



CITY OF NORTH POLE
Regular Meeting August 05, 2019
North Pole Council Chambers
125 Snowman Lane, North Pole, Alaska
www.northpolealaska.com

Monday, August 05, 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 Skipps	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 15, 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 19-13, 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 10)

12. New Business

- a. Ordinance 19-14, An Ordinance of the City of North Pole, Alaska to Amend the 2019 Utility Department Budget to Hire a Utility Assistant. (page 19)
- b. Resolution 19-03, A Resolution of the City of North Pole City Council Reaffirming the Alaska Statehood Act and the 90/10 Per Centum Provision Regarding Oil and Gas Revenues Provided For In Section 28(A) of Said Compact. (page 22)
- c. Request to Approve the Business Associate Agreement Between the FNSB and the City of North Pole. (page 24)
- d. Request to Approve the Appointment of Mike Miller to the IGU Board for the Term Ending December 31, 2019.

13. Council Comments

14. Adjournment

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



NORTH POLE CITY COUNCIL
REGULAR MEETING MINUTES, JULY 15, 2019
NORTH POLE CITY COUNCIL CHAMBERS
125 SNOWMAN LANE, NORTH POLE, ALASKA

Mayor Michael Welch called the regular City Council meeting of Monday, July 15, 2019 to order at 7:00 p.m with the following Council Members in attendance:

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

Excused: DeJohn Cromer

Also Present: Judy Binkley, City Clerk/HR Manager
William Butler, Director of City Services
Geoff Coon, Fire Chief
Bill Bellant, Police Sergeant

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 Welch.

APPROVAL OF AGENDA

Mr. Isaacson moved to approve the agenda of July 15, 2019.

Seconded by Ms. Welch.

Discussion

Mr. Isaacson moved to consent the following items:

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.

- 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.

New Business:

- a. Request for Approval to Write-Off Utility Account 5776.02.
- b. Request for Approval to Move SeneGence from Monthly to Annual Filing Status.
- 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.

Seconded by Ms. Welch

Discussion

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND THE AGENDA OF JULY 15, 2019 AS FOLLOWS:

YES: 6 – Skipps, Thompson, Isaacson, 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 15, 2019 AS FOLLOWS:

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

NO: 0

ABSTAIN: 0

Mayor Welch declared the MOTION CARRIED

APPROVAL OF MINUTES

Mr. Isaacson *moved to* approve the Minutes of July 01, 2019.

Seconded by Ms. Welch.

Discussion

None

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

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

NO: 0

ABSTAIN: 0

Mayor Welch declared the MOTION CARRIED

COMMUNICATIONS FROM THE MAYOR (Audio 4:45)

- June 24, 2019 – Met with Alaska Economic Development Commissioner, Julie Anderson to discuss Governor Dunleavy's plan for the state and our FNSB region. I provided her the latest and final executive version of the Salcha-Badger Corridor plan, as well a short tour of the CNP.
- June 26, 2019 – Met with Deputy Matt Fagnani of the Department of Economic Development for his overview of the state-wide plan and area specific plans for North Pole and FNSB. Provided him with the Salcha-Badger Corridor Executive Summary.
- July 2, 2019 – Met with Fred Meyer Airport Way General Manager, Randy Mitchell to establish contact with Fred Meyer to consider a store here in the 2020-2021 time frame. He will work with me through the Anchorage management before going to Oregon Headquarters. Also received a discount on a 50-inch Samsung flat screen and a gift card for the 4th of July prize raffle.
- July 4th – Had a great 4th of July celebration and parade. Started with a pancake breakfast at Santa Senior Center at 8 a.m. Judged the floats for Best Theme, Most Patriotic, and Mayor's Choice awards. Presented Pastors Teffonie and Phillip Wyman with a proclamation honoring them as the Grand Marshalls of the 2019 CNP Parade and Festival.
- July 12, 2019 – Met with Tom Wickham and ACS state-wide account manager, Scott Johnson to inquire about a VOIP based telephone upgrade for our CNP. I should have more information by our next Council meeting in August.
- July 13, 2019 – It was a great day after all to perform the Arctic Lightning Airshow at Eielson AFB. The aerial demonstrations were quite impressive, and the crowd was estimated to be circa 13,000 strong. It sure will be nice if the next airshow comes sooner than later, as the last show was in 2008.

COUNCIL MEMBER QUESTIONS OF THE MAYOR (Audio 8:42)

- **Mr. Isaacson** asked about VOIP systems and making emergency calls. **Mayor Welch** replied that the Borough is running simulated emergencies and are finding out 20% of the calls are not from where the phone says they are at. This is because when a phone is moved, it needs to be relocated electronically as well.

- **Mr. Isaacson** asked about the welcome party on August 3rd good bye party on August 8th for the sister city visitors. **Mayor Welch** replied that he would stay in touch with Council regarding the events as he is provided the information.

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Police Department, Sgt. Bellant (Audio 13:25)

- We participated in the guns vs hoses game on the 4th of July.
- Officer Chris Terry's last day was yesterday. He is returning to the Troopers.
- Officer James Kuplack is headed out to the academy soon for a few months so technically we're down two officers but only down one position.

Fire Department, Chief Coon (Audio 18:12)

- The Lieutenant position has closed and we have seven applicants for the position.
- The Fire Department set up a public education booth at the air show. Our members distributed fire prevention education materials, volunteer applications, and signed up more community members on Pulsepoint.
- The Department received praise at the Interior Fire Chief's Association meeting for signing up 80 new people on the Pulsepoint app at our Open House last May.
- Department is continuing to send medics to the moto cross track for races.
- Engine 23 did sell at the auction but we do not know how much it went for yet. We are continuing to clean up and will probably have one more load of file cabinets and some out dated fire equipment to go to the auction this summer.
- Training:
 - We have some members assisting with the UAF/CTC academy. We are preparing for our own FF-1 class this September.
- Maintenance Report:
 - It has been determined that we are unable to repair our two leaking steering gear boxes in-house and we will be sending them in one at a time for repairs to Kenworth.

Director of City Services, Bill Butler (Audio 29:42)

Building Department

- One new residential building permit application submitted, plans submitted for two 4-plexes on Cross Way.
- One residential building permit issued.
- Over \$5.5 million of new construction permitted or in process of permitting.
 - Removed IGU regasification project (\$9 million) from list of active projects.

Public Works

- Hired a new temporary summer hire thanks to the Council approving a budget modification. Lost one summer hire to the Fire Department.
- Authorization to accept the \$10,000 Economic Development Grant from the FNSB is before the Council this evening.
- FAST Planning repaving project of 5th Avenue largely completed.

Utility Department

- Sulfolane settlement.
 - Approximately 90 new customers have been connected to the system to date.
- Moose Creek Water System Expansion Project.
 - Second vote on cooperative agreements for the construction of the Moose Creek Water System Expansion is before Council this evening.
 - Public Open House on Wednesday, July 24 from 6:00 to 8:00 PM to be held at the Moose Creek Fire House; Mayor and all City Council members are invited to attend.

City Clerk, Judy Binkley (Audio 38:05)

- The three local municipal 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. Golden Days is Saturday, July 20th.
- The Candidate Filing period opened today and the information is on our website. The unofficial candidate list is on the website and I will keep that updated. The filing period will run through 5pm Monday, July 29th.
- **Ms. Welch** asked if any candidates have filed yet. City Clerk Binkley replied Thomas McGhee filed this afternoon.

ONGOING PROJECTS

None

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

None

OLD BUSINESS

Consented

Public Comment

None

NEW BUSINESS

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.

Mr. Butler introduced the request.

Public Comment

None

Mr. Isaacson moved 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.

Seconded by Ms. Welch

Discussion

None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION 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 AS FOLLOWS:

YES: - 6 – Skipp, Thompson, Isaacson, Walley, Welch, Welch

NO: 0

ABSTAIN: 0

Mayor Welch declared the MOTION CARRIED

COUNCIL COMMENTS

None

Mr. Isaacson moved to adjourn the meeting at 7:53 p.m.

Seconded by Mr. Thompson.

The regular meeting of Monday, July 15, 2019 adjourned at 7:54 p.m.

These minutes passed and approved by a duly constituted quorum of the North Pole City Council on Monday, August 05, 2019.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, City Clerk

Draft

**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.

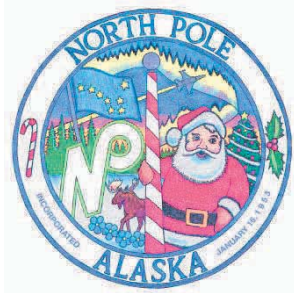
PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this ____ day of _____, 2019.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, City Clerk

PASSED/FAILED Yes: No: Absent:



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:	\$	
TOTAL	\$	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 - August 05, 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, if 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**

**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**

**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**

**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

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:	\$	
TOTAL	\$	10,000.00

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

FNSB Administrator:

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

Memo

To: North Pole City Council
From: Bill Butler
Date: August 1, 2019
Subject: New Utility Assistant position

The expansions occurring with the North Pole Utility are driving the need to add a new Utility Assistant position. At the start of 2014 when the Utility only served its 600+ customers within the city limits, the Utility had four field staff—two operators and two utility assistants. The closure of the North Pole Refinery in 2014 and the subsequent loss of approximately 25 percent of sewer revenue caused the Utility not to fill a utility assistant position when one employee resigned to move out-of-state. Functioning with three utility field staff was manageable, but challenging. All the Utility staff at that time were earning the maximum leave and they rightfully used their leave on occasion throughout the year. When a staff member would be on leave resulted in the Utility having only two field staff to run the Utility. When there were emergency or major repair functions that required two or three staff members, there would be no one to conduct routine operations.

When the legal settlement was finalized in February 2017 and the growth the Utility was going to undertake became apparent, it became clear that the vacant position would need to be filled. The 2018 Utility budget was approved with funding to hire an additional Utility Assistant. The growth the Utility faced was an approximate doubling of the geographic footprint of the service area and a more than doubling of the customer base. The North Pole Expansion went to early construction in April 2018 and full construction in May 2018. To be prepared for the expanding workload, the Utility hired a new Utility Assistant in January 2018 with the intent of training and integrating the new staff member into the Utility's operations to be able to support the additional workload the expansion would place on the Utility during construction and its later operation.

The Utility has now embarked on additional growth, the Moose Creek Expansion. To be prepared for this new growth, the Utility determined that it will require an additional Utility Assistant. The community of Moose Creek is five miles from the City. A short distance, but the separation does have impacts on the delivery of services and demands on the Utilities employees. The Utility has always cross-trained its field staff so all the Utility's operators regardless of who is on duty, can support responding to emergency situations and to cover when other staff members are on leave. With the North Pole Expansion and Moose Creek Expansion both being water service only, the greatest system demand is on the Water Division of the Utility. To be prepared for the Moose Creek Expansion that is scheduled to go to construction in spring 2020, the Utility plans to hire a Utility Assistant in September 2019 to support the expanding demands upon the Utility. The new assistant will need to learn the City and North Pole Expansion system to support ongoing demands and to have adequate knowledge and skills to support the growth that will occur as a result of the Moose Creek Expansion.

**CITY OF NORTH POLE
ORDINANCE 19-14**

**AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA
TO AMEND THE 2019 UTILITY DEPARTMENT BUDGET TO
HIRE A UTILITY ASSISTANT**

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, and

WHEREAS, the Utility Department proposes to hire a new Utility Assistant to support the North Pole Expansion and Moose Creek Expansion,

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 to this ordinance for the purpose managing the City budget.

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

Section. Effective date.

This ordinance shall become effective immediately upon passage.

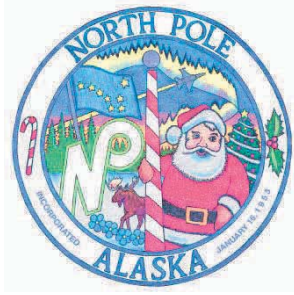
PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this ____ day of _____, 2019.

Michael W. Welch, Mayor

ATTEST:

Judy L. Binkley, City Clerk

PASSED/FAILED Yes: No: Absent:



City of North Pole, Alaska

Fiscal Note Year: 2019

Accompanying Ordinance/Resolution: 19-14

Originator / sponsor: Bill Butler

Date: 08/05/2019

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

FUND	Account Description	Account #	Debit	Credit
41	Wages-full time	41-10-1-001	10,717.20	
41	Benefits	41-10-1-003	741.50	
41	PERS	41-10-1-004	2,357.78	
41	Health Insurance	41-10-1-013	3,375.00	
42	Wages-full time	42-12-1-001	10,717.20	
42	Benefits	42-12-1-003	839.78	
42	PERS	42-12-1-004	2,357.78	
42	Health Insurance	42-12-1-013	3,375.00	
41	Trnsfer in (water)	41-00-3-999		17,191.49
52	Transfer in Sewer	42-00-3-999		17,289.01

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).

Transfer in from Water and Sewer funds to hire a new Utility Assistant. With Moose Creek Expansion proceeding, it is important to begin training new Utility Assistant to be able to support current Utility needs and to assist with activities related to Moose Creek Expansion.

Prepared By: Bill Butler Date: 7/31/2019

Finance Approval: Tricia Fogarty Date: _____

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

**CITY OF NORTH POLE
RESOLUTION 19-03**

**A RESOLUTION OF THE NORTH POLE CITY COUNCIL REAFFIRMING THE
ALASKA STATEHOOD ACT AND THE 90/10 PER CENTUM PROVISION
REGARDING OIL AND GAS REVENUES PROVIDED FOR IN SECTION 28(A) OF
SAID COMPACT.**

WHEREAS, the Alaska Statehood Act is a compact – a legally enforceable contract – between the citizens of Alaska and the United States; and

WHEREAS, the essential terms of the Alaska Statehood Act cannot be unilaterally amended by either party to the compact (see *Beecher v. Wetherby*, 95 U.S. (5 Otto) 517, 523(1887)) as such grants are irrevocable and cannot be changed by a subsequent Congress; and

WHEREAS, Section 28(a) of the Alaska Statehood Act provides that ninety percent (90%) of certain net profits, bonuses, royalties and rental from resource development on Federal land in Alaska shall be deposited with the State of Alaska; and

WHEREAS, the provision was included in the Alaska Statehood Act specifically for the purpose of providing Alaska with a solid economic foundation; and

WHEREAS, Congress may consider congressional budget bills that will unilaterally amend Alaska's ninety percent share of such proceeds to fifty percent, in violation of the Alaska Statehood Act; and

WHEREAS, Alaska is contractually entitled to ninety percent of the certain net profits, bonuses, royalties and rental from the development of resources on Federal lands in Alaska, including but not limited to the lands designated in Section 1002 of the Alaska National Interest Lands Conservation Act (ANILCA) within the coastal plain of the North Slope, upon Congressional acceptance as a "new" state joining the Union of States; and

WHEREAS, any changes or amendments to the Alaska Statehood Act can only be made upon the agreement of both the State of Alaska and the United States; and

WHEREAS, Congress cannot unilaterally enact legislation in conflict with the Alaska Statehood Act provisions which would violate the United States and Alaska State Constitutions; and

WHEREAS, the North Pole City Council concurs with the Fairbanks North Star Borough and many other Alaskan communities with this resolution.

NOW THEREFORE BE IT RESOLVED, by the North Pole City Council that on behalf of the citizens of the City, the Council requests that Alaska's Congressional Delegation, its Governor, and other elected State officials take immediate action to uphold and affirm the ninety percent provision of Section 28(a) of the Alaska Statehood Act, and that in the event any legislation be

passed by Congress to reduce Alaska's share of oil and gas revenues guaranteed to its citizens by the Statehood Act that the State of Alaska require a referendum to the people of the State before agreeing to change Section 28(a) of the Statehood Act.

NOW THERE BE IT FURTHER RESOLVED, that copies of this Resolution be sent to United States Senators Lisa Murkowski and Dan Sullivan; Congressman Don Young; the Honorable Mike Dunleavy, Governor of the State of Alaska; Kevin Clarkson, the Attorney General for the State of Alaska; Corri A. Geige, the Commissioner of the Alaska Department of Natural Resources; and, all members of the Alaska State Legislature.

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:

Geoff Coon

From: Chris Zimmerman <chris@mzwlaw.com>
Sent: Thursday, June 20, 2019 9:29 AM
To: Geoff Coon
Cc: Sarah Haines
Subject: RE: Agreement for EMS Contract

Good morning Chief Coon,

I have reviewed the contract. Keeping in mind that it deals with the highly technical issues of handling PHI properly and reporting breaches of the same, the basic contract appears ok to me. It appears that there may be a typo in Paragraph 26 where the third line cites 45 CFR 164.40 et seq. I think that may be intended to read 45 CFR 164.400 et.seq. You might want to check that out with the Borough which, I assume, wrote the Agreement.

I think it likely that both you and the Borough are more familiar with the proper ways of handling HIPPA information than I am. Having looked at the cited statutes and regulations, this agreement, appears to set forth appropriate requirements.

If you have other questions, please feel free to contact me. Thank you for allowing me to assist with this matter.

Chris Zimmerman

Christopher E. Zimmerman

Attorney
Zimmerman & Wallace
711 Gaffney Road, Suite 202
Fairbanks, AK 99701-4662
(907) 452-2211
(907) 456-1137 fax
chris@mzwlaw.com

The information contained in this message is intended for the addressee or addressee's authorized agent. The message may contain information that is privileged, confidential, or otherwise exempt from disclosure. If the reader of this message is not the intended recipient or recipient's authorized agent, then you are notified that any dissemination, distribution or copying of this message is prohibited. If you have received this message in error, please notify the sender by reply email and promptly destroy the original and any copies of the message and any attachments.

From: Geoff Coon <GCoon@northpolefire.org>
Sent: Wednesday, June 19, 2019 9:56 AM
To: Chris Zimmerman <chris@mzwlaw.com>
Cc: Judy Binkley <jbinkley@np-ak.com>
Subject: FW: Agreement for EMS Contract

EXTERNAL: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Chris:

Could you review this business associate agreement between FBNSB and the City of North Pole. This is a continuation of the EMS contract extension that you looked at last week. This one deals with patients protected health information. This is a new agreement from the borough and not one that we have ever entered into with them before. This agreement

stems from the boroughs past billing company having a breach of information and the FBNSB wanting to limit their liability.

Geoffrey Coon
Fire Chief
North Pole Fire Dept.
907-488-2232 WK
907-687-1969 Cell

From: Geoff Coon
Sent: Monday, June 17, 2019 8:59 AM
To: Judy Binkley <jbinkley@np-ak.com>
Subject: FW: Agreement for EMS Contract

From: Brad Paulson <BPaulson@fnsb.us>
Sent: Thursday, June 13, 2019 1:43 PM
To: Geoff Coon <GCoon@northpolefire.org>
Cc: Michelle Myhill <MMyhill@northpolefire.org>; Chad Heineken <CHeineken@northpolefire.org>
Subject: Agreement for EMS Contract

Chief,

Agreement requested for EMS contract document

Brad

Brad Paulson
Emergency Services Administrator
Fairbanks North Star Borough
3175 Peger Road
Fairbanks, Alaska 99709
(907)459-1214



BUSINESS ASSOCIATE AGREEMENT
between
FAIRBANKS NORTH STAR BOROUGH,
and
CITY OF NORTH POLE

This Business Associate Agreement (“Agreement”) between the Fairbanks North Star Borough (“FNSB”) and the City of North Pole (“EMS Contractor”) (collectively the “Parties”) is effective July 1, 2019. This Agreement supplements and is made a part of the contract effective July 1, 2019 titled “EMERGENCY MEDICAL SERVICES/AMBULANCE CONTRACT” (“Contract”) entered into by FNSB and the EMS Contractor which is currently in effect or as may be amended, supplemented, or extended from time to time.

1. The EMS Contractor is a Health Care Provider and Covered Entity that also performs services on behalf of FNSB as FNSB’s Business Associate. FNSB and the EMS Contractor agree to comply with the requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and Subtitle D of the American Recovery and Reinvestment Act of 2009 (“HITECH”), as set forth in Title 45, Parts 160, 162, and 164 and Title 42, Part 1320d of the Code of Federal Regulations (the “CFR”). In the event of conflicting terms or conditions between this Agreement and the Contract, the terms of this Agreement shall supersede the conflicting terms of the Contract. As of the effective date, this Agreement shall supersede any prior business associate agreement between the Parties.

2. Definitions. Capitalized terms not otherwise defined in this Agreement shall have the meanings given to them in 45 CFR Parts 160, 162, and 164 and are incorporated herein by reference. Protected Health Information (“PHI”) shall have the meaning given in 45 CFR §160.103, limited to information EMS Contractor received from FNSB or created, received, or maintained on behalf of the FNSB to provide emergency medical and ambulance services and produce Patient Care Reports (PCRs). Section 7 of the Contract identifies the specific PCR data set.

3. Joint Notice of Privacy Practices. In coordination with FNSB’s Privacy Officer, the EMS Contractor shall develop and, as soon as practicable, provide all patients a Joint Notice of Privacy Practices (JNPP). The JNPP shall at all times reference FNSB’s billing and collection and activities and include the contact information for both the EMS Contractor and FNSB.

4. Use and Disclosure of Protected Health Information. The EMS Contractor shall use and/or disclose PHI only if such use and/or disclosure is in compliance with each applicable requirement of 45 CFR 164.502(a) and § 164.504(e), limited to those uses and/or disclosures necessary to provide EMS Service, satisfy the EMS Contractor’s obligations under law, this Agreement, the Contract, or as otherwise authorized in writing by the FNSB. The EMS Contractor may not use or disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 (the “Privacy Rule”) if done by FNSB, except for the specific uses and disclosures set forth below in Section 5.

5. EMS Contractor’s Operations.

(a) The EMS Contractor may use PHI only to the extent necessary for the EMS Contractor’s proper management and administration or to carry out the EMS Contractor’s legal

responsibilities.

(b) The EMS Contractor may disclose such PHI as necessary for the EMS Contractor's proper management and administration, or to carry out the EMS Contractor's legal responsibilities, provided that:

(i) The disclosure is required by law; or

(ii) The EMS Contractor obtains reasonable assurance, evidenced by written contract from any person or organization to which the EMS Contractor discloses such PHI, that such person or organization shall:

(1) hold such PHI in confidence and use or further disclose it only for the purpose for which the EMS Contractor disclosed it or as required by law; and

(2) notify the EMS Contractor (who shall in turn promptly notify the FNSB) of any instance in which the confidentiality of such PHI was breached.

6. Data Aggregation Services. The EMS Contractor may use PHI to provide Data Aggregation Services related to the FNSB's Health Care Operations as permitted by 45 CFR § 164.504(e)(2)(i)(B).

7. De-Identification of PHI. The EMS Contractor may de-identify PHI in the course of providing services to the FNSB.

8. Privacy Rule Compliance. To the extent the EMS Contractor carries out the FNSB's obligations under the Privacy Rule, the EMS Contractor shall comply with the requirements of the Privacy Rule that apply to the FNSB in the performance of such obligations.

9. PHI Safeguards. The EMS Contractor shall develop, implement, maintain, and use appropriate administrative, technical, and physical safeguards to prevent the improper use or disclosure of any PHI.

10. Minimum Necessary. When using, disclosing, or requesting PHI to and from the FNSB, the FNSB's other EMS Contractors, and EMS Contractors' subcontractors or agents, the Parties shall limit PHI, to the extent practicable, to the minimum necessary to accomplish the intended purpose of such use, disclosure, or request in accordance with guidance provided by the Secretary of the Department of Health and Human Services. The Parties acknowledge that each may rely on the other's determination of the minimum necessary for compliance with the minimum necessary standards.

11. Electronic Protected Health Information Security and Integrity. The EMS Contractor and the FNSB acknowledge that, Title 42, Section 1320d-2(d) of the United States Code and 45 CFR Part 164.302, *et seq.* apply to the EMS Contractor as a business associate of FNSB. The EMS Contractor shall develop, implement, maintain, and use appropriate administrative, technical, and physical safeguards in compliance with Title 42, Section 1320d-2(d) of the United States Code and 45 CFR Part 164.302, *et seq.* that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic Protected Health Information that the EMS Contractor creates,

receives, maintains, or transmits on behalf of the FNSB.

12. Security Incidents. The EMS Contractor shall report to the FNSB any “Security Incident,” as defined in 45 CFR § 164.304, of which it becomes aware. The report will be made in accordance with the reporting procedures of this Agreement described in Section 19 below. The EMS Contractor agrees to identify and respond to suspected or known Security Incidents; mitigate harmful effects of Security Incidents, to the extent practicable; and document Security Incidents and their outcomes.

13. Subcontractors and Agents. The EMS Contractor shall require each of its subcontractors or agents that create, receive, maintain, or transmit PHI on behalf of the FNSB to agree in writing to the same restrictions, conditions, and requirements that apply to the EMS Contractor with respect to such PHI.

14. Access to PHI. EMS Contractor shall make available PHI in a Designated Record Set to the FNSB upon its request or as directed by the FNSB, to an Individual to meet the requirements under 45 CFR § 164.524 and applicable state law. The EMS Contractor shall provide FNSB access within ten business days of the request.

15. Amending PHI. EMS Contractor shall make any amendment(s) to PHI in a Designated Record Set that the FNSB directs or agrees to pursuant to 45 CFR § 164.526 within twenty business days.

16. Accounting of Disclosures of PHI. EMS Contractor shall document such disclosures of PHI and Electronic Health Records and information related to such disclosures as would be required for the FNSB to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528, and shall provide such accounting of disclosures within twenty business days.

17. Sales of PHI and Marketing. The EMS Contractor agrees that it shall not engage in the sale of PHI and shall not directly or indirectly receive remuneration in exchange for PHI unless expressly permitted by the Contract and applicable law.

18. Access to Books and Records.

(a) The EMS Contractor shall make its internal practices, books, and records relating to the use and disclosure of PHI available to the FNSB and to DHHS or its designee for the purpose of determining the FNSB’s compliance with HIPAA. The EMS Contractor shall notify the FNSB in writing within 10 days of any request by DHHS for information relating to the FNSB, and upon request from the FNSB provide the FNSB a copy of any such information that is provided to DHHS.

19. Reporting. If the EMS Contractor becomes aware of any unauthorized use or disclosure, or Breach of PHI, it shall submit a written report of the incident to the FNSB’s Privacy Official promptly, but not more than five business days after the EMS Contractor’s discovery of the Breach. The EMS Contractor’s report shall at least: (a) identify the nature of the unauthorized use or disclosure; (b) identify each individual whose unsecured PHI has been, or is reasonably believed by the EMS Contractor to have been, accessed, acquired, or disclosed; (c) identify the PHI used or

disclosed including the types of identifiers and the likelihood of re-identification; (d) identify who made the unauthorized use or received the unauthorized disclosure; (e) identify whether the PHI was actually acquired or viewed; (f) identify what the EMS Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; (g) identify what corrective action the EMS Contractor has taken or shall take to prevent future similar unauthorized use or disclosure; and (h) provide such other information, including a written report, as reasonably requested by the FNSB's Privacy Official. The EMS Contractor shall cooperate with the FNSB in providing any notice to affected Individuals, local media, and governmental agencies as required by law.

(a) The EMS Contractor also agrees to report all information necessary about any breaches of PHI in order for the FNSB to include such information in the FNSB's log of Breaches filed annually with DHHS.

(b) The EMS Contractor agrees to cooperate with the FNSB in preparing and sending Breach notifications and shall pay the costs of such notifications for Breaches associated with PHI that was involved with a Breach by the EMS Contractor or its agents or subcontractors. The EMS Contractor shall not send Breach notifications to HHS, the media, or any individual without first notifying the FNSB.

20. Mitigation. The EMS Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to the EMS Contractor of a use or disclosure of PHI by the EMS Contractor in violation of this Agreement.

21. Independent Contractor Not an Agent. The Parties agree that the EMS Contractor is acting as an independent contractor, and is not acting as an agent of the FNSB under either this Agreement or the Contract. Nothing herein shall be deemed to cause this Agreement to create an agency, partnership, or joint venture between the Parties. No acts performed, or words spoken by either Party with respect to any third party, shall be binding upon the other. Any and all obligations incurred by either Party in connection with the performance of any of its obligations hereunder shall be solely at that Party's own risk. Each Party agrees that it shall not represent itself as the agent or legal representative of the other for any purpose whatsoever.

22. Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for the FNSB to comply with applicable law.

23. Termination. Termination is generally addressed in Section 4C of the Contract. The following reasons for termination are in addition to those stated in the Contract.

(a) Upon either Party's knowledge of a material breach of this Agreement by the other Party or its subcontractors or agents, the non-breaching Party shall provide an opportunity for breaching Party to cure the breach or end the violation. If the breaching Party, or its subcontractors or agents, do not cure the breach or end the violation within (30) days, or if cure is not possible, the non-breaching Party shall have the right to immediately terminate this Agreement and the Contract.

(b) Notwithstanding any other provision of this Agreement or the Contract, either Party shall have the right to terminate this Agreement and the Contract if it determines, in its sole discretion, that the other Party or its subcontractor or agents has violated a material term of this Agreement related to the use or disclosure of PHI or any provision of 45 CFR Parts 160, 162 and

164. This right may be exercised by providing written notice to the other Party of termination, with such notice stating the violation that provides the basis for the termination. Any such termination shall be effective immediately or at such other date specified in such notice.

(c) This Agreement shall also automatically terminate at the earlier of the completion of the Contract Services, upon the Parties entering into a successor Agreement, or upon termination as provided for in this Agreement.

24. Return or Destruction of PHI.

(a) Except as provided in section (b) below, upon termination the EMS Contractor shall return all PHI to the FNSB or destroy all PHI. This provision shall also apply to PHI that is in the possession of subcontractors or agents of the EMS Contractor. The EMS Contractor shall retain no copies of the PHI. The EMS Contractor shall complete such return or destruction as promptly as possible, but not later than 30 days after the effective date of the termination of the Contract. The EMS Contractor shall retain no copies of the PHI.

(b) In the event that the EMS Contractor determines that returning or destroying the PHI is infeasible, the EMS Contractor shall provide within 30 days of the effective date of termination written justification explaining why such PHI could not be returned or destroyed. Upon verification by the FNSB that the return or destruction of PHI is infeasible, the EMS Contractor shall extend the protections of this Agreement to such PHI, and limit further use and disclosure of PHI to those purposes that make the return or destruction infeasible for so long as the EMS Contractor maintains such PHI.

25. Survival. The EMS Contractor's obligations under Sections 12, 19, 24(b), 26, and 28 of this Agreement shall survive the termination of this Agreement.

26. Reimbursement. The EMS Contractor agrees to reimburse FNSB for any and all costs and expenses incurred as a result or arising directly or indirectly out of FNSB's compliance with the HIPAA breach notification requirements set forth at 42 U.S.C. § 17932 and 45 CFR 164.40 *et seq.* as a result of a Breach by the EMS Contractor, including but not limited to all costs associated with FNSB's obligation to notify affected Individuals, the government, and the media of a Breach and any costs for credit monitoring, as applicable or establishing a toll-free number. Any limitation of liability set forth in the Contract shall not apply to this Agreement.

27. Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits the Parties' compliance with HIPAA.

28. Governing Law. The laws of the State of Alaska apply when interpreting this Agreement. Venue shall be in the Fourth Judicial District at Fairbanks, Alaska.

29. Regulatory References. A citation in this Agreement to any regulation or law shall mean the cited section as that section may be amended from time to time.

30. Severability. If a provision of this Agreement is held invalid under any applicable law, such invalidity will not affect any other provision of this Agreement that can be given effect

without the invalid provision. Further, all terms and conditions of this Agreement will be deemed enforceable to the fullest extent permissible under applicable law, and, when necessary, the court is requested to reform any and all terms or conditions to give them such effect.

31. No Assignment. Neither Party shall assign this Agreement without the prior written consent of the other Party.

32. Entire Agreement. This Agreement represents the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior discussions, negotiations and agreements relating to the same subject matter, including, but not limited to other the EMS Contractor agreements or agreements related to patient data and the access, use, privacy, security, and confidentiality of patient data.

33. Notice. All reporting pursuant to this Agreement shall be to the Privacy Officer at the following e-mail address: Noah.Klein@fnsb.us and shall include a courtesy copy sent to Dgibbs@fnsb.us.

34. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement.

City of North Pole

Fairbanks North Star Borough

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____