		100	20		170	\$ 28,950
	Develop Project Health and Safety Plan	20		40	4		64	\$ 11,140
	Develop Construction Quality Assurance Plan	20		40	4		64	\$ 11,140
	Submit drafts of Plans			20			20	\$ 3,000
	Finalize Plans	40		60	10		110	\$ 19,500
	<b>Hourly Subtotal</b>	140	0	280	38	0	458	
	<b>Cost</b>	\$ 32,900	\$ -	\$ 42,000	\$ 4,180	\$ -		\$ 79,080
80a.3	<b>Construction Administration 2020.3</b>						Hourly Subtotal	Subtotal Cost
	Orchestrate submittal reviews	80					80	\$ 18,800
	Review Change Order Requests	10					10	\$ 2,350
	Review pay requests	12					12	\$ 2,820
	Coordinate with USACE for Inspections	12					12	\$ 2,820
	<b>Hourly Subtotal</b>	114	0	0	0	0	114	
	<b>Cost</b>	\$ 26,790	\$ -	\$ -	\$ -	\$ -		\$ 26,790
80a.4	<b>Construction Administration 2020.4</b>						Hourly Subtotal	Subtotal Cost
	Provide Remedial Action Report	80		200	20		300	\$ 51,000
	<b>Hourly Subtotal</b>	80	0	200	20	0	300	
	<b>Cost</b>	\$ 18,800	\$ -	\$ 30,000	\$ 2,200	\$ -		\$ 51,000
	2021 Billing Rate (\$/hr)	\$242.00	\$200.00	\$154.00	\$113.00	\$124.00		
80b.1	<b>Construction Administration 2021.1</b>						Hourly Subtotal	Subtotal Cost
	Provide monthly status report of Progress	12					12	\$ 2,904
	<b>Hourly Subtotal</b>	12	0	0	0	0	12	
	<b>Cost</b>	\$ 2,904	\$ -	\$ -	\$ -	\$ -		\$ 2,904

6/20/2019

**PROJECT MANAGEMENT**

#	TASK	Principal	Senior Engineer	Project Engineer	Technical Editor	Senior Engineering Technician		
	Billing Rate (\$/hr)	\$235.00	\$195.00	\$150.00	\$110.00	\$120.00		
80b.2	<b>Construction Administration 2021.2</b>						Hourly Subtotal	Subtotal Cost
	Develop RD/RA Schedule	10		20			30	\$ 5,500
	Provide Remedial Action Plan	30		60	20		110	\$ 18,760
	Develop Project Health and Safety Plan	10		20	4		34	\$ 5,952
	Develop Construction Quality Assurance Plan	10		20	4		34	\$ 5,952
	Submit drafts of Plans			20			20	\$ 3,000
	Finalize Plans	40		40	10		90	\$ 16,500
	<b>Hourly Subtotal</b>	<b>100</b>	<b>0</b>	<b>180</b>	<b>38</b>	<b>0</b>	<b>318</b>	
	<b>Cost</b>	<b>\$ 24,200</b>	<b>\$ -</b>	<b>\$ 27,720</b>	<b>\$ 4,294</b>	<b>\$ -</b>		<b>\$ 56,214</b>
80b.3	<b>Construction Administration 2021.3</b>						Hourly Subtotal	Subtotal Cost
	Review Change Order Requests	10					10	\$ 2,420
	Review pay requests	8					8	\$ 1,936
	Review contract closeout	40					40	\$ 9,680
	Coordinate with USACE for Inspections	8					8	\$ 1,936
	<b>Hourly Subtotal</b>	<b>66</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>66</b>	
	<b>Cost</b>	<b>\$ 15,972</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 15,972</b>
80b.4	<b>Construction Administration 2021.4</b>						Hourly Subtotal	Subtotal Cost
	Provide Remedial Action Report	60		120	20		200	\$ 35,260
	<b>Hourly Subtotal</b>	<b>60</b>	<b>0</b>	<b>120</b>	<b>20</b>	<b>0</b>	<b>200</b>	
	<b>Cost</b>	<b>\$ 14,520</b>	<b>\$ -</b>	<b>\$ 18,480</b>	<b>\$ 2,260</b>	<b>\$ -</b>		<b>\$ 35,260</b>
	<b>Discipline Totals</b>	<b>674</b>	<b>0</b>	<b>780</b>	<b>140</b>	<b>0</b>	<b>1594</b>	
	<b>Design Services</b>	<b>\$ 160,056</b>	<b>\$ -</b>	<b>\$ 118,200</b>	<b>\$ 15,574</b>	<b>\$ -</b>		<b>\$ 293,830</b>

6/20/2019

## STRUCTURAL ENGINEERING

#	TASK	Principal Structural Engineer	Senior Structural Engineer	Lead Structural Engineer	Project Structural Engineer	Staff Structural Engineer	Senior Engineering Technician		
	Billing Rate (\$/hr)	\$235.00	\$180.00	\$170.00	\$140.00	\$130.00	\$120.00		
12	<b>Procurement of Materials</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
37	<b>Bid Phase Services</b>							Hourly Subtotal	Subtotal Cost
	Attend prebid conference			4		4		8	\$ 1,200
	Respond to bidding questions/provide Addendum			8		8	12	40	\$ 3,840
	Review bid results with PDC PM and provide recommendations			2				2	\$ 340
	Hourly Subtotal	0	0	14	0	12	12	50	
	Cost	\$ -	\$ -	\$ 2,380	\$ -	\$ 1,560	\$ 1,440		\$ 5,380
80a.1	<b>Construction Administration 2020.1</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	16	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.2	<b>Construction Administration 2020.2</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.3	<b>Construction Administration 2020.3</b>							Hourly Subtotal	Subtotal Cost
	Attend Pre Construction Meeting				4			4	\$ 560
	Review Submittals		8		20			28	\$ 4,240
	Respond to Construction Questions (DCVRs)		12		40			52	\$ 7,760
	Review Change Order Requests		8		12			20	\$ 3,120
	Attend weekly meetings with contractor		4		8			12	\$ 1,840
	Special inspections (6 site visits)		12		24			36	\$ 5,520
	Review contractor redlines		4		12			16	\$ 2,400
	Prepare Record Drawings				12		16	28	\$ 3,600
	Hourly Subtotal	0	48	0	132	0	16	196	
	Cost	\$ -	\$ 8,640	\$ -	\$ 18,480	\$ -	\$ 1,920		\$ 29,040
80a.4	<b>Construction Administration 2020.4</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.1	<b>Construction Administration 2021.1</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.2	<b>Construction Administration 2021.2</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.3	<b>Construction Administration 2021.3</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.4	<b>Construction Administration 2021.4</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	<b>Discipline Totals</b>	0	48	14	132	12	28	262	
	<b>Design Services</b>	\$ -	\$ 8,640	\$ 2,380	\$ 18,480	\$ 1,560	\$ 3,360		\$ 34,420

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## CIVIL ENGINEERING

#	TASK	Principal Civil Engineer	Senior Civil Engineer	Lead Civil Engineer	Lead Civil Engineer	Civil EIT	Civil EIT	Technical Editor	Senior Engineering Technician	Hourly Subtotal	Subtotal Cost
	Billing Rate (\$/hr)	\$235.00	\$175.00	\$170.00	\$229.50	\$105.00	\$141.75	\$110.00	\$120.00		
12	<b>Procurement of Materials</b>				OverTime		OverTime				
	Produce Technical Specification to go with RFP	30						4		34	\$ 7,490
	Review Proposals from Vendors	2								14	\$ 2,030
	Track progress and inventory of materials as delivered					10				10	\$ 1,050
	Inspect delivered materials					10				10	\$ 1,050
	Approve pay requests	4				2				6	\$ 1,150
	<b>Hourly Subtotal</b>	36	0	0	0	22	0	4	0	74	
	<b>Cost</b>	\$ 8,460	\$ -	\$ -	\$ -	\$ 2,310	\$ -	\$ 440	\$ -		\$ 12,770
37	<b>Bid Phase Services</b>										
	Attend prebid conference	4				4				8	\$ 1,360
	Respond to bidding questions/provide Addendum	60				60			40	160	\$ 25,200
	Review bid results with City and provide recommendations	4								4	\$ 940
	<b>Hourly Subtotal</b>	68	0	0	0	64	0	0	40	172	
	<b>Cost</b>	\$ 15,980	\$ -	\$ -	\$ -	\$ 6,720	\$ -	\$ -	\$ 4,800		\$ 27,500
80a.1	<b>Construction Administration 2020.1</b>										
	Conduct Pre Construction Meeting	4		4		4				12	\$ 2,040
	<b>Hourly Subtotal</b>	4	0	4	0	4	0	0	0	12	
	<b>Cost</b>	\$ 940	\$ -	\$ 680	\$ -	\$ 420	\$ -	\$ -	\$ -		\$ 2,040
80a.2	<b>Construction Administration 2020.2</b>										
	<b>Hourly Subtotal</b>	0	0	0	0	0	0	0	0	0	
	<b>Cost</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.3	<b>Construction Administration 2020.3</b>										
	Review Submittals	8		10		80				98	\$ 11,980
	Coordinate with Contractor and City for Start up	50				160				210	\$ 28,550
	Respond to Construction Questions (DCVRs)	80		80		120				280	\$ 45,000
	Provide onsite Project Representative (1 office and 3 dedicated field, 7 months)	400		1,120	700	2,240	1,400			5860	\$ 878,700
	Review Change Order Requests	30		60		60				150	\$ 23,550
	Review pay requests	7		14		14				35	\$ 5,495
	Attend weekly meetings with contractor	14		14		28				56	\$ 8,610
	Attend substantial and final inspections	16		32		32				80	\$ 12,560
	Review contractor redlines	4		20		40				64	\$ 8,540
	Prepare Record Drawings			100		100			100	300	\$ 39,500
	Prepare ADEC Interim and Final Approval Application for Transmission and North Distribution	20		60		60				140	\$ 21,200
	Provide daily reports and organize photos	40		80		160				280	\$ 39,800
	Coordinate with Contractor and City for Season Shut down	40				160				200	\$ 26,200
	<b>Hourly Subtotal</b>	709	0	1590	700	3254	1400	0	100	7753	
	<b>Cost</b>	\$ 166,615	\$ -	\$ 270,300	\$ 160,650	\$ 341,670	\$ 198,450	\$ -	\$ 12,000		\$ 1,149,685
80a.4	<b>Construction Administration 2020.4</b>										
	<b>Hourly Subtotal</b>	0	0	0	0	0	0	0	0	0	
	<b>Cost</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	2021 Billing Rate (\$/hr)	\$242.00	\$180.00	\$175.00	\$113.00	\$108.15	\$146.00	\$113.00	\$124.00		
80b.1	<b>Construction Administration 2021.1</b>										
	Conduct Pre Construction Meeting for 2021	4		4		4				12	\$ 2,101
	<b>Hourly Subtotal</b>	4	0	4	0	4	0	0	0	12	
	<b>Cost</b>	\$ 968	\$ -	\$ 700	\$ -	\$ 433	\$ -	\$ -	\$ -		\$ 2,101
80b.2	<b>Construction Administration 2021.2</b>										
	<b>Hourly Subtotal</b>	0	0	0	0	0	0	0	0	0	
	<b>Cost</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.3	<b>Construction Administration 2021.3</b>										
	Coordinate with Contractor and City for Start up	20		20		20				60	\$ 10,503
	Respond to Construction Questions (DCVRs)	20		20		20				60	\$ 10,503

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## CIVIL ENGINEERING

#	TASK	Principal Civil Engineer	Senior Civil Engineer	Lead Civil Engineer	Lead Civil Engineer	Civil EIT	Civil EIT	Technical Editor	Senior Engineering Technician		
	Billing Rate (\$/hr)	\$235.00	\$175.00	\$170.00	\$229.50	\$105.00	\$141.75	\$110.00	\$120.00		
	Provide onsite Project Representative (1 office and 3 dedicated field, 6 months)	300		960	600	1,920	1,200			4980	\$ 691,248
	Review Change Order Requests	20		20		20				60	\$ 10,503
	Review pay requests	6		12		12				30	\$ 4,850
	Attend weekly meetings with contractor	12		12		24				48	\$ 7,600
	Attend substantial and final inspections	16		32		32				80	\$ 12,933
	Review contractor redlines	4		10		20				34	\$ 4,881
	Prepare Record Drawings			50		50			50	150	\$ 20,358
	Prepare ADEC Interim and Final Approval Application for South Distribution	10		30		30				70	\$ 10,915
	Provide daily reports and organize photos	30		70		140				240	\$ 34,651
	Coordinate with Contractor and City for Closeout	40				120				160	\$ 22,658
	Hourly Subtotal	478	0	1236	600	2408	1200	0	50	5972	
	Cost	\$ 115,676	\$ -	\$ 216,300	\$ 67,800	\$ 260,425	\$ 175,200	\$ -	\$ 6,200		\$ 841,601
80b.4	<b>Construction Administration 2021.4</b>										
	Hourly Subtotal	0	0	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Discipline Totals	1299	0	2834	1300	5756	2600	4	190	13995	
	Design Services	\$ 308,639	\$ -	\$ 487,980	\$ 228,450	\$ 611,978	\$ 373,650	\$ 440	\$ 23,000		\$ 2,035,697



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**MECHANICAL ENGINEERING**

#	TASK	Principal Mechanical Engineer	Senior Mechanical Engineer	Staff Mechanical Engineer	Technical Editor	Senior Engineering Technician	Hourly Subtotal	Subtotal Cost
	Billing Rate (\$/hr)	\$235.00	\$195.00	\$130.00	\$110.00	\$120.00		
12	<b>Procurement of Materials</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
37	<b>Bid Phase Services</b>							
	Hourly Subtotal	0	22	20	0	6	48	
	Cost	\$ -	\$ 4,290	\$ 2,600	\$ -	\$ 720		\$ 7,610
80a.1	<b>Construction Administration 2020.1</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.2	<b>Construction Administration 2020.2</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.3	<b>Construction Administration 2020.3</b>							
	Review Submittals		12	20			32	\$ 4,940
	Respond to Construction Questions (DCVRs)		12	20			32	\$ 4,940
	Review Change Order Requests		8	12			20	\$ 3,120
	Review pay requests		6				6	\$ 1,170
	Provide Field Inspections (10)		20	40			60	\$ 9,100
	Coordinate with Facility Team to Schedule Inspections and Act as RPR		20	200			220	\$ 29,900
	Commissioning		10	20			30	\$ 4,550
	Attend substantial and final inspections		8	8			16	\$ 2,600
	Review contractor redlines		2	6			8	\$ 1,170
	Prepare Record Drawings			8		16	24	\$ 2,960
	Hourly Subtotal	0	98	334	0	16	448	
	Cost	\$ -	\$ 19,110	\$ 43,420	\$ -	\$ 1,920		\$ 64,450
80a.4	<b>Construction Administration 2020.4</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.1	<b>Construction Administration 2021.1</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.2	<b>Construction Administration 2021.2</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.3	<b>Construction Administration 2021.3</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.4	<b>Construction Administration 2021.4</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -

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**MECHANICAL ENGINEERING**

#	TASK	Principal Mechanical Engineer	Senior Mechanical Engineer	Staff Mechanical Engineer	Technical Editor	Senior Engineering Technician		
	Billing Rate (\$/hr)	\$235.00	\$195.00	\$130.00	\$110.00	\$120.00		
	Discipline Totals	0	120	354	0	22	496	
	Design Services	\$ -	\$ 23,400	\$ 46,020	\$ -	\$ 2,640		\$ 72,060

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**ELECTRICAL ENGINEERING**

#	TASK	Principal Electrical Engineer	Special Projects Electrical Engineer	Senior Electrical Engineer	Staff Electrical Engineer	Technical Editor	Senior Engineering Technician		
	Billing Rate (\$/hr)	\$235.00	\$200.00	\$195.00	\$130.00	\$110.00	\$120.00		
12	<b>Procurement of Materials</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
37	<b>Bid Phase Services</b>							Hourly Subtotal	Subtotal Cost
	Bidder Questions			6	6			12	\$ 1,950
	PreBid Meeting			4				4	\$ 780
	Addenda			6	12		6	24	\$ 3,450
	Hourly Subtotal	0	0	16	18	0	6	40	
	Cost	\$ -	\$ -	\$ 3,120	\$ 2,340	\$ -	\$ 720		\$ 6,180
80a.1	<b>Construction Administration 2020.1</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.2	<b>Construction Administration 2020.2</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.3	<b>Construction Administration 2020.3</b>							Hourly Subtotal	Subtotal Cost
	Review Submittals			4	12			16	\$ 2,340
	Respond to Construction Questions (DCVRs)			4	8			12	\$ 1,820
	Review Change Order Requests			4	12			16	\$ 2,340
	Review pay requests			4	6			10	\$ 1,560
	Provide Field Inspections (3)			6	12			18	\$ 2,730
	Commissioning			4	10			14	\$ 2,080
	Attend substantial and final inspections			6	6			12	\$ 1,950
	Review contractor redlines			2	6			8	\$ 1,170
	Prepare Record Drawings				4		8	12	\$ 1,480
	Hourly Subtotal	0	0	34	76	0	8	118	
	Cost	\$ -	\$ -	\$ 6,630	\$ 9,880	\$ -	\$ 960		\$ 17,470
80a.4	<b>Construction Administration 2020.4</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.1	<b>Construction Administration 2021.1</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.2	<b>Construction Administration 2021.2</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.3	<b>Construction Administration 2021.3</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.4	<b>Construction Administration 2021.4</b>							Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	<b>Discipline Totals</b>	0	0	50	94	0	14	158	
	<b>Design Services</b>	\$ -	\$ -	\$ 9,750	\$ 12,220	\$ -	\$ 1,680		\$ 23,650

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## ENVIRONMENTAL / PLANNING

#	TASK	Senior Planner/GIS	Environmental Analyst	Senior Planner/GIS	Senior Engineering Technician	Billing Rate (\$/hr)	Hourly Subtotal	Subtotal Cost
		\$190.00	\$134.00	\$190.00	\$120.00			
12	<b>Procurement of Materials</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
37	<b>Bid Phase Services</b>							
	Permitting questions		40				40	\$ 5,360
	Hourly Subtotal	0	40	0	0	0	40	
	Cost	\$ -	\$ 5,360	\$ -	\$ -	\$ -		\$ 5,360
80a.1	<b>Construction Administration 2020.1</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.2	<b>Construction Administration 2020.2</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.3	<b>Construction Administration 2020.3</b>							
	SWPPP Inspections		60				60	\$ 8,040
	Permit implementation		60				60	\$ 8,040
	Permit Closeout		40				40	\$ 5,360
	Hourly Subtotal	0	160	0	0	0	160	
	Cost	\$ -	\$ 21,440	\$ -	\$ -	\$ -		\$ 21,440
80a.4	<b>Construction Administration 2020.4</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	2021 Billing Rate (\$/hr)	\$196.00	\$138.00	\$196.00	\$124.00			
80b.1	<b>Construction Administration 2021.1</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.2	<b>Construction Administration 2021.2</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.3	<b>Construction Administration 2021.3</b>							
	SWPPP Inspections		48				48	\$ 6,624
	Permit implementation		48				48	\$ 6,624
	Permit Closeout		20				20	\$ 2,760
	Hourly Subtotal	0	116	0	0	0	116	
	Cost	\$ -	\$ 16,008	\$ -	\$ -	\$ -		\$ 16,008
80b.4	<b>Construction Administration 2021.4</b>							
	Hourly Subtotal	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -

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**ENVIRONMENTAL / PLANNING**

#	TASK	Senior Planner/GIS	Environmental Analyst	Senior Planner/GIS	Senior Engineering Technician			
	Billing Rate (\$/hr)	\$190.00	\$134.00	\$190.00	\$120.00			
	Discipline Totals	0	316	0	0	0	316	
	Design Services	\$ -	\$ 42,808	\$ -	\$ -	\$ -		\$ 42,808

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## GEOTECH

#	TASK	Senior Geotech Engineer	Lab Technician	Technical Editor	Senior Engineering Technician	Hourly Subtotal	Subtotal Cost
	Billing Rate (\$/hr)	\$190.00	\$105.00	\$110.00	\$115.00		
12	<b>Procurement of Materials</b>						
	Hourly Subtotal	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -		\$ -
37	<b>Bid Phase Services</b>						
	Respond to Geotechnical Questions	8				8	\$ 1,520
	Hourly Subtotal	8	0	0	0	8	
	Cost	\$ 1,520	\$ -	\$ -	\$ -		\$ 1,520
80a.1	<b>Construction Administration 2020.1</b>						
	Hourly Subtotal	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -		\$ -
80a.2	<b>Construction Administration 2020.2</b>						
	Hourly Subtotal	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -		\$ -
80a.3	<b>Construction Administration 2020.3</b>						
	Respond to Geotechnical Questions	8				8	\$ 1,520
	Site Visits (10 trips) to Confirm Soil Conditions	100				100	\$ 19,000
	Hourly Subtotal	108	0	0	0	108	
	Cost	\$ 20,520	\$ -	\$ -	\$ -		\$ 20,520
80a.4	<b>Construction Administration 2020.4</b>						
	Hourly Subtotal	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -		\$ -
	2021 Billing Rate (\$/hr)	\$196.00	\$109.00				
80b.1	<b>Construction Administration 2021.1</b>						
	Hourly Subtotal	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -		\$ -
80b.2	<b>Construction Administration 2021.2</b>						
	Hourly Subtotal	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -		\$ -
80b.3	<b>Construction Administration 2021.3</b>						
	Respond to Geotechnical Questions	4				4	\$ 784
	Site Visits (1 trip) to Confirm Soil Conditions	10				10	\$ 1,960
	Hourly Subtotal	14	0	0	0	14	
	Cost	\$ 2,744	\$ -	\$ -	\$ -		\$ 2,744
80b.4	<b>Construction Administration 2021.4</b>						
	Hourly Subtotal	0	0	0	0	0	



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**GEOTECH**

#	TASK	Senior Geotech Engineer	Lab Technician	Technical Editor	Senior Engineering Technician		
	Billing Rate (\$/hr)	\$190.00	\$105.00	\$110.00	\$115.00		
	Cost	\$ -	\$ -	\$ -	\$ -		\$ -
	Discipline Totals	130	0	0	0	130	
	Design Services	\$ 24,784	\$ -	\$ -	\$ -		\$ 24,784

## SURVEYING

6/20/2019

#	TASK	Billing Rate (\$/hr)	Principal Professional Surveyor	Lead Professional Surveyor	Project Professional Surveyor	Staff Professional Surveyor	Land Surveyor, LSIT	Two-Man Crew		
		\$235.00	\$165.00	\$149.00	\$129.00	\$105.00	\$273.00			
12	Procurement of Materials								Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
37	Bid Phase Services								Hourly Subtotal	Subtotal Cost
	Coordination / Survey questions	1	24		12				37	\$ 5,743
	Hourly Subtotal	1	24	0	12	0	0	0	37	
	Cost	\$ 235	\$ 3,960	\$ -	\$ 1,548	\$ -	\$ -	\$ -		\$ 5,743
80a.1	Construction Administration 2020.1								Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.2	Construction Administration 2020.2								Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80a.3	Construction Administration 2020.3								Hourly Subtotal	Subtotal Cost
	Verify / flag primary construction control		2			24	40		66	\$ 13,770
	Data reduction				12				12	\$ 1,548
	Deliverables		2		12				14	\$ 1,878
	Contractor coordination		40						40	\$ 6,600
	Discipline management / QA/QC	3	3						6	\$ 1,200
	Hourly Subtotal	3	47	0	24	24	40	138		
	Cost	\$ 705	\$ 7,755	\$ -	\$ 3,096	\$ 2,520	\$ 10,920			\$ 24,996
80a.4	Construction Administration 2020.4								Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	2021 Billing Rate (\$/hr)	\$242.00	\$170.00	\$153.00	\$133.00	\$108.15	\$282.00			
80b.1	Construction Administration 2021.1								Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.2	Construction Administration 2021.2								Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
80b.3	Construction Administration 2021.3								Hourly Subtotal	Subtotal Cost
	Verify / flag primary construction control		1			24	20		45	\$ 8,406
	Data reduction				6				6	\$ 798
	Deliverables		2		6				8	\$ 1,138
	Contractor coordination		20						20	\$ 3,400
	Discipline management / QA/QC	1	3						4	\$ 752
	Hourly Subtotal	1	26	0	12	1	20	60		
	Cost	\$ 242	\$ 4,420	\$ -	\$ 1,596	\$ 108	\$ 5,640			\$ 12,006
80b.4	Construction Administration 2021.4								Hourly Subtotal	Subtotal Cost
	Hourly Subtotal	0	0	0	0	0	0	0	0	
	Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
	Discipline Totals	5	97	0	48	25	60	235		
	Design Services	\$ 1,182	\$ 16,135	\$ -	\$ 6,240	\$ 2,628	\$ 16,560			\$ 42,745

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## REIMBURSABLE EXPENSES

## 80a.3 Construction Administration 2020.3

			Project Manager		Structural		Mechanical		Electrical		Civil		Environmental		Survey		Geotech		Total
Item	unit	unit cost	#	subtotal	#	subtotal	#	subtotal	#	subtotal	#	subtotal	#	subtotal	#	subtotal	#	subtotal	
Copies/Prints/Scans (Letter)	ea	\$ 0.10		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Copies/Prints/Scans (11x17)	ea	\$ 0.20		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Copies/Prints/Scans (Full Size Drawing)	ea	\$ 1.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Teleconference Costing	hr/line	\$ 3.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Airfare	ea	\$ 490.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	4	\$ 1,960	\$ 1,960
Vehicle Rentals	month	\$ 650.00	21	\$ 13,650		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	4	\$ 2,600	\$ 16,250
Survey GPS Rental	day	\$ 309.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	5	\$ 1,545		\$ -	\$ 1,545
Mileage	trips	\$ 26.40		\$ -	3	\$ 80.00	6	\$ 159	4	\$ 106	32	\$ 845	32	\$ 845		\$ -		\$ -	\$ 2,035
Gas (for rental vehicles)	gallons	\$ 3.50	2,730	\$ 9,555		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ 9,555
Parking	day	\$ 13.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	4	\$ 52	\$ 52
Hotel	day	\$ 170.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	4	\$ 680	
Long Term Lodging	month	\$ 1,200.00	7	\$ 8,400		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Per Diem	man day	\$ 65.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	4	\$ 260	\$ 260
<b>Subtotal</b>				\$ 31,605		\$ 80.00		\$ 159		\$ 106		\$ 845		\$ 845		\$ 1,545		\$ 5,552	\$ 40,737

## 80b.3 Construction Administration 2021.3

			Project Manager		Structural		Mechanical		Electrical		Civil		Environmental		Survey		Geotech		Total
Item	unit	unit cost	#	subtotal	#	subtotal	#	subtotal	#	subtotal	#	subtotal	#	subtotal	#	subtotal	#	subtotal	
Copies/Prints/Scans (Letter)	ea	\$ 0.10		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Copies/Prints/Scans (11x17)	ea	\$ 0.20		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Copies/Prints/Scans (Full Size Drawing)	ea	\$ 1.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Teleconference Costing	hr/line	\$ 3.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Airfare	ea	\$ 490.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	1	\$ 490	\$ 490.00
Vehicle Rentals	day	\$ 650.00	18	\$ 11,700		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ 11,700.00
Survey GPS Rental	day	\$ 309.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	2	\$ 618		\$ -	\$ 618.00
Mileage	trips	\$ 26.40		\$ -		\$ -		\$ -		\$ -	24	\$ 634	24	\$ 634		\$ -		\$ -	\$ 1,268.00
Gas (for rental vehicles)	gallons	\$ 3.50	2,340	\$ 8,190		\$ -		\$ -		\$ -	25	\$ 88	25	\$ 88		\$ -		\$ -	\$ 8,366.00
Parking	day	\$ 13.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Hotel	day	\$ 170.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -
Long Term Lodging	month	\$ 1,200.00	6	\$ 7,200		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Per Diem	man day	\$ 65.00		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
<b>Subtotal</b>				\$ 27,090		\$ -		\$ -		\$ -		\$ 722		\$ 722		\$ 618		\$ 490	\$ 29,642

This is **EXHIBIT D**, consisting of [ 5 ] pages, referred to in and part of the **Agreement between Owner and Engineer for Professional Services** dated [ April 15, 2019 ].

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## **Duties, Responsibilities, and Limitations of Authority of Resident Project Representative**

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Article 1 of the Agreement is supplemented to include the following agreement of the parties:

### **ARTICLE 1 - SERVICES OF ENGINEER**

#### **D1.01 Resident Project Representative**

- A. Engineer shall furnish a Resident Project Representative ("RPR") to assist Engineer in observing progress and quality of the Work. The RPR may provide full time representation or may provide representation to a lesser degree. RPR is Engineer's representative at the Site, will act as directed by and under the supervision of Engineer, and will confer with Engineer regarding RPR's actions.
- B. Through RPR's observations of the Work, including field checks of materials and installed equipment, Engineer shall endeavor to provide further protection for Owner against defects and deficiencies in the Work. However, Engineer shall not, as a result of such RPR observations of the Work, supervise, direct, or have control over the Work, nor shall Engineer (including the RPR) have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to the Work or any Constructor's work in progress, for the coordination of the Constructors' work or schedules, or for any failure of any Constructor to comply with Laws and Regulations applicable to the performing and furnishing of its work. The Engineer (including RPR) neither guarantees the performances of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents. In addition, the specific terms set forth in Exhibit A, Paragraph A1.05, of this Agreement are applicable.
- C. The duties and responsibilities of the RPR are as follows:
  - 1. *General:* RPR's dealings in matters pertaining to the Work in general shall be with Engineer and Contractor. RPR's dealings with Subcontractors shall only be through or with the full knowledge and approval of Contractor. RPR shall generally communicate with Owner only with the knowledge of and under the direction of Engineer.
  - 2. *Schedules:* Review the progress schedule, schedule of Shop Drawing and Sample submittals, schedule of values, and other schedules prepared by Contractor and consult with Engineer concerning acceptability of such schedules.
  - 3. *Conferences and Meetings:* Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences, and other Project-related meetings (but

not including Contractor's safety meetings), and as appropriate prepare and circulate copies of minutes thereof.

4. *Safety Compliance:* Comply with Site safety programs, as they apply to RPR, and if required to do so by such safety programs, receive safety training specifically related to RPR's own personal safety while at the Site.
5. *Liaison:*
  - a. Serve as Engineer's liaison with Contractor. Working principally through Contractor's authorized representative or designee, assist in providing information regarding the provisions and intent of the Construction Contract Documents.
  - b. Assist Engineer in serving as Owner's liaison with Contractor when Contractor's operations affect Owner's on-Site operations.
  - c. Assist in obtaining from Owner additional details or information, when required for proper execution of the Work.
6. *Clarifications and Interpretations:* Receive from Contractor submittal of any matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. Report to Engineer regarding such RFIs. Report to Engineer when clarifications and interpretations of the Construction Contract Documents are needed, whether as the result of a Contractor RFI or otherwise. Transmit Engineer's clarifications, interpretations, and decisions to Contractor. ,
7. *Shop Drawings and Samples:*
  - a. Record date of receipt of Samples and Contractor-approved Shop Drawings.
  - b. Receive Samples that are furnished at the Site by Contractor, and notify Engineer of availability of Samples for examination.
  - c. Advise Engineer and Contractor of the commencement of any portion of the Work requiring a Shop Drawing or Sample submittal, if RPR believes that the submittal has not been received from Contractor, or has not been approved by Contractor or Engineer.
8. *Proposed Modifications:* Consider and evaluate Contractor's suggestions for modifications to the Drawings or Specifications, and report such suggestions, together with RPR's recommendations, if any, to Engineer. Transmit Engineer's response (if any) to such suggestions to Contractor.
9. *Review of Work; Defective Work:*
  - a. Report to Engineer whenever RPR believes that any part of the Work is defective under the terms and standards set forth in the Construction Contract Documents, and provide recommendations as to whether such Work should be corrected,

removed and replaced, or accepted as provided in the Construction Contract Documents.

- b. Inform Engineer of any Work that RPR believes is not defective under the terms and standards set forth in the Construction Contract Documents, but is nonetheless not compatible with the design concept of the completed Project as a functioning whole, and provide recommendations to Engineer for addressing such Work. ; and
- c. Advise Engineer of that part of the Work that RPR believes should be uncovered for observation, or requires special testing, inspection, or approval.

10. *Inspections, Tests, and System Start-ups:*

- a. Consult with Engineer in advance of scheduled inspections, tests, and systems start-ups.
- b. Verify that tests, equipment, and systems start-ups and operating and maintenance training are conducted in the presence of appropriate Owner's personnel, and that Contractor maintains adequate records thereof.
- c. Observe, record, and report to Engineer appropriate details relative to the test procedures and systems start-ups.
- d. Observe whether Contractor has arranged for inspections required by Laws and Regulations, including but not limited to those to be performed by public or other agencies having jurisdiction over the Work.
- e. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Work, record the results of these inspections, and report to Engineer.

11. *Records:*

- a. Maintain at the Site orderly files for correspondence, reports of job conferences, copies of Construction Contract Documents including all Change Orders, Field Orders, Work Change Directives, Addenda, additional Drawings issued subsequent to the execution of the Construction Contract, RFIs, Engineer's clarifications and interpretations of the Construction Contract Documents, progress reports, approved Shop Drawing and Sample submittals, and other Project-related documents.
- b. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the Site, Subcontractors present at the Site, weather conditions, data relative to questions of Change Orders, Field Orders, Work Change Directives, or changed conditions, Site visitors, deliveries of equipment or materials, daily activities, decisions, observations in general, and specific observations in more detail as in the case of observing test procedures; and send copies to Engineer.
- c. Upon request from Owner to Engineer, photograph or video Work in progress or Site conditions.



- d. Record and maintain accurate, up-to-date lists of the names, addresses, fax numbers, e-mail addresses, websites, and telephone numbers (including mobile numbers) of all Contractors, Subcontractors, and major Suppliers of materials and equipment.
- e. Maintain records for use in preparing Project documentation.
- f. Upon completion of the Work, furnish original set of all RPR Project documentation to Engineer.

12. *Reports:*

- a. Furnish to Engineer periodic reports as required of progress of the Work and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.
- b. Draft and recommend to Engineer proposed Change Orders, Work Change Directives, and Field Orders. Obtain backup material from Contractor.
- c. Furnish to Engineer and Owner copies of all inspection, test, and system start-up reports.
- d. Immediately inform Engineer of the occurrence of any Site accidents, emergencies, acts of God endangering the Work, possible force majeure or delay events, damage to property by fire or other causes, or the discovery of any potential differing site condition or Constituent of Concern.

13. *Payment Requests:* Review applications for payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Engineer, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered at the Site but not incorporated in the Work.

14. *Certificates, Operation and Maintenance Manuals:* During the course of the Work, verify that materials and equipment certificates, operation and maintenance manuals and other data required by the Contract Documents to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have these documents delivered to Engineer for review and forwarding to Owner prior to payment for that part of the Work.

15. *Completion:*

- a. Participate in Engineer's visits to the Site regarding Substantial Completion, assist in the determination of Substantial Completion, and prior to the issuance of a Certificate of Substantial Completion submit a punch list of observed items requiring completion or correction.
- b. Participate in Engineer's visit to the Site in the company of Owner and Contractor, to determine completion of the Work, and prepare a final punch list of items to be completed or corrected by Contractor.

- c. Observe whether all items on the final punch list have been completed or corrected, and make recommendations to Engineer concerning acceptance and issuance of the Notice of Acceptability of the Work (Exhibit E).

D. Resident Project Representative shall not:

1. Authorize any deviation from the Construction Contract Documents or substitution of materials or equipment (including "or-equal" items).
2. Exceed limitations of Engineer's authority as set forth in this Agreement.
3. Undertake any of the responsibilities of Contractor, Subcontractors, or Suppliers, or any Constructor.
4. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences or procedures of the Work, by Contractor or any other Constructor.
5. Advise on, issue directions regarding, or assume control over security or safety practices, precautions, and programs in connection with the activities or operations of Owner or Contractor.
6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by Engineer.
7. Accept Shop Drawing or Sample submittals from anyone other than Contractor.
8. Authorize Owner to occupy the Project in whole or in part.