Tuesday, January 19, 2021
Committee of the Whole: 6:30 PM
Regular City Council Meeting: 7:00 PM

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. January 4, 2021
6. Communications from the Mayor
   a. Student of the Month – Lucy Reese 9th Grade North Pole High School
7. Council Member Questions of the Mayor
8. Communications from Department Heads, Borough Representative and the City Clerk
9. Ongoing Projects Report
   a. CARES Act Update
   b. Discuss North Pole Police Department Construction Project
   c. Total Compensation Project Committee 1st Meeting Report
10. Citizens Comments (Limited to five (5) minutes per Citizen)
   a. Lisa Lewis, Petrostar

11. Old Business:
   None

12. New Business:
   a. Resolution 21-01 A Resolution Establishing The City of North Pole Legislative Priorities for the 32nd Legislature 2021 Regular Session.
   b. Request to Approve Professional Service agreement with Shannon & Wilson for $44,612 to conduct next phase of PFAS site characterization associated with the Fire Department.
   d. Request Salary Increase for CFO from Step 14 to Step 19

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.

How to Offer Public Testimony at Council Meetings

In response to the COVID-19 pandemic and local/state regulations requiring residents to stay at home, practice social distancing, and limit gatherings, the City of North Pole has created a process for citizens to stay connected with the Council regarding agenda items.

Written testimony is encouraged. You may submit your comments by calling the Clerk’s Office at 488-8583 or by sending an email to arhoades@northpolealaska.org prior to 1:00 p.m. the day of the meeting. Please indicate which agenda item you are providing written testimony for. Examples: Ordinance or Resolution number, agenda item#, or description of subject.

To sign-up for telephonic testimony call the Clerk’s Office at 488-8583 or email arhoades@northpolealaska.org prior to 1:00 p.m. the day of the meeting. Please indicate that you wished to be called, for what item you will provide testimony on, and what number you can be reached at.

Council Meetings are aired live via audio streaming from the City’s website at https://www.northpolealaska.com/citycouncil/page/council-meeting-audio-stream.

Inquiries concerning ADA compliance or accommodations should be directed to the City Clerk.
Mayor Welch called the regular City Council meeting of Monday, January 4, 2021 to order at 7:00 p.m. with the following Council Members in attendance:

Council Members Present: Mayor Welch – Zooming In
Santa Claus - Zooming In
Thomas McGhee - Zooming In
David Skipps - Zooming In
Aino Welch - Zooming In
DeJohn Cromer - Zooming In
Perry Walley – Zooming In

Absent:

Excused:

Also Present: Steve Dutra, Police Chief – Zooming In
Chad Heineken, Fire Chief – Zooming In
William Butler, Director of City Services– Zooming In
Tricia Fogarty, Chief Financial Officer – Zooming In
Aaron M. Rhoades, City Clerk/HR Manager – Zooming In

PLEDGE OF ALLEGIANCE TO THE FLAG
Clerk Rhoades asked everyone to join him in the Pledge of Allegiance.

INVOCATION
The Invocation was given by Mr. McGhee.

APPROVAL OF AGENDA
Mr. McGhee moved to approve the agenda of January 4, 2021.

Seconded by Mrs. Welch

Discussion

Mr. McGhee moved to consent the following items:
New Business:
   a. Request to approve JAG Grant for North Pole Police Department.

Seconded by Mrs. Welch

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO CONSENT NEW BUSINESS ITEMS A:

YES: 7 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mrs. Welch, Mr. Cromer, Mr. Walley, Mayor Welch
NO: 0
ABSTAIN:
Mayor Welch declared the MOTION CARRIED

On the Agenda as amended.

Discussion
None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE AGENDA AS AMENDED:

YES: 7 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mrs. Welch, Mr. Cromer, Mr. Walley, Mayor Welch
NO: 0
ABSTAIN:
Mayor Welch declared the MOTION CARRIED

APPROVAL OF MINUTES
Mr. McGhee moved to approve the Minutes of December 14, 2020.

Seconded by Mr. Walley

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE THE MINUTES FROM DECEMBER 14, 2020 CITY COUNCIL MEETING:

YES: 7 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mrs. Welch, Mr. Cromer, Mr. Walley, Mayor Welch
NO: 0
ABSTAIN:
Mayor Welch declared the MOTION CARRIED

COMMUNICATIONS FROM THE MAYOR
- Legislative Priorities due to the Mayor by January 11, 2021
- Alaska Syngas Presentation Brent Sheets
- Presentation by Marathon Oil Casey Sullivan and Serena Lewellen

COUNCIL MEMBER QUESTIONS OF THE MAYOR
- None

COMMUNICATIONS FROM DEPARTMENT HEADS, BOROUGH REPRESENTATIVE AND THE CITY CLERK

Finance, Tricia Fogarty
- W-2 were completed January 5, 2021
- 2nd Payment of CARES Act Funds received $1,100,000 from the State.
- CARES Funds dispensed to date is $2,760,877.00.
- Sales Tax Funds short for 2020 $553,000. Still have December to come in.

City Services, Bill Butler
Building Department
- No building permits issued since December 14.
- Two commercial permit applications submitted:
  - Petro Star heating production expansion.
  - Alaska USA Federal Credit Union remodel.
- $26,379,661 in construction valuation occurred in 2020 and $188,920 in permit fees collected.
  - Previous years’ construction valuations as context:
    2019: $9,897,225
    2018: $19,423,157
    2017: $8,023,588
    2016: $15,564,001
    2015: $32,511,554
Public Works

- Public Works pickup truck with tool body delivered—over a year after started purchase process.
- Plan to move forward with advertisement for Public Works Assistant position included in 2021 budget
  - Cody often takes an extended vacation in starting in February, so goal is to have someone on board before he goes on leave.

Utility Department

- Activities focusing on routine operation of water and sewer processes; keeping sewer mains flowing and equipment maintenance.
- Utility staff are routinely involved in evaluating Moose Creek construction activities.

Moose Creek Water System Expansion Project

- Potential of achieving substantial completion of the transmission main, pump house, storage tank and northern loop before end of 2020 was reported on December 14—this did not occur.
  - Some pump and electronic control issues remain.
- Second mailing released on December 10 has generated few new water customer applications.
  - Holidays and COVID-19 concerns may be contributing to slow response rate.
  - Planning additional outreach efforts to generate more customer signups.

North Pole Water System Expansion

- December 31, Flint Hills closed its Ground Water Office, their last office in Alaska.
  - FHR still does have obligations related to groundwater monitoring in the North Pole area.

Fire Department, Chief Heineken

- 1347 Emergency calls in 2020
- New Speakers for Christmas Music Truck
- Captain Hamlin was voted Company Man of the Year for 2020
- Engine 21 still giving us intermittent problems
- Still working on the Ambulance Contract

Police Department, Chief Dutra

- New car has been shipped from California should arrive the 11th in Anchorage.
• New hire Ofc. Dikeman is due to arrive first day the 18th.
• Officer Ben Wages will be promoted to Sergeant on the 10th at 12:01 a.m.
• Sgt. Milne’s last day is the 8th and a big retirement party will be scheduled for this summer due to COVID issues. We are thankful for his 8 years of service to the city. He will be missed.
• Traffic counter had been placed on 7th avenue and shall have a speed report and enforcement options drafted if there is an issue.
• Christmas and New Years was quiet this year. We had extra DUI patrol out on New Year’s, but no drunk drivers found. Good Year.
• We are working on approximately 7 basic applicants cueing up for next round. No academy till August time frame.
• Range project is moving- This week some big decisions should be made.
• Stats – compiling them for a nice presentation at next meeting.
• COVID Update – Looks like LEO vaccines won’t occur until February time frame.

**Borough Representative**
- None No Meeting

**City Clerk**
- Flexible Spending Account Problems TASC and Broker RISQ.
- Netted Savings with Hale and Associates by lowering certain building limits.
- City Telephone problem with Verizon and Alasconnect working as it should.
- Love Inc. has done a great job for us. They should be commended.

**ONGOING PROJECTS**
- Total Compensation Project Update by David Evertson
  - Lengthy Presentation (Listen to Audio)

**CITIZEN’S COMMENTS – (Limited to Five (5) minutes per Citizen)**
None

**RECONSIDERATION OF AMENDMENT ON TO INTRODUCE RESOLUTION 20-10 A RESOLUTION ESTABLISHING LOVE INC. AS THE CONTRACTED PROVIDER FOR DISTRIBUTION OF CARES ACT FUNDS AND ESTABLISH THE PARAMETERS FOR THE BUSINESS INTERRUPTION GRANT FOR THE BUSINESS AND NON-PROFIT ENTITIES. ALSO INCREASE THE FAMILY AND INDIVIDUAL GRANT FROM $10,000 TO A MAXIMUM OF $15,000 DOLLARS AND MOVE THE CONSIDERATION PERIOD FROM SEPTEMBER 30, 2020 TO NOVEMBER 30, 2020**
Mr. McGhee moved to Reconsider and Re-Introduce Resolution 20 – 10, A Resolution establishing Love Inc. as the contracted provider for distribution of CARES Act Funds and establish the parameters for the Business Interruption Grant for the Business and Non-Profit entities. Also increase the Family and Individual Grant from $10,000 to a maximum of $15,000 dollars and move the consideration period from September 30, 2020 to November 30, 2020.

Seconded by Mrs. Welch

Mr. McGhee move to Amend Resolution 20 – 10, A Resolution establishing Love Inc. as the contracted provider for distribution of CARES Act Funds and establish the parameters for the Business Interruption Grant for the Business and Non-Profit entities. Also increase the Family and Individual Grant from $10,000 to a maximum of $15,000 dollars and move the consideration period from September 30, 2020 to November 30, 2021.

Amend line 14: from December 30, 2020 to December 30, 2021
Amend line 26: from November 30, 2020 to November 30, 2021

Remove line 29 - 31:

WHEREAS, The City of North Pole desires to distribute the all remaining CARES Act funds to its Citizen’s via a stimulus check. Once all encumbered funds are determined the balance of the CARES Act funds will be distributed to each eligible citizen of North Pole equally.

Seconded by Mr. Walley

Discussion
None

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO AMEND RESOLUTION 20 – 10:

YES: 7 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mr. Walley, Mrs. Welch, Mr. Cromer, and Mayor Welch
NO: 2 –
ABSTAIN:
Mayor Welch declared the MOTION CARRIED

MOTION TO APPROVE AMENDED RESOLUTION 20-10 A RESOLUTION ESTABLISHING LOVE INC. AS THE CONTRACTED PROVIDER FOR DISTRIBUTION OF CARES ACT FUNDS AND ESTABLISH THE PARAMETERS FOR
THE BUSINESS INTERRUPTION GRANT FOR THE BUSINESS AND NON-PROFIT ENTITIES.

A ROLL CALL VOTE WAS TAKEN ON THE MOTION TO APPROVE RESOLUTION 20 – 10:

YES: 7 – Mr. McGhee, Mr. Skipps, Mr. Claus, Mr. Walley, Mrs. Welch, Mr. Cromer, and Mayor Welch
NO: 2 –
ABSTAIN:
Mayor Welch declared the MOTION CARRIED

Mr. McGhee moved to Go into Executive Session to discuss information that may disparage the reputation of an employee.

Seconded by Mrs. Welch

EXECUTIVE SESSION

Mayor Welch moved to Come out of Executive Session

Seconded by Mr. McGhee

Mr. McGhee move to Extend meeting until 10:30PM

Seconded by Mrs. Welch

Mr. McGhee move to Go into Executive Session to discuss information that may disparage the reputation of an employee.

Seconded by Mr. Walley

EXECUTIVE SESSION

Mr. McGhee move to Come out of Executive Session

Seconded by Mrs. Welch

Mr. McGhee moved to Adjourn

The regular meeting of Monday, January 4, 2020 adjourned at 10:28p.m.
ATTEST:

Aaron M. Rhoades, City Clerk
CITY OF NORTH POLE

RESOLUTION 21-01

A RESOLUTION ESTABLISHING THE CITY OF NORTH POLE LEGISLATIVE PRIORITIES FOR THE 32nd LEGISLATURE 2021 REGULAR SESSION

WHEREAS, the City of North Pole considers resolutions through the year to support legislative and policy actions of the State and other local governments; and

WHEREAS, the City of North Pole is concerned with Statewide and Federal issues that affect the City and its residents; and

WHEREAS, the following list is a list of issues that the City feels are important to residents of the City of North Pole, State of Alaska and Citizens of the United States;

#1 Priority, Adopt an Equitable and Sustainable cost for Public Employee Retirement System (PERS).

Cost: $374,000

The City of North Pole strongly urges the Alaska State Legislature to adopt an equitable and sustainable plan that will reduce by half the current twenty two percent (22%) contribution paid on behalf of our employee salaries and wages to the Alaska State mandated Public Employee Retirement System (PERS), to only an eleven percent (11%) contribution, leaving the remainder to be paid for by the State. Our current City of North Pole 2021 Budget of $6,549,000 appropriates more than $748,000 for PERS: this is more than 11% of our overall annual budget. With tax revenues at an all time high for our City of North Pole, as well as the FNSB, we can no longer tax our citizens to accept the current plan in the State of Alaska to take this unfunded pension liability and continue to push it off to the year 2039. The per capita share per citizen of this liability now exceeds $50,000 in 2021, and any plans to push that down the road to 2044 or increase the amount even higher are just as undesirable as to maintain the PERS at current status quo.

#2 Priority, North Pole Utility Sewer Main Extension.

Cost: $2,500,000

The City of North Pole’s North Pole Utility serves approximately 450 sewer utility customers within the city limits including the Petro Star Refinery, GVEA Power Plant and Marathon petroleum tank farm and numerous other commercial enterprises. Without the Utility’s wastewater treatment plant, the majority of the Utility’s customers have no other options for wastewater disposal, including the local industries.

The channel where the North Pole Utility discharges treated wastewater has lost surface water flow on two occasions—in 2012 and 2013. Lower than normal river flows have been observed since 2013. After the loss of surface river flow in 2013, the Alaska Department of Environmental Conservation issued the Utility a Notice of Violation (NOV). The reason for the NOV is without surface water flow, the treated wastewater does not immediately begin to mix with the Tanana River making the Utility in violation of its Alaska Pollutant Discharge Elimination System permit.
(APDES). The NOV requires the City to resolve the conditions that resulted in the issuance of a NOV.

To resolve the NOV, the Utility is planning to construct a new sewer discharge sewer main that is approximately 7,000 feet to a reliable channel of the Tanana River. The Utility had previously secured a State of Alaska legislative grant to finance a majority of the engineering and design costs. The engineering and design are completed along with the request to bid package making the project “shovel ready”. To help accelerate the construction of the sewer main, the Utility has begun to require necessary permitting that the construction contractor would typically acquire. Having the permits in advance of the project going to bid will accelerate construction. In January 2020 the Utility started a multi-year channel flow analysis to calculate the mixing zone required for the project.

One reason the cost of the sewer main extension is high is the location where it must be installed—in wetlands and a flood plain. The sewer main construction not only involves installation of a sewer pipe, but also an access road to provide access for maintenance. Having to work in wetlands increases the difficulty of the work increasing the construction costs. Adding to the cost construction is the climate in Interior Alaska and the length of the sewer main. Local temperatures can drop to as low as 60 degrees below zero. Subzero temperatures are common from November through March. Frozen ground can penetrate to ten feet deep. The ground does not typically completely thaw to depth until June. The Utility uses a passive treatment process—aerated lagoons that use naturally occurring bacteria to treat the sewage. After the water passes through the treatment process, its temperature is only slightly above freezing. Treated wastewater traveling though over a mile of buried pipe, even when the pipe is heavily insulated, can freeze. To prevent freezing, active freeze protection of the sewer main must also be included in the construction cost—a electric heat trace or heat exchangers to add heat to the treated wastewater.

Due to the climate in Interior Alaska, the construction season is short, typically May through September. The project can only be bid when the City has 100% of the necessary funding. For construction to begin in one summer construction season, bidding must not occur later than April so all funding must be in place at the time. Also, due to the short construction season, the project is expected to require two construction seasons. The earliest the project could go to construction is late summer 2021. Each year the project is delayed will result in increased costs due to construction cost inflation. Davis-Bacon wage requirements and the mandated use of US produced steel also add to increased cost for the project.

The initial construction cost estimate generated by Stantec Consulting for the Utility in 2015 for the project was $3.7 million. The Utility acquired a $500,000 SOA Legislative Award in 2014 to finance engineering and design costs. Subtracting the $500,000 already expended on the project, the estimated construction cost in 2015 was $3.2 million. Each year the project is not built, inflation pushes the construction cost higher. The North Pole Utility is requesting a Legislative Award of $2.5 million dollars for the project. The Utility is committed to contributing $500,000 of internal cash to the project. Typically, the Utility would apply for a Municipal Matching Grant to fund this
type of infrastructure project, but MMGs are not available at this time. The balance of the project
costs will be paid with an Alaska Clean Water Fund (ACWF) loan that the Utility has acquired.

Attached is a map of the project location.

#3 Priority, Combined Heat & Power Plant Serving the North Pole Area:

Cost: $4,000,000

Combined Heat & Power Plant Serving the North Pole Area

Introduction

This project envisions construction of a coal (and eventually biomass) gasification plant to
manufacture electricity and hot water for district heat. The project will economically address
several of the issues faced by the residents of the City of North Pole, while simultaneously
addressing some of Alaska’s energy problems and development of its precious resources. The
City of North Pole seeks $4 million in State funding to pay for integration of the Combined Heat
and Power (CHP) plant into the City’s infrastructure.

Benefits:

- Primarily, heat from this CHP plant will be used to heat the City of North Pole’s City
  Water expansion, serving 1400 residential customers connected to 51 miles of pipe.
- Build pipelines to deliver hot water to the public facilities such as local schools,
  municipal pool, library, fire and police departments, and City Hall. Private sector
  businesses may also decide to purchase district heat.
- The City of North Pole is within the “serious nonattainment area for PM2.5”.
  Consequently, PM2.5 and its precursors will be regulated under the nonattainment New
  Source Performance Standard. Thus, the CHP design includes technologies for
  compliance.
  - Once customers convert to district heat (at a price competitive to firewood) then
    there is real benefit for improving air quality.
- Except for the HMI gasifier, current commercial versions of each applicable technology
  were incorporated into the design. This allows for a reduction in cost, risk, schedule time
  to engineer and construct, and provides some degree of repeatability for emissions
  permitting in other jurisdictions.
- Innovation for rural communities.
  - The syngas generated from the gasifier can fuel most diesel engines with minor
    modifications. This technology can be integrated into the existing diesel
    generation infrastructure found in most villages.
  - There are more than 30 villages near known coal resources. Once local coal is
    utilized, more jobs will be created for the village. Alternatively, coal can be more
    safely barged into a community and stored than diesel fuel.

Economic Benefits of this project include:
• District heating: Hot water from this plant has been calculated for $12-$15/MMBtu, a substantial discount from the typical cost of heating fuel, which averages around $17-$19/MMBtu.

• Providing GVEA with another generating asset on their system, with the levelized cost of electricity that is competitive with “economy power” purchased and delivered from Anchorage utilities.

Background
This project is estimated to have a Bare Erected Cost of $85 million and a Total Plant Cost of $113.5 million. It is anticipated DOE will pay 80% of the total project cost ($90.8 million), and 20% cost share ($22.7 million) will be required. The City of North Pole seeks $4 million in State funding to pay for integration of the CHP plant into the City’s infrastructure, including placement of pipelines to deliver hot water to the public facilities benefitting from this plant.

To date, approximately $2 million has been spent on the design, funded through a Cooperative Agreement (DE-FE0031446) with the U.S. Dept. of Energy. The initial design was completed in March 2019, and is currently being revised to reflect a new site in the City of North Pole. The core of the combined heat and power plant gasifies coal for generating a clean syngas and pyrolysis liquids (oils and tars) for firing in reciprocating engines to produce electricity for sale to GVEA, and to produce 180°F hot water for district heating applications, including heating the City’s water distribution network.

In addition to demonstrating the technical and economic viability of small-scale gasification technology, another aim is to highly automate the components, so the engines and gasifier can seamlessly operate together. After the technology is successfully demonstrated, then the attention turns toward modularizing the gasifier island along the same lines as the already modularized reciprocating engines. This will enable centralized manufacturing and affordable shipping throughout the world (as opposed to on-site construction). In so doing, manufacturing costs can be lowered so that syngas/engine modular systems can become competitive with similarly sized power generating plants operating with conventional technology, and can be incorporated into the existing reciprocating engine infrastructure, wherever it may exist.

Conclusion
The syngas/engine plant will have several economic benefits:

• A review of heating costs shows the City of North Pole and the FNSB will collectively spend about $415,000 annually to heat to its facilities after the Moose Creek expansion. A $4 million investment in this project will be paid back in approximately nine (9) years; the city’s population will more than double during that time.

• Affordable district heat will attract additional businesses and services for a growing community.

• Once the syngas/engine combination is demonstrated for village use, the gasifier component can be manufactured in the City of North Pole for village installation.
• The CHP plant is highly automated and requires only eight full time equivalents to operate it; auxiliary employment may include additional coal mining and coal transportation jobs.

This project has the best possibility of being successful if conducted in the City of North Pole. This area is vital and committed to the community support and mission needs of the U.S. Army Garrison at Fort Wainwright and the U.S. Air Force at Eielson AFB. It has experience to manage and direct utilities to benefit thousands of citizens beyond its borders. As North Pole grows in the upcoming years with the influx of F-35’s at the 354th Fighter Wing, this project will demonstrate the scalability to fit the needs of various sized communities across our State, as well as the benefits of having a workforce capable of manufacturing custom made gasifiers to meet their needs. The support of the Alaska State Legislature is critical at this juncture of the project to demonstrate to the U.S. Department of Energy to select this endeavor as one that merits its approval over the competition.

For more information, please contact:

Brent J Sheets  
Director, Petroleum Development Lab  
Institute of Northern Engineering  
907-750-0650  
bjsheets2@alaska.edu

#4 Priority, Interior Training Facility (ITF) to assist interior state, federal and local law enforcement, fire, and other Public Safety organizations with a training facility for to conduct emergency vehicle driver and firearms training.:  

Cost: $13,775,000

Interior Training Facility (ITF) – Legislative Funding Priority for NPPD

In 2019 the Alaska Legislature earmarked $225,000 to facilitate the design/site selection phase for the ITF to assist interior state, federal and local law enforcement, fire, and other Public Safety organizations with a training desperately needed facility. This facility will be used to conduct emergency vehicle driver and firearms training necessary to fulfill the critical public mission we have been given.

We have a united group from the Alaska State Troopers, Airport Police and Fire, University Police, North Pole Police, Fairbanks Police, and the Department of Fish and Game, and the Alaska Police Officers Association, just to name a few, all involved in this project.

The Governor’s Office, the Borough Mayor, City of Fairbanks, and North Pole Mayors all support this project. The borough and both city governments have passed resolutions supporting this project and have made it the. The one and only law enforcement qualification range was closed and there is no facility to do emergency vehicle operations, this funding is critical.
I am requesting that the City of North Pole place this item as our #1 legislative priority to start funding land acquisition and site preparation. With estimated cost projections, depending on land selection, between $9 and $14 million dollars it is critical we start seeking funds now. This facility will be a multiuse, multidiscipline facility and is now critical that it be started without delay.

Please feel free to reach out to me if you have any questions.

Chief Steve Dutra
sdutra@northpolealaska.org

NOW THEREFORE BE IT RESOLVED, that the North Pole City Council requests the 31st legislature to consider timely and appropriate action on the issues mentioned.

PASSED AND APPROVED by a duly constituted quorum of the North Pole City Council this 19th day of January, 2021

____________________________________
Michael W. Welch, Mayor

ATTEST:

Aaron M. Rhoades, North Pole City Clerk

PASSED
Yes:
No:
Absent:
CITY OF NORTH POLE
WASTEWATER TREATMENT PLANT REHABILITATION
EFFLUENT DISCHARGE
PERMIT SET - NOT FOR CONSTRUCTION

CONSTRUCT EFFLUENT DISCHARGE

CONSTRUCT POWER & FIBER OPTIC CABLE, SEE ELECTRICAL

EXISTING EFFLUENT DISCHARGE

CONSTRUCT ADD HEAT SYSTEM, SEE MECHANICAL AND ELECTRICAL

SHEET C3.0
SHEET C3.1
SHEET C3.2
Memo

To: North Pole City Council
From: Bill Butler
Date: January 12, 2021
Subject: Approval of professional services agreement with Shannon & Wilson

Recommendation
Approve professional services agreement with Shannon & Wilson for $44,612 to conduct next phase of PFAS site characterization associated with the Fire Department campus.

Background
In March 2020, the City approved Shannon & Wilson conducting an initial site assessment of PFAS contamination in the vicinity of the Fire Department campus. The results of this site assessment was shared with ADEC Contaminated Sites for review and comment. ADEC proposed additional site assessment they would like to see conducted to determine the extent of PFAS groundwater contamination. Zane Wilson, the City Attorney, asked Shannon & Wilson to submit a proposal to respond to the state’s request. In fall 2020, Shannon & Wilson presented a work plan to Wilson. Wilson recommended alternative sampling sites using the extent of the sulfolane plum as a guide to these alternative sampling locations. In late winter, Shannon & Wilson presented a modified work plan based upon Wilson’s input. From this second meeting, the authorized sampling locations were identified. Wilson asked Shannon & Wilson to incorporate the sampling locations into a professional services agreement that included a sampling plan and sampling interpretation. This plan is attached.

The work product from the professional services agreement will assist Wilson to represent the City’s interests.
Summary of City PFAS Ordinances

On February 3, 2020, the City Council approved Ordinance 20-01 that amended the Sewer Use Ordinance adding PFAS to the local limits—a combined maximum level of 70 parts per trillion (ppt) for 12 PFAS compounds. The effective date for dischargers to meet this local limit was July 1, 2020. Several of the local industrial dischargers approached the City and the City Attorney requesting that the implementation date be extended. On May 2, 2020, the City Council approved Ordinance 20-09 that extended the compliance date with the PFAS local limits to February 1, 2021.

In late 2020, several of the industrial discharges reached out to the mayor, Council, City Attorney Zane Wilson and Bill Butler to seek a modification of the local limits and/or an extension of the compliance date. They expressed concern with the 70 ppt local limit, the compounds used to calculate the local limit and the compliance date. Wilson initiated the effort for the City to implement an ordinance to reduce the discharge of PFAS compounds to the sewer treatment works. The intention was to help reduce the City’s legal exposure, arising from allegations made against the City by Williams that the City believes are inaccurate, should it discharge PFAS compounds in its wastewater effluent. Sampling from October 2019 detected almost 60 ppt of PFAS compounds in the City’s sewer effluent. The more distressing sampling results were in stockpiled sewer sludge where the levels of PFAS compounds approached 900 ppt. The sewer sludge sampling is evidence that PFAS compounds accumulate in our sewer sludge. Disposing of sewer sludge with PFAS compounds at these levels has the potential to be a high expense for the Utility. I initially proposed a Sewer Capital Project of $500,000 be included in the 2021 budget to address our PFAS-contaminated sewer sludge stockpile. Disposing of the accumulated sludge does not begin to address the PFAS in the remaining sewer sludge in the four sewer lagoons. The PFAS ordinance was an effort to mitigate the continued accumulation of PFAS in the sewer sludge.

On October 16, 2020, Marathon made a formal request to implement a pilot test for an approach to remove PFAS compounds from their industrial discharge. Flint Hills Resources was assisting Marathon in their effort to develop a treatment method. On October 21 based upon no objection from ADEC and an assessment of the City’s wastewater consultant that the proposed pilot test was reasonable, the City approved Marathon’s request to modify its industrial wastewater treatment process. The major change to Marathon’s treatment process was to substitute a granulated activated carbon (GAC) filter medium to the last of the four filters in their treatment process. On December 9, Marathon presented the results of their pilot test to the City. The pilot test was successful in removing almost all of the 12 PFAS compounds regulated by the City’s sewer use ordinance; however, the process will require further analysis. After running the industrial wastewater through filtration, they returned it to the storage tank. When the treated water in the storage tank was retested for PFAS compounds, it exceeded the City’s PFAS local limit.
limits. This suggested that something in the storage tank is adding PFAS back to the treated wastewater. This caused me concern because it suggested a parallel to the City’s wastewater sludge may also release accumulated PFAS compounds into the wastewater that is then discharged in the sewer effluent. Determining what is occurring in accumulated sewer sludge in the treatment lagoons would likely be an expense and highly technical endeavor—a further reason the City needs to consider related to the acceptance of PFAS in its sewer influent.

At the conclusion of the Marathon’s presentation on December 9 and their presentation to the City Council on January 4, 2021, they requested the Council to consider extending the implementation date of the PFAS local limits, or to modify the local limits, or to provide them with a waiver from meeting the local limits until they complete their pilot testing. There is no language in the Sewer Use Ordinance that allows waiving the local limits. ADEC’s position in its oversight of the City’s sewer discharge permit, especially as it relates to industrial dischargers, is that the City can only do what is explicitly authorized by the ordinance—if it doesn’t say you can do it, you can’t do it. In discussion with Wilson I recommended that the City use the authority in the Sewer Use Ordinance to issue a Administrative Enforcement Remedies, particularly Notice of Violation, to dischargers that violate the local limits and require them to provide a plan for coming into compliance. This would not immediately result in any fines or penalties. This is the same approach that the ADEC is using with the City to resolve the City’s violation of our sewer discharge permit related to our sewer outfall. As long as the City has an approved plan and is proceeding with a good-faith effort to resolve the violation, the ADEC is not enacting any “heavy-handed” penalties, fines, Consent by Decree, etc. for the City to resolve the problem. Wilson agreed that this is a reasonable approach because it requires violators of the Sewer Use Ordinance to have an approved plan to resolve the violation and if they continue to fulfill the plan in good faith, there would be no further penalties. Should the discharger not proceed in good faith or they do not resolve the problem, more stringent penalties would then apply.

Below are helpful resources related to this summary.

- Ordinance 20-01 An Ordinance of the City of North Pole, Alaska to Amend Title 13, Public Services, Chapter 13 Sewer Service to add Local Limits for Per- and Polyfluoroalkyl Substances (PFAS)
- Ordinance 20-09 (title)
- Pollen Environmental PFAS sampling data for Wastewater Treatment Plant; Sewer Effluent; Industrial Dischargers; and Sewer Sludge Stockpile
- Sewer Use Ordinance, Administrative Enforcement Remedies
CITY OF NORTH POLE
ORDINANCE NO. 20-01

AN ORDINANCE OF THE CITY OF NORTH POLE, ALASKA TO AMEND TITLE 13, PUBLIC SERVICES, CHAPTER 13-20 SEWER SERVICE TO ADD LOCAL LIMITS FOR PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS)

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

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

WHEREAS, the Environmental Protection Agency (EPA) has not yet established maximum contaminant levels (MCLs) for PFAS; however, in 2009 the EPA published Provisional Health Advisory Levels (PHA) of 0.4 µg/L perfluorooctanoic acid (PFOA) and 0.2 µg/L perfluorooctane sulfonate (PFOS), and recommended people not drink water containing higher levels of these compounds; and

WHEREAS, in 2012, EPA published the third Unregulated Contaminant Monitoring Rule (UCMR3) under the Safe Drinking Water Act (SDWA). The rule required a subset of public drinking water systems to monitor for thirty unregulated contaminants including six PEAS compounds [PFOS, PFOA, perfluorohexane sulfonate (PFHxS), perfluorononanoic acid (PFNA), perfluorohexanoic acid (PFHpA) and perfluorobutane sulfonate (PFBS)] between 2013 and 2015. PEAS have since been found in many public and private water supplies across the country; and

WHEREAS, in 2016, EPA published lifetime health advisories (LHAs) under the SDWA for two PFAS compounds, specifically PFOS and PFOA. These LHAs were created to assist state and local officials and drinking water system operators, in evaluating risks from these contaminants in drinking water, so they can take appropriate action to protect residents. The EPA recommends people not drink water containing a total concentration of PFOS+PFOA above 0.07 µg/L (70 parts per trillion); and

WHEREAS, in 2016, the Alaska Department of Environmental Conservation (ADEC) incorporated the published EPA LHA reference dose (RfD) into its determination of risk-based groundwater cleanup levels at contaminated sites for two of the UCMR3 compounds – PFOS and PFOA; and
WHEREAS, in June 2018, the Agency for Toxic Substances and Disease Registry (ATSDR) issued a draft Toxicological Profile for Perfluoroalkyls for public review and comment. The document provides a compilation of information from available studies on the toxicologic properties and adverse health effects associated with PFAS compounds and identifies numerous on-going studies; and

WHEREAS, the City has an Alaska Pollutant Discharge Elimination System Permit that regulates the Utility’s discharge of treated wastewater to the Tanana River; and

WHEREAS, PFAS compounds have been found to accumulate in the bodies of vertebrates, including people, the Alaska Department of Health and Social Services issued an advisory in February 2019 that stated:

...given the levels of PFAS found in the three fish tested from Kimberly Lake (North Pole) and the fish consumption advice issued by other states, restrictions on consumption of fish from Kimberly Lake are warranted until more data are available. Therefore, out of an abundance of caution, the State of Alaska advises the following until further notice:

• Do not consume fish from Kimberly Lake
• Do not consume lake water from Kimberly Lake
• Do not provide water from Kimberly Lake to your pets.¹

WHEREAS, the City wishes to be proactive to protect the Tanana River as a recreational and natural resource, the City is committed to preventing its publicly operated treatment works (PTOW) from being a pass-through for PFAS compounds to the Tanana River, it wishes to add PFAS compounds to its Local Limits.

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

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

Section 2. Title 13 is amended in the North Pole Code of Ordinances as follows:

13.20.010 General provisions.

C. Abbreviations. The following abbreviations, when used in this chapter, shall have the designated meanings:

AAC Alaska Administrative Code
ADEC Alaska Department of Environmental Conservation

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¹ Alaska Department of Health and Social Services, *Perfluoroalkyl Substances Found in Fish from Kimberly Lake* Updated February 27 2019.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>APDES</td>
<td>Alaska Pollutant Discharge Elimination System</td>
</tr>
<tr>
<td>ASPP</td>
<td>Accidental spill prevention plan</td>
</tr>
<tr>
<td>BOD</td>
<td>Biochemical oxygen demand</td>
</tr>
<tr>
<td>BMP</td>
<td>Best management practice</td>
</tr>
<tr>
<td>BMR</td>
<td>Baseline monitoring report</td>
</tr>
<tr>
<td>CFR</td>
<td>Code of Federal Regulations</td>
</tr>
<tr>
<td>CIU</td>
<td>Categorical industrial user</td>
</tr>
<tr>
<td>COD</td>
<td>Chemical oxygen demand</td>
</tr>
<tr>
<td>EPA</td>
<td>U.S. Environmental Protection Agency</td>
</tr>
<tr>
<td>gpd</td>
<td>gallons per day</td>
</tr>
<tr>
<td>HSS</td>
<td>High strength surcharge</td>
</tr>
<tr>
<td>IU</td>
<td>Industrial user</td>
</tr>
<tr>
<td>l</td>
<td>Liter</td>
</tr>
<tr>
<td>mg</td>
<td>milligrams</td>
</tr>
<tr>
<td>mg/l</td>
<td>milligrams per liter</td>
</tr>
<tr>
<td>NPDES</td>
<td>National Pollutant Discharge Elimination System</td>
</tr>
<tr>
<td>NSCIU</td>
<td>Nonsignificant categorical industrial user</td>
</tr>
<tr>
<td>O&amp;M</td>
<td>Operations and maintenance</td>
</tr>
<tr>
<td>PFAS</td>
<td>Per- and Polyfluoroalkyl Substances</td>
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<tr>
<td>POTW</td>
<td>Publicly owned treatment works</td>
</tr>
<tr>
<td>RCRA</td>
<td>Resource Conservation and Recovery Act</td>
</tr>
<tr>
<td>SIU</td>
<td>Significant industrial user</td>
</tr>
<tr>
<td>SNC</td>
<td>Significant noncompliance</td>
</tr>
<tr>
<td>SWDA</td>
<td>Solid Waste Disposal Act</td>
</tr>
<tr>
<td>TSS</td>
<td>Total suspended solids</td>
</tr>
<tr>
<td>UPC</td>
<td>Uniform Plumbing Code</td>
</tr>
<tr>
<td>USC</td>
<td>United States Code</td>
</tr>
</tbody>
</table>

D. Definitions. For the purposes of this chapter the following terms shall be defined to mean:

40. "PFAS" per- and polyfluoroalkyl substances are a subgroup, the fluorosurfactants or fluorinated surfactants, have a fluorinated “tail” and a hydrophilic “head” and are thus surfactants. They are more effective at lowering the surface tension of water than comparable hydrocarbon surfactants. They include the perfluorosulfonic acids such as the perfluorooctanesulfonic acid (PFOS) and the perfluorocarboxylic acids such as the perfluorooctanoic acid (PFOA). PFOS and PFOA are persistent organic pollutants and are detected in humans and wildlife.

41. "pH" means a measure of the acidity or alkalinity of a solution, expressed in standard units.
42. "Pollutant" means dredged spoil, solid waste, incinerator residue, filter backwash, sewage, garbage, sewage sludge, munitions, medical wastes, chemical wastes, biological materials, radioactive materials, heat, wrecked or discarded equipment, rock, sand, cellar dirt, municipal, agricultural and industrial wastes, and certain characteristics of wastewater (e.g., pH, temperature, TSS, turbidity, color, BOD, COD, toxicity, or odor).

43. "Pretreatment" means the reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to, or in lieu of, introducing such pollutants into the POTW. This reduction or alteration can be obtained by physical, chemical, or biological processes; by process changes; or by other means, except by diluting the concentration of the pollutants unless allowed by an applicable pretreatment standard.

44. "Pretreatment requirements" means any substantive or procedural requirement related to pretreatment imposed on a user, other than a pretreatment standard.

45. "Pretreatment standards" or "standards" shall mean prohibited discharge standards, categorical pretreatment standards, and local limits.

46. "Prohibited discharge standards" or "prohibited discharges" means absolute prohibitions against the discharge of certain substances; these prohibitions appear in NPMC 13.20.020.

47. "Properly shredded garbage" means the wastes from the preparation, cooking and dispensing of food that have been shredded into such degree that all particles will be carried freely under the flow conditions normally prevailing in public sewers, with no particle greater than one half inch in any dimension.

48. "Public sewer" means a common sewer controlled by a governmental agency or public utility.

49. "Publicly owned treatment works" or "POTW" means a treatment works, as defined by Section 212 of the Act (33 USC Section 1292), which is owned by the City. This definition includes any devices or systems used in the collection, storage, treatment, recycling, and reclamation of sewage or industrial wastes of a liquid nature and any conveyances, which convey wastewater to a treatment plant.

50. "Receiving waters" means those waters into which wastes are discharged.

51. "Residential or domestic user" means a dwelling unit or person which discharges wastewater to the sewers that closely matches domestic sewage as to its volume and strength.
52. "Sanitary interceptor sewer" means a sewer which receives the flow from a number of collector sewers (lateral and trunk sewers) and transports it to a treatment plant and other points of disposal.

53. "Sanitary lateral sewer" means a sanitary sewer of eight-inch diameter which may be from time to time required to extend a sanitary trunk sewer system into a general area for service.

54. "Sanitary trunk sewer" means a sanitary sewer maintained by or proposed for installation by the City of an internal diameter larger than eight inches.

55. "Septic tank waste" or "septage" means any sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks.

56. "Service connection" means the pipe and appurtenances required to connect an individual property or facility to the sanitary lateral sewer.

57. "Service line" means the pipe and appurtenances from the lateral sanitary sewer connection and into the private property.

58. "Sewage" means human excrement and gray water (household showers, dishwashing operations, etc.).

59. "Sewer" means a pipe or conduit that carries wastewater.

60. "Sewer collection system" means the sewer and appurtenances required to collect and carry away wastewater from the service connection.

61. Significant Industrial User (SIU). Except as provided in subsections (D)(60)(c) and (d) of this definition, a significant industrial user is:
   a. An industrial user subject to categorical pretreatment standards; or
   b. An industrial user that:
      i. Discharges a monthly average of twenty-five thousand gpd or more of process wastewater to the POTW (excluding sanitary, noncontact cooling and boiler blowdown wastewater);
      ii. Contributes a process wastestream which makes up five percent or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant; or
      iii. Is designated as such by the City on the basis that it has a reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement.
c. The City may determine that an industrial user subject to categorical pretreatment standards is a nonsignificant categorical industrial user rather than a significant industrial user on a finding that the industrial user never discharges more than one hundred gallons per day (gpd) of total categorical wastewater (excluding sanitary, noncontact cooling and boiler blowdown wastewater, unless specifically included in the pretreatment standard) and the following conditions are met:

i. The industrial user, prior to City’s finding, has consistently complied with all applicable categorical pretreatment standards and requirements;

ii. The industrial user annually submits the certification statement required in Section J.14 B (see 40 CFR 403.12(q)), together with any additional information necessary to support the certification statement; and

iii. The industrial user never discharges any untreated concentrated wastewater.

d. Upon a finding that a user meeting the criteria in subsection (D)(60)(b) of this section has no reasonable potential for adversely affecting the POTW’s operation or for violating any pretreatment standard or requirement, the City may at any time, on its own initiative or in response to a petition received from an industrial user, and in accordance with procedures in 40 CFR 403.8(f)(6), determine that such user should not be considered a significant industrial user.

62. “Slug load” or “slug discharge” means any discharge at a flow rate or concentration that could cause a violation of the prohibited discharge standards in NPMC 13.20.020(B) and (C). A slug discharge is any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch discharge, which has a reasonable potential to cause interference or pass through, or in any other way violate the POTW’s regulations, local limits or permit conditions.

63. “State” means the State of Alaska.

64. “Storm water” means any flow occurring during or following any form of natural precipitation, and resulting from such precipitation, including snowmelt.

65. “Total suspended solids” or “suspended solids” means the total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquid, and that is removable by laboratory filtering.

66. “Toxic pollutants” means those pollutants or combination of pollutants listed as toxic in regulations promulgated by the administrator of the Environmental Protection Agency under Section 307 of the Clean Water Act.
67. “Upset” means an exceptional incident in which an industrial user unintentionally and temporarily is in a state of noncompliance with the discharge limitations set forth hereto due to factors beyond the reasonable control of the industrial user, and excluding noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventive maintenance, or careless or improper operation thereof.

68. “User” or “industrial user” means a source of indirect discharge.

69. “Wastewater” means liquid and water carried industrial wastes and sewage from residential dwellings, commercial buildings, industrial and manufacturing facilities, and institutions, whether treated or untreated, which are contributed to the POTW.

70. “Wastewater treatment plant” or “treatment plant” means that portion of the POTW that is designed to provide treatment of municipal sewage and industrial waste. (Ord. 12-15 § 2, 2012; Ord. 00-16 § 2, 2000; Ord. 88-1 § 2, 1988; Ord. 87-12 § 3, 1987)

13.20.020 Policies and conditions of service.

F. Local Limits.

1. The City is authorized to establish local limits pursuant to 40 CFR 403.5(c).

2. The following pollutant limits are established to protect against pass through and interference. No person shall discharge wastewater containing in excess of the following daily maximum concentration limits:

<table>
<thead>
<tr>
<th>Parameter</th>
<th>mg/l</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arsenic</td>
<td>0.100</td>
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<tr>
<td>BOD</td>
<td>250</td>
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<tr>
<td>Cadmium</td>
<td>0.0345</td>
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<tr>
<td>Chromium</td>
<td>0.165</td>
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<tr>
<td>COD</td>
<td>500</td>
</tr>
<tr>
<td>Copper</td>
<td>0.159</td>
</tr>
<tr>
<td>Cyanide</td>
<td>0.9</td>
</tr>
<tr>
<td>Lead</td>
<td>0.034</td>
</tr>
<tr>
<td>Mercury</td>
<td>0.004</td>
</tr>
<tr>
<td>Molybdenum</td>
<td>0.015</td>
</tr>
<tr>
<td>Nickel</td>
<td>3.72</td>
</tr>
<tr>
<td>Parameter</td>
<td>mg/l</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>Oil and/or grease (total)</td>
<td>100</td>
</tr>
<tr>
<td>Oil and/or grease (total petroleum hydrocarbons)</td>
<td>25</td>
</tr>
<tr>
<td>Per- and Polyfluoroalkyl Substances (PFAS)°</td>
<td>0.00007</td>
</tr>
<tr>
<td>Selenium</td>
<td>0.043</td>
</tr>
<tr>
<td>Silver</td>
<td>0.13</td>
</tr>
<tr>
<td>Sulfolane</td>
<td>50</td>
</tr>
<tr>
<td>Zinc</td>
<td>0.285</td>
</tr>
</tbody>
</table>

The above limits apply at the point where the wastewater is discharged to the POTW. All concentrations for metallic substances are for total metal unless indicated otherwise. The City may impose mass limitations in addition to or in lieu of the concentration-based limitations above.

3. The City may develop best management practices (BMPs), by ordinance or in individual wastewater discharge permits, to implement local limits and the requirements of subsections (B) and (C) of this section.

4. The City reserves the right to establish, by ordinance or in individual wastewater discharge permits, more stringent standards or requirements on discharges to the POTW consistent with the purpose of this chapter.

5. No user shall ever increase the use of process water, or in any way attempt to dilute a discharge, as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable pretreatment standard or requirement. The City may impose mass limitations on users who are using dilution to meet applicable pretreatment standards or requirements, or in other cases when the imposition of mass limitations is appropriate.

6. Where one or more of the 12 PFAS compounds listed below are detected in a wastewater sample analytical result, the sum of the concentrations for all detected compounds shall not exceed the local limit of 0.00007 mg/l (70 nanograms/liter).

- Perfluorobutanesulfonic acid (PFBS)
- Perfluorodecanoic acid (PFDA)
- Perfluoroheptanoic acid (PFHpA)
- Perfluorohexanesulfonic acid (PFHxS)
- Perfluorohexanoic acid (PFHxA)
- Perfluorododecanoic acid (PFDoA)
- Perfluorotetradecanoic acid (PFTeDA)
- Perfluorononanoic acid (PFNA)
- Perfluorooctanesulfonic acid (PFOS)
- Perfluorooctanoic acid (PFOA)
- Perfluorotridecanoic acid (PFTrDA)
Perfluoroundecanoic acid (PFUnA)

Section 3. Effective date. This ordinance shall become effective July 1, 2020.

PASSED by a duly constituted quorum of the North Pole City Council this 3rd day of February, 2020.

Michael W. Welch, Mayor

Tricia Fogarty, Acting City Clerk
CITY OF NORTH POLE
ORDINANCE NO. 20-09

AN ORDINANCE AMENDING THE EFFECTIVE DATE OF ORDINANCE 20-01

WHEREAS, the City of North Pole passed Ordinance 20-01 on February 3, 2020; and

WHEREAS, the City of North Pole wishes to amend the effective date of Ordinance 20-01 to allow sufficient time for industry to meet the requirements of Ordinance 20-01.

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

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

Section 2. Amendment to Effective date. Ordinance 20-01 is amended to become effective February 1, 2021.

Section 3. Effective date. This ordinance shall become effective upon passage.

PASSED by a duly constituted quorum of the North Pole City Council this 18th day of May, 2020.

ATTEST: Michael W. Welch, Mayor

Kim Kiehl, City Clerk

PASSED
Yes: 6 Mr. McGhee, Mrs. Welch, Mr. Claus, Mr. Skipps, Mr. Cromer, Mayor Welch
No: 0
Absent: Mr. Walley
<table>
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<tr>
<th>Date</th>
<th>Sample Location</th>
<th>Effluent</th>
<th>Influent</th>
<th>X-1</th>
<th>Effluent</th>
<th>Dup.</th>
<th>Blank</th>
<th>Cell 1</th>
<th>Influent</th>
<th>X-1</th>
<th>X-2</th>
<th>X-J</th>
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<td>22.0</td>
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<td>&lt;0.46</td>
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<td>&lt;5.0</td>
<td>&lt;5.0</td>
<td>&lt;0.43</td>
<td>110.0</td>
<td>36.0</td>
<td>110.0</td>
<td>36.0</td>
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</table>

**Compound:**
- Perfluorobutanesulfonic acid (PFBS)
- Perfluorodecanoic acid (PFDA)
- Perfluorohexanoic acid (PFHxS)
- Perfluorooctanoic acid (PFOA)
- Perfluoroundecanoic acid (PFUnA)
- Perfluorobutanesulfonic acid (PFBS)
- Perfluorodecanoic acid (PFDA)
- Perfluorohexanoic acid (PFHxS)
- Perfluorooctanoic acid (PFOA)
- Perfluoroundecanoic acid (PFUnA)

**Reported by:** Jerry Pollen, President
**Pollen Environmental, LLC**
3536 International Street
Fairbanks, Alaska 99701

**Date:** 8/27/2019

**North Pole Wastewater Treatment Facility PFC's Monitoring**
**Samples Analyzed by Eurofins Eaton Analytical**

**Analyzed by Method EPA537**
**All Results are reported in Parts Per Trillion (ng/L)**
**Results from October 2018 - Present**
**AAPDES Permit # AK-002139-3**
Sewer Use Ordinance Enforcement Language

13.20.020 Policies and conditions of service.
O. Administrative Enforcement Remedies.

1. Notification of Violation. When the City finds that a user has violated, or continues to violate, any provision of this chapter, an individual wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, the City may serve upon that user a written notice of violation. Within fifteen days of the receipt of such notice, an explanation of the violation, and a plan for the satisfactory correction and prevention thereof, to include specific required actions, shall be submitted by the user to the City. Submission of such a plan in no way relieves the user of liability for any violations occurring before or after receipt of the notice of violation. Nothing in this section shall limit the authority of the City to take any action, including emergency actions or any other enforcement action, without first issuing a notice of violation.

2. Consent Orders. The City may enter into consent orders, assurances of compliance, or other similar documents establishing an agreement with any user responsible for noncompliance. Such documents shall include specific action to be taken by the user to correct the noncompliance within a time period specified by the document. Such documents shall have the same force and effect as the administrative orders issued pursuant to subsections (O)(4) and (5) of this section and shall be judicially enforceable.

3. Show Cause Hearing. The City may order a user which has violated, or continues to violate, any provision of this chapter, an individual wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, to appear before the City and show cause why the proposed enforcement action should not be taken. Notice shall be served on the user specifying the time and place for the meeting, the proposed enforcement action, the reasons for such action, and a request that the user show cause why the proposed enforcement action should not be taken. The notice of the meeting shall be served personally or by registered or certified mail (return receipt requested) at least twenty days prior to the hearing. Such notice may be served on any authorized representative of the user as defined in NPMC 13.20.010(D)(5) and required by subsection (I)(6)(a) of this section. A show cause hearing shall not be a bar against, or prerequisite for, taking any other action against the user.

4. Compliance Orders. When the City finds that a user has violated, or continues to violate, any provision of this chapter, an individual wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, the City may issue an order to the user responsible for the discharge directing that the user come into compliance within a specified time. If the user does not come into compliance within the time
provided, sewer service may be discontinued unless adequate treatment facilities, devices, or other related appurtenances are installed and properly operated. Compliance orders also may contain other requirements to address the noncompliance, including additional self monitoring and management practices designed to minimize the amount of pollutants discharged to the sewer. A compliance order may not extend the deadline for compliance established for a pretreatment standard or requirement, nor does a compliance order relieve the user of liability for any violation, including any continuing violation. Issuance of a compliance order shall not be a bar against, or a prerequisite for, taking any other action against the user.

5. Cease and Desist Orders. When the City finds that a user has violated, or continues to violate, any provision of this chapter, an individual wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, or that the user’s past violations are likely to recur, the City may issue an order to the user directing it to cease and desist all such violations and directing the user to:
   a. Immediately comply with all requirements; and
   b. Take such appropriate remedial or preventive action as may be needed to properly address a continuing or threatened violation, including halting operations and/or terminating the discharge. Issuance of a cease and desist order shall not be a bar against, or a prerequisite for, taking any other action against the user.

6. Administrative Fines.
   a. When the City finds that a user has violated, or continues to violate, any provision of this chapter, an individual wastewater discharge permit, or order issued hereunder, or any other pretreatment standard or requirement, the City may fine such user in an amount not to exceed $1,000 (one thousand dollars). Such fines shall be assessed on a per-violation, per-day basis. In the case of monthly or other long-term average discharge limits, fines shall be assessed for each day during the period of violation.
   b. Unpaid charges, fines, and penalties shall, after thirty calendar days, be assessed an additional penalty of ten percent of the unpaid balance, and interest shall accrue thereafter at a rate of ten and one-half percent per month. A lien against the user’s property shall be sought for unpaid charges, fines, and penalties.
   c. Users desiring to dispute such fines must file a written request for the City to reconsider the fine along with full payment of the fine amount within twenty days of being notified of the fine. Where a request has merit, the City may convene a hearing on the matter. In the event the user’s appeal is successful, the payment, together with any interest accruing thereto, shall be returned to the user. The City may add the costs of preparing administrative enforcement actions such as notices and orders, and any additional legal expenses, to the fine.
d. Issuance of an administrative fine shall not be a bar against, or a prerequisite for, taking any other action against the user.

7. Emergency Suspensions. The City may immediately suspend a user’s discharge, after informal notice to the user, whenever such suspension is necessary to stop an actual or threatened discharge, which reasonably appears to present or cause an imminent or substantial endangerment to the health or welfare of persons. The City may also immediately suspend a user’s discharge, after notice and opportunity to respond, that threatens to interfere with the operation of the POTW, or which presents, or may present, an endangerment to the environment.
   a. Any user notified of a suspension of its discharge shall immediately stop or eliminate its contribution. In the event of a user’s failure to immediately comply voluntarily with the suspension order, the City may take such steps as deemed necessary, including immediate severance of the sewer connection, to prevent or minimize damage to the POTW, its receiving stream, or endangerment to any individuals. The City may allow the user to recommence its discharge when the user has demonstrated to the satisfaction of the City that the period of endangerment has passed, unless the termination proceedings in subsection (N)(8) of this section are initiated against the user.
   b. A user that is responsible, in whole or in part, for any discharge presenting imminent endangerment shall submit a detailed written statement, describing the causes of the harmful contribution and the measures taken to prevent any future occurrence, to the City prior to the date of any show cause or termination hearing under subsection (O)(3) or (8) of this section.

Nothing in this section shall be interpreted as requiring a hearing prior to any emergency suspension under this section.

8. Termination of Discharge. In addition to the provisions in subsection (J)(6) of this section, any user who violates the following conditions is subject to discharge termination:
   a. Violation of individual wastewater discharge permit conditions;
   b. Failure to accurately report the wastewater constituents and characteristics of its discharge;
   c. Failure to report significant changes in operations or wastewater volume, constituents, and characteristics prior to discharge;
   d. Refusal of reasonable access to the user’s premises for the purpose of inspection, monitoring, or sampling; or
   e. Violation of the pretreatment standards in this section.

Such user will be notified of the proposed termination of its discharge and be offered an opportunity to show cause under subsection (O)(3) of this section why the proposed action
should not be taken. Exercise of this option by the City shall not be a bar to, or a prerequisite for, taking any other action against the user.
January 7, 2021

City of North Pole Fire Department  
110 Lewis Street  
North Pole, Alaska 99705

RE: PROPOSED SCOPE OF SERVICES, SITE ASSESSMENT, SECOND PHASE, NORTH POLE FIRE DEPARTMENT, NORTH POLE, ALASKA

We are pleased to submit this proposal and cost estimate for the implementation of a modified second phase of our Scope of Services, as outlined in our Work Plan approved on March 27, 2020.

We prepared this proposal in response to your request to continue site-assessment activities near the North Pole Fire Station (NPFS) in response to results from Phase One sampling efforts. This proposal requests funding to implement the modified second phase of the Work Plan.

The purpose of the proposed activities will be to understand the extent of PFAS contamination in nearby monitoring wells, surface water bodies, and private wells (Figure 1) resulting from the historic use of aqueous film-forming foam (AFFF) by the North Pole Fire Department (NPFD) and comingling with contamination from the Marathon Fuel Storage Terminal.

Based on recent discussions with Alaska Department of Environmental Conservation (DEC), our scope of services for the Phase Two Off-site Assessment will be modified to include:

- submitting this Scope of Services to DEC as an addendum to our work plan;
- collection of one surface water sample from a downgradient gravel pit (Figure 1);
- collection of groundwater samples from four off-site private wells (Figure 1);
- collection of groundwater samples from 15 existing monitoring wells in the Flint Hills Resources Alaska (FHRA) well network; and
- collection of groundwater samples from four temporary well points to be installed near the NPFS property (Figure 1).
Our estimated fee for these tasks is enclosed. This task is budgeted as time and materials. Our cost estimate assumes purge water collected from onsite temporary well points and existing monitoring wells will be treated using granular activated carbon and then disposed of in the North Pole sewer system via a sump.

We will begin pursuing this task upon receipt of a written notice to proceed. If you have any questions or would like to discuss the project scope or fee structure, please feel free to contact me at (907) 458-3147. We look forward to continuing our work with you on this project.

Sincerely,

SHANNON & WILSON, INC.

Amber Masters
Environmental Scientist

Enc. Figure 1. Proposed North Pole Sample Locations Phase Two

Table 1. Summary of Estimated Costs
Terms and Conditions

ACCEPTANCE

I accept the above conditions and authorize the work to proceed.

By: ______________________________ Printed Name: ________________________
Title: _____________________________ Date: _________________________________
### Project Cost Estimate - Second Phase

**Proposal:**
103869

**Date:** 6-Jan-2021

**Client:** North Pole Fire Department

**Project:** North Pole Fire Department PFAS

**By:** arm

#### Project Coordination, and Project Management

<table>
<thead>
<tr>
<th>Service</th>
<th>Rate</th>
<th>Quantity</th>
<th>Subtotal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sr. Associate</td>
<td>$185.00/ hr</td>
<td>4 hrs</td>
<td>$740</td>
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<tr>
<td>Project Manager</td>
<td>$100.00/ hr</td>
<td>20 hrs</td>
<td>$2,000</td>
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<tr>
<td>Vehicle 4WD</td>
<td>$125.00/ day</td>
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<td>$125</td>
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<td><strong>S&amp;W Total</strong></td>
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#### Task 1 - Tempory Well Points - Installation, Groundwater Sampling and Analysis

**4 Temporary well points**

<table>
<thead>
<tr>
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<th>Rate</th>
<th>Quantity</th>
<th>Subtotal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associate</td>
<td>$160.00/ hr</td>
<td>2 hrs</td>
<td>$320</td>
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<tr>
<td>Engr/Geo/Scientist III</td>
<td>$100.00/ hr</td>
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<td>Winter sampling +20%</td>
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<td></td>
<td>$560</td>
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<tr>
<td>Vehicle 4WD</td>
<td>$125.00/ day</td>
<td>2 days</td>
<td>$250</td>
</tr>
<tr>
<td>Equipment and Supplies</td>
<td>$310.00/ day</td>
<td>2 days</td>
<td>$620</td>
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<td><strong>$4,550</strong></td>
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**Subcontract - Test America - 4 groundwater samples (5 primary samples and a field duplicate)**

<table>
<thead>
<tr>
<th>Groundwater</th>
<th>$295.00/ test</th>
<th>5 ea</th>
<th>$1,475</th>
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<tbody>
<tr>
<td>S&amp;W Fee</td>
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<td><strong>TestAmerica Total</strong></td>
<td><strong>$1,696</strong></td>
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**Subcontract - GeoTek Drilling (4 Temporary well points, 5 screens)**

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<td>Mobilization/Demobilization</td>
<td>$600.00/ trip</td>
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<td>$600</td>
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<td>Drilling Rate</td>
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<td>$4,000</td>
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<tr>
<td>Per Diem</td>
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<td>$500</td>
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<td>SP16 PVC</td>
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<td><strong>GeoTek Total</strong></td>
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**Subcontract - Star Electric (secondary utility locate)**

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<td>Utility Locate</td>
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<td><strong>Star Electric Total</strong></td>
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#### Task 2 - Surface Water Sample Collection and Analysis

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<th>Quantity</th>
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<td>Engr/Geo/ Scientist III</td>
<td>$100.00/ hr</td>
<td>4 hrs</td>
<td>$400</td>
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<td>Associate</td>
<td>$160.00/ hr</td>
<td>1 hr</td>
<td>$160</td>
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<tr>
<td>Vehicle 4WD</td>
<td>$125.00/ day</td>
<td>combined with Private Well Sampling</td>
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<tr>
<td>Winter supplies</td>
<td>$35.00/ day</td>
<td>1</td>
<td>$35</td>
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<tr>
<td>Equipment and Supplies</td>
<td>$310.00/ day</td>
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<td>$310</td>
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<td><strong>S&amp;W Total</strong></td>
<td><strong>$905</strong></td>
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</table>

**Subcontract - Test America - 2 surface water samples (1 primary sample and a field duplicate)**

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<th>$295.00/ test</th>
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<th>$590</th>
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<td>S&amp;W Fee</td>
<td>$89</td>
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<td><strong>TestAmerica Total</strong></td>
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</table>
Project Cost Estimate - Second Phase

<table>
<thead>
<tr>
<th>Task 3 - Private Well Sample Collection and Analysis (4 primary samples and a field duplicate)</th>
<th>Rate</th>
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<th>Subtotal</th>
<th>Total</th>
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<tbody>
<tr>
<td>Engr/Geo/Scientist III</td>
<td>$100.00 /hr</td>
<td>16 hrs</td>
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<td>Associate</td>
<td>$160.00 /hr</td>
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<td>$160</td>
<td></td>
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<tr>
<td>Vehicle 4WD</td>
<td>$125.00 /day</td>
<td>1 day</td>
<td>$125</td>
<td></td>
</tr>
<tr>
<td>Equipment and Supplies</td>
<td>$310.00 /day</td>
<td>1 day</td>
<td>$310</td>
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**Subcontract - Test America - 5 water samples (4 primary samples, an equipment blank and a field duplicate)**

<table>
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<tr>
<th>Drinking water</th>
<th>Rate</th>
<th>Quantity</th>
<th>Subtotal</th>
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<tr>
<td>PFAS</td>
<td>$395.00 /test</td>
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<td>$2,370</td>
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<td><strong>S&amp;W Fee</strong></td>
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**TestAmerica Total** $2,726

**Task 4 - Monitoring well sample collection and analysis (15 primary samples and 3 field duplicates)**

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<th>Quantity</th>
<th>Subtotal</th>
</tr>
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<tr>
<td></td>
<td>$100.00 /hr</td>
<td>40 hrs</td>
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<td>Engr/Geo/Scientist II</td>
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<td>Associate</td>
<td>$160.00 /hr</td>
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<td>Vehicle 4WD</td>
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<td>$375</td>
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<td>Winter Supplies</td>
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<td>3 days</td>
<td>$105</td>
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<tr>
<td>Equipment and Supplies</td>
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<td>3 days</td>
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<td><strong>S&amp;W Total</strong></td>
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</table>

**Subcontract - Test America - (15 primary samples and 3 field duplicates)**

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<th>Groundwater</th>
<th>Rate</th>
<th>Quantity</th>
<th>Subtotal</th>
</tr>
</thead>
<tbody>
<tr>
<td>PFAS</td>
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<td>18 ea</td>
<td>$5,310</td>
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<td><strong>S&amp;W Fee</strong></td>
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<td><strong>$797</strong></td>
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**TestAmerica Total** $6,107

**Task 5 - Reporting (includes data validation)**

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<tr>
<td>Officer</td>
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<td>2 hrs</td>
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<td>Associate</td>
<td>$160.00 /hr</td>
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<tr>
<td>Project Manager</td>
<td>$100.00 /hr</td>
<td>50 hrs</td>
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**Task 5 Total** $6,710

**PROJECT TOTAL** $44,612
ARTICLE 1 – SERVICES OF SHANNON & WILSON

Shannon & Wilson’s scope of work (Work) shall be limited to those services expressly set forth in its Proposal and is subject to the terms and conditions set forth herein.

Shannon & Wilson shall procure and maintain all business and professional licenses and registrations necessary to provide its services. Upon Client’s request (and for additional compensation, if not already included in Shannon & Wilson’s Proposal), Shannon & Wilson shall assist Client in attempting to obtain, or on behalf of Client and in Client’s name attempt to obtain, those permits and approvals required for the project for which Shannon & Wilson’s services are being rendered.

Client acknowledges, depending on field conditions encountered and subsurface conditions discovered, the number and location of borings, the number and type of field and laboratory tests, and other similar items, as deemed necessary by Shannon & Wilson in the exercise of due care, may need to be increased or decreased; if such modifications are approved by Client, Shannon & Wilson’s compensation and schedule shall be equitably adjusted.

If conditions actually encountered at the project site differ materially from those represented by Client and/or shown or indicated in the contract documents, or are of an unusual nature which materially differ from those ordinarily encountered and generally recognized as inherent for the locality and character of the services provided for in Shannon & Wilson’s scope of work, Shannon & Wilson’s compensation and schedule shall be equitably adjusted.

Without increasing the scope of work, price, or schedule contained in Shannon & Wilson’s Proposal, Shannon & Wilson may employ such subcontractors as Shannon & Wilson deems necessary to assist in furnishing its services.

If Shannon & Wilson’s scope of work is increased or decreased by Client, Shannon & Wilson’s compensation and schedule shall be equitably adjusted.

ARTICLE 2 – TIMES FOR RENDERING SERVICES

Shannon & Wilson shall perform its services in accordance with the schedule set forth in its Proposal.

If Shannon & Wilson’s Proposal sets forth specific periods of time for rendering services, or specific dates by which services are to be completed, and such periods of time or dates are extended or delayed through no fault of Shannon & Wilson, Shannon & Wilson’s compensation and schedule shall be equitably adjusted.

If Shannon & Wilson’s schedule is increased or decreased by Client, Shannon & Wilson’s compensation shall be equitably adjusted.

ARTICLE 3 – PAYMENTS TO SHANNON & WILSON

Invoices shall be prepared in accordance with Shannon & Wilson’s standard invoicing practices and shall be submitted to Client by Shannon & Wilson monthly. The amount billed in each invoice shall be calculated as set forth in Shannon & Wilson’s Proposal.

Unless Shannon & Wilson’s Proposal contains a fixed lump-sum price, Shannon & Wilson’s actual fees may exceed the estimate contained in its Proposal. Shannon & Wilson shall not exceed the estimate contained in its Proposal by more than ten percent (10%) without the prior written consent of Client; provided however, unless the Client authorizes additional funds in excess of the estimate contained in Shannon & Wilson’s Proposal, Shannon & Wilson shall have no obligation to continue work on the project.

Invoices are due and payable within 30 days of receipt. If Client fails to pay Shannon & Wilson’s invoice within 30 days after receipt, the amounts due Shannon & Wilson shall accrue interest at the rate of one and one-half percent (1.5%) per month (or the maximum rate of interest permitted by law, if less) after the 30th day. In addition, Shannon & Wilson may, after giving seven (7) days written notice to Client, suspend services under this Agreement until Shannon & Wilson has been paid in full.

If Client disputes Shannon & Wilson’s invoice, only the disputed portion(s) may be withheld from payment, and the undisputed portion(s) shall be paid.

Records of Shannon & Wilson’s direct and indirect costs and expenses pertinent to its compensation under this Agreement shall be kept in accordance with generally accepted accounting practices and applicable federal, state, or local laws and regulations. Upon request, such records shall be made available to Client for inspection on Shannon & Wilson’s premises and copies provided to Client at cost.

ARTICLE 4 – CLIENT’S RESPONSIBILITIES

Client shall grant or obtain free access to the project site for all equipment and personnel necessary for Shannon & Wilson to perform its services.

ARTICLE 5 – STANDARD OF CARE / ABSENCE OF WARRANTIES / NO RESPONSIBILITY FOR SITE SAFETY OR CONTRACTOR’S PERFORMANCE

Standard of Care
The standard of care for all professional services performed or furnished by Shannon & Wilson under this Agreement shall be the skill and care ordinarily exercised by other members of Shannon & Wilson’s profession, providing the same or similar services, under the same or similar circumstances, at the same time and locality as the services were provided by Shannon & Wilson. The construction, alteration, or repair of any object or structure by Shannon & Wilson shall be performed in a good and workmanlike manner in accordance with general industry standards, and conform to this Agreement. Shannon & Wilson
warrants for one (1) year from substantial completion of the Work, all goods delivered hereunder shall be new and free from defects in material or workmanship, and shall conform to the specifications, drawings, or sample(s) specified or furnished, if any, and shall be merchantable and fit for their intended purpose(s). Shannon & Wilson warrants that Shannon & Wilson has good and marketable title to all goods delivered hereunder, and that all goods delivered hereunder shall be free and clear of all claims of superior title, liens, and encumbrances of any kind.

Subsurface explorations and testing identify actual subsurface conditions only at those points where samples are taken, at the time they are taken. Actual conditions at other locations of the project site, including those inferred to exist between the sample points, may differ significantly from conditions that exist at the sampling locations. The passage of time or intervening causes may cause the actual conditions at the sampling locations to change as well.

Interpretations and recommendations made by Shannon & Wilson shall be based solely upon information available to Shannon & Wilson at the time the interpretations and recommendations are made.

Shannon & Wilson shall be responsible for the technical accuracy of its services, data, interpretations, and recommendations resulting therefrom, and Client shall not be responsible for discovering deficiencies therein. Shannon & Wilson shall correct any substandard work without additional compensation, except to the extent that such inaccuracies are directly attributable to deficiencies in Client-furnished information.

No Warranties
Shannon & Wilson makes no guarantees or warranties, express or implied, under this Agreement or otherwise, about Shannon & Wilson’s professional services.

Client-Furnished Documents
Shannon & Wilson may use requirements, programs, instructions, reports, data, and information furnished by Client to Shannon & Wilson in performing its services under this Agreement. Shannon & Wilson may rely on the accuracy and completeness of requirements, programs, instructions, reports, data, and other information furnished by Client to Shannon & Wilson. Client shall, only to the fullest extent permitted by law, waive any claims against Shannon & Wilson and its subcontractors, and indemnify and hold Shannon & Wilson and its subcontractors harmless from any claims, liability, or expenses (including reasonable attorneys’ fees and costs) arising from Shannon & Wilson’s reliance on Client-furnished information, except to the extent of Shannon & Wilson’s and its subcontractor’s negligent or wrongful acts, errors, omissions, or breach of contract.

Site Damage
Shannon & Wilson shall take reasonable precautions to minimize damage to the project site, but it is understood by Client that, in the normal course of Shannon & Wilson’s services, some project site damage may occur, and the correction of such damage is not part of this Agreement unless so stated in Shannon & Wilson’s Proposal. Client shall, only to the fullest extent permitted by law, waive any claims against Shannon & Wilson and its subcontractors, arising from any project site damage caused by Shannon & Wilson, except to the extent of Shannon & Wilson’s and its subcontractor’s negligent or wrongful acts, errors, omissions, or breach of contract.

Buried Structures
If there are any buried structures and/or utilities on the project site where subsurface explorations are to take place, Client shall provide Shannon & Wilson with a plan showing their existing locations. Shannon & Wilson shall contact a utility locator service to request that they identify any public utilities. Shannon & Wilson shall use reasonable care and diligence to avoid contact with buried structures and/or utilities as shown. Shannon & Wilson shall not be liable for any loss or damage to buried structures and/or utilities resulting from inaccuracy of the plans, or lack of plans, or errors by the locator service relating to the location of buried structures and/or utilities. Client shall, only to the fullest extent permitted by law, waive any claims against Shannon & Wilson and its subcontractors, arising from damage to buried structures and/or utilities caused by Shannon & Wilson’s sampling, except to the extent of Shannon & Wilson’s and its subcontractor’s negligent or wrongful acts, errors, omissions, or breach of contract.

Aquifer Cross-Contamination
Despite the use of due care, unavoidable contamination of soil or groundwater may occur during subsurface exploration when drilling or sampling tools are advanced through a contaminated area, linking it to an aquifer, underground stream, or other hydrous body not previously contaminated and capable of spreading contaminants off the project site. Because Shannon & Wilson is powerless to totally eliminate this risk despite use of due care, and because sampling is an essential element of Shannon & Wilson’s services, Client shall, only to the fullest extent permitted by law, waive any claims against Shannon & Wilson and its subcontractors, arising from cross-contamination caused by Shannon & Wilson’s sampling, except to the extent of Shannon & Wilson’s and its subcontractor’s negligent or wrongful acts, errors, omissions, or breach of contract.

Opinions of Probable Construction Costs
If opinions of probable construction costs are included in Shannon & Wilson’s Proposal, Shannon & Wilson’s opinions of probable construction costs shall be made on the basis of its experience and qualifications and represent its judgment as a professional generally familiar with the industry. Opinions of probable construction costs are based, in part, on approximate quantity evaluations that are not accurate enough to permit contractors to prepare bids. Further, since Shannon & Wilson has no control over: the cost of labor, materials, equipment, or services furnished by others; the contractor’s actual or proposed construction methods or methods of determining prices; competitive bidding; or market conditions, Shannon & Wilson cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of the components of probable construction cost prepared by Shannon & Wilson. If Client or any contractor wishes greater assurance as to probable construction cost, Client or contractor shall employ an independent cost estimator.

Review of Contractor’s Shop Drawings and Submittals
If review of a contractor’s shop drawings and submittals are included in Shannon & Wilson’s Proposal, Shannon & Wilson shall review and take appropriate action on the contractor’s submittals, such as shop drawings, product data, samples, and other data, which the contractor is required to submit, but solely for the limited purpose of checking for general overall conformance with Shannon & Wilson’s design concept. This review shall not include a review of the accuracy or completeness of details, such as quantities; dimensions; weights or gauges; fabrication processes; construction means, methods, sequences or procedures; coordination of the work with other trades; or construction safety precautions, all of which are the sole responsibility of the contractor. Shannon & Wilson’s review shall be conducted with reasonable promptness while allowing sufficient time, in Shannon & Wilson’s judgment, to permit adequate review. Review of a specific item shall not be construed to mean that Shannon & Wilson has reviewed the entire assembly of which the item is a component. Shannon & Wilson shall not be responsible for any deviations by the contractor in the shop drawings and submittals from the construction documents, which are not brought to the attention of Shannon & Wilson by the contractor in writing.

Construction Observation
If construction observation is included in Shannon & Wilson’s Proposal, Shannon & Wilson shall visit the project site at intervals Shannon & Wilson deems appropriate, or as otherwise agreed to in writing by Client and Shannon & Wilson, in order to observe and keep Client generally informed of the progress and quality of the work. Such visits and observations are not intended to be an exhaustive check or a detailed inspection of any contractor’s work, but rather are to allow Shannon & Wilson, as a professional, to become generally familiar with the work in progress in order to determine, in general, whether the work is progressing in a manner indicating that the work, when fully completed, will be in accordance with Shannon & Wilson’s general overall design concept.

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Shannon & Wilson’s authority shall be limited to observing, making technical comments regarding general overall compliance with Shannon & Wilson’s design concept, and rejecting any work which it becomes aware of that does not comply with Shannon & Wilson’s general overall design concept. Shannon & Wilson’s acceptance of any non-conforming work containing latent defects or failure to reject any non-conforming work not inspected by Shannon & Wilson shall not impose any liability on Shannon & Wilson or relieve any contractor from complying with their contract documents. All construction contractors shall be solely responsible for construction site safety, the quality of their work, and adherence to their contract documents. Shannon & Wilson shall have no authority to direct any contractor’s actions or stop any contractor’s work.

If Shannon & Wilson is not retained to provide construction observation of the implementation of its design recommendations, Client shall, only to the fullest extent permitted by law, waive any claims against Shannon & Wilson arising from the implementation of Shannon & Wilson’s design recommendations, except to the extent of Shannon & Wilson’s and its subcontractor’s negligent or wrongful acts, errors, omissions, or breach of contract.

No Responsibility for Site Safety
Except for its own subcontractors and employees, Shannon & Wilson shall not: supervise, direct, have control over, or authority to stop any contractor’s work; have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by any contractor; be responsible for safety precautions and programs incident to any contractor’s work; or be responsible for any failure of any contractor to comply with laws and regulations applicable to the contractor, all of which are the sole responsibility of the construction contractors. This requirement shall apply continuously, regardless of time or place, and shall in no way be altered because a representative of Shannon & Wilson is present at the project site performing his/her duties. Notwithstanding anything to the contrary, Shannon & Wilson shall never be deemed to have assumed responsibility for the project’s site safety by either contract or conduct. No act or direction by Shannon & Wilson shall be deemed the exercise of supervision or control of any contractor’s employees or the direction of any contractor’s performance. Any direction provided by Shannon & Wilson shall be deemed solely to ensure the contractor’s general overall compliance with Shannon & Wilson’s design concept.

No Responsibility for Contractor’s Performance
Except for its own subcontractors and employees, Shannon & Wilson shall not be responsible for safety precautions, the quality of any contractor’s work, or any contractor’s failure to furnish or perform their work in accordance with their contract documents.

No Responsibility for Site Safety
Except Shannon & Wilson’s own employees and its subcontractors, Shannon & Wilson shall not: be responsible for the acts or omissions of any contractor, subcontractor or supplier, or other persons at the project site, or otherwise furnishing or performing any work; or for any decision based on interpretations or clarifications of Shannon & Wilson’s design concept given without the consultation and concurrence of Shannon & Wilson.

Approval of Contractor’s Applications for Payment
If approval of a contractor’s applications for payment are included in Shannon & Wilson’s Proposal, Shannon & Wilson shall review the amounts due the contractor and issue a recommendation about payment to Client. Shannon & Wilson’s review and approval shall be limited to an evaluation of the general progress of the work and the issuance contained in the contractor’s application for payment and a representation by Shannon & Wilson that to the best of the Shannon & Wilson’s knowledge, the contractor has performed work for which payment has been requested, subject to further testing and inspection upon substantial completion. The issuance of a recommendation for payment shall not be construed as a representation that: Shannon & Wilson has made an exhaustive check or a detailed or continuous inspection check of the quality or quantity of the contractor’s work; approved the contractors means, methods, sequences, procedures, or safety precautions; or that contractor’s subcontractors, laborers, and suppliers have been paid.

ARTICLE 6 – CONFIDENTIALITY AND USE OF DOCUMENTS

Confidentiality
Shannon & Wilson agrees to keep confidential and to not disclose to any person or entity (other than Shannon & Wilson’s employees and subcontractors), except for its own subcontractors and employees, no confidential or proprietary information furnished to Shannon & Wilson by or learned by Shannon & Wilson as a result of its work on the project; provided however, that these provisions shall not apply to information that: is in the public domain through no fault of Shannon & Wilson; was previously known to Shannon & Wilson; or was independently acquired by Shannon & Wilson from third-parties who were under no obligation to Client to keep said information confidential. This paragraph shall not be construed to in any way restrict Shannon & Wilson from making any disclosures required by law. Client agrees that Shannon & Wilson may use and publish Client’s name and a general description of Shannon & Wilson’s services with respect to the project in describing Shannon & Wilson’s experience and qualifications to others.

Copyrights and Patents – Shannon & Wilson shall indemnify, hold harmless, and defend Client from any and all actions, damages, demands, expenses (including reasonable attorneys’ fees and costs), losses, and liabilities arising out of any claims that any goods or services furnished by Subcontractor infringe any patent, trademark, trade name, or copyright.

Use of Documents
All documents prepared by Shannon & Wilson are instruments of service with respect to the project, and Shannon & Wilson shall retain a copyrighted ownership and property interest therein (including the right of reuse) whether or not the project is completed. Shannon & Wilson grants to Client a non-exclusive, irrevocable, unlimited, royalty-free license to use any documents prepared by Shannon & Wilson for Client. Client may make and retain copies of such documents for their information and use. Such documents are not intended or represented to be suitable for reuse by Client, or others, after the passage of time, on extensions of the project, or on any other project. Any such reuse without written verification or adaptation by Shannon & Wilson, as appropriate for the specific purpose intended, shall be at Client’s sole risk, and Client shall, only to the fullest extent permitted by law, waive any claims against Shannon & Wilson and its subcontractors arising from such reuse, except to the extent of Shannon & Wilson’s and its subcontractor’s negligent or wrongful acts, errors, omissions, or breach of contract. Any verification or adaptation of the documents for extensions of the project or for any other project by Shannon & Wilson shall entitle Shannon & Wilson to additional compensation to be agreed upon by Client and Shannon & Wilson.

Copies of documents that may be relied upon by Client are limited to the printed copies (also known as hard copies) that are signed or sealed by Shannon & Wilson. Text, data, or graphics files in electronic media format are furnished solely for the convenience of Client. Any conclusion or information obtained or derived from such electronic files shall be at the user’s sole risk. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern.

Because data stored in electronic media can deteriorate or be modified inadvertently or otherwise without authorization of the data’s creator, the party receiving an electronic file agrees that it shall perform acceptance tests or procedures within 60 days after its receipt, after which, unless notice of any errors are given in writing to the delivering party, the receiving party shall be deemed to have accepted the data thus transferred. Any errors reported within the 60-day acceptance period shall be corrected by the party delivering the electronic files at their sole expense. Shannon & Wilson shall not be responsible for maintaining documents stored in electronic media format after acceptance by Client.
When transferring documents in electronic media format, neither Client nor Shannon & Wilson makes any representations as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used for the document’s creation.

**ARTICLE 7 - INSURANCE**

Shannon & Wilson shall purchase and maintain during the term of this contract, the following insurance coverage at its sole expense:

**Commercial General Liability** - $1,000,000 each occurrence/$2,000,000 annual aggregate Bodily Injury/Property Damage Combined Single Limit including Blanket Contractual Liability, Broad Form Products and Completed Operations, Explosion/Collapse/Underground (XCU) Exposures, and Washington Stop Gap coverage.

**Auto Liability** - $1,000,000 Bodily Injury/Property Damage Combined Single Limit including Owned, Hired, and Non-Owned Liability coverage.

**Umbrella Liability** - $10,000,000 Bodily Injury/Property Damage combined Single Limit in excess of Commercial General Liability, Auto Liability, and Employers’ Liability.

**Workers’ Compensation** - Statutory in monopolistic states and $500,000 per accident/$500,000 per disease/$500,000 disease policy aggregate Employers’ Liability in non-monopolistic including if applicable, U.S. Longshore & Harbor Workers coverage.

**Professional Liability** - $5,000,000 per claims/$5,000,000 annual aggregate for professional errors and omissions including Pollution Liability coverage.

If requested in writing by Client, Shannon & Wilson shall name Client as an additional insured on its Commercial General Liability policy.

If requested in writing by Client, Shannon & Wilson shall deliver to Client certificates of insurance evidencing such coverage. Such certificates shall be furnished before commencement of Shannon & Wilson’s services.

Client shall cause Shannon & Wilson and its subcontractors to be listed as additional insureds on any Commercial General Liability insurance carried by Client that is applicable to the project.

All insurance policies shall contain a waiver of subrogation.

**ARTICLE 8 - HAZARDOUS ENVIRONMENTAL CONDITIONS**

**Disclosure of the Existence of Hazardous Environmental Conditions**

Client has disclosed to Shannon & Wilson all data known to Client concerning known or suspected hazardous environmental conditions, including but not limited to, the existence of all asbestos, PCBs, petroleum, hazardous waste, or radioactive material, if any, located at or near the project site, including its type, quantity, and location, or has represented to Shannon & Wilson that, to the best of Client’s knowledge, no hazardous environmental conditions exist at or near the project site.

If any hazardous environmental condition is encountered or believed to exist, Shannon & Wilson shall notify Client and, to the extent required by applicable laws and regulations, the project site owner, and appropriate governmental officials.

**Disposal of Non-Hazardous Samples and Hazardous or Toxic Substances**

All substances on, in, or under the project site, or obtained from the project site as samples or byproducts (e.g., drill cuttings and fluids) of the sampling process are the project site owner’s property. Shannon & Wilson shall preserve such samples for forty-five (45) calendar days after Shannon & Wilson’s issuance to Client of the final instrument of service that relates to the data obtained from them. Shannon & Wilson shall dispose of all non-hazardous samples and sampling process byproducts in accordance with applicable law; provided however, any samples or sampling process byproducts that are, or are believed to be, affected by regulated contaminants shall be packaged by Shannon & Wilson in accordance with applicable law, and turned over to Client or left on the project site. Shannon & Wilson shall not transport store, treat, dispose of, or arrange for the transportation, storage, treatment, or disposal of, any substances known, believed, or suspected to be affected by regulated contaminants, nor shall Shannon & Wilson subcontract for such activities.

Shannon & Wilson shall, at Client’s request (and for additional compensation, if not already included in Shannon & Wilson’s Proposal), help Client or the project site owner identify appropriate alternatives for transportation, storage, treatment, or disposal of such substances, but Shannon & Wilson shall not make any independent determination about the selection of a transportation, storage, treatment, or disposal facility.

Client or the project site owner shall sign all manifests for the transportation, storage, treatment, or disposal of substances affected by regulated contaminants; provided however, notwithstanding any other provisions of this Agreement to the contrary if Client directs Shannon & Wilson, Shannon & Wilson’s employees, or Shannon & Wilson’s agents to sign such manifests and/or to hire for Client or the project site owner a contractor to transport store, treat, or dispose of the contaminated substances, Shannon & Wilson shall do so only as Client’s disclosed agent.

**Client’s Liability for Hazardous or Toxic Materials**

Except to the extent caused by Shannon & Wilson’s and its subcontractor’s negligent or wrongful acts, errors, omissions, or breach of contract, and only to the maximum extent permitted by law, Client agrees, to the extent permitted by law, to indemnify and hold harmless Shannon & Wilson, its subcontractors and their partners, officers, directors, employees, and agents; from and against any and all actions (whether sounding in tort, contract (express or implied), warranty (express or implied), statutory liability, strict liability, or otherwise), claims (including, but not limited to, claims for bodily injury, death, property damage (including bodily injury, death, or property damage to Shannon & Wilson’s own employees), or arising under CERCLA, MTCA, or similar federal, state, or local environmental laws), costs, damages (including without limitation, economic, non-economic, general, special, incidental, consequential), demands, expenses (including, but not limited to, reasonable attorneys’ fees and costs of defense), fines, judgments, liens, liabilities, and penalties of any kind whatsoever; arising from the arrangement for and/or ownership, operation, generation, labeling, transportation, storage, disposal, treatment, release, or threatened release of any hazardous or toxic materials, as defined by CERCLA, MTCA, or similar federal, state, or local environmental laws, on and/or from the project site.

**ARTICLE 9 - ALLOCATION OF RISK**

**Indemnification of Client**

To the maximum extent permitted by law, Shannon & Wilson shall: indemnify and hold harmless Client, its appointed and elected officials, partners, officers, directors, employees, and agents; from and against any and all actions (whether sounding in tort, contract (express or implied), warranty (express or implied), statutory liability, strict liability, or otherwise), claims (including, but not limited to, claims for bodily injury, death, property damage (including bodily injury, death, or property damage to Shannon & Wilson’s own employees) or arising under CERCLA, MTCA, or similar federal, state, or local environmental laws), costs, damages (including without limitation, economic, non-economic, general, special, incidental, consequential), demands, expenses (including, but not limited to, reasonable attorneys’ fees and costs of defense), fines, judgments, liens, liabilities, and penalties of any kind whatsoever; arising from the negligent
or wrongful acts, errors, or omissions, or breach of contract or warranty express or implied, by Shannon & Wilson or any of its subcontractors; but only to the extent of Shannon & Wilson’s and its subcontractor’s relative degree of fault. In furtherance of these obligations, and only with respect to Client, its appointed and elected officials, partners, officers, directors, employees and agents, Shannon & Wilson waives any immunity it may have or limitation on the amount or type of damages imposed under any industrial insurance, worker’s compensation, disability, employee benefit, or similar laws. Shannon & Wilson acknowledges that this waiver of immunity was mutually negotiated.

Limitation of Shannon & Wilson’s Liability

A. Total Liability Limited to Insurance Proceeds
Notwithstanding any other provisions of this Agreement, and only to the maximum extent permitted by law, the total liability, in the aggregate, of Shannon & Wilson, its subcontractors, and their partners, officers, directors, employees, agents and, or any of them, to Client and/or anyone claiming by, through, or under Client, for any and all actions (whether sounding in tort, contract (express or implied), warranty (express or implied), statutory liability, strict liability, or otherwise), claims (including, but not limited to, claims for bodily injury, death, property damage, including bodily injury, death, or property damage to Shannon & Wilson’s own employees) or arising under CERCLA, MTCA, or similar federal, state, or local environmental laws), costs, damages (including without limitation, economic, non-economic, general, special, incidental, consequential), demands, expenses (including, but not limited to, reasonable attorneys’ fees and costs of defense), fines, judgments, liens, liabilities, and penalties of any kind whatsoever, arising out of, resulting from, or in any way related to the project or this Agreement, shall be limited to the insurance proceeds payable on behalf of or to Shannon & Wilson by any insurance policies applicable thereto. If you are unwilling or unable to limit our liability in this manner, we will negotiate this limitation and its associated impact on our approach, scope of work, schedule, and price, with you. You must notify us in writing before we commence our work of your intention to negotiate this limitation and its associated impact on our approach, scope of work, schedule, and price. Absent your prior written notification to the contrary, we will proceed on the basis that our total liability is limited as set forth above.

ARTICLE 10 – MISCELLANEOUS

Termination
This Agreement may be terminated without further obligation or liability by either party, with or without cause (for convenience), upon 30 days prior written notice to the other. Shannon & Wilson shall be entitled to compensation for all services performed prior to the termination of this Agreement. This Agreement may be terminated by the non-breaching party upon any breach of this Agreement that remains uncured after 10 days’ notice to the breaching party by the non-breaching party. Upon payment of all amounts due Shannon & Wilson, Client shall be entitled to copies of Shannon & Wilson’s files and records pertaining to services performed prior to the termination of this Agreement.

Successors, Assigns, and Beneficiaries
This Agreement shall be binding upon each party’s assigns, successors, executors, administrators, and legal representatives.

Neither Client nor Shannon & Wilson may assign or transfer any rights under or interest in this Agreement without the written consent of the other. No assignment shall release or discharge the assignor from any duty or responsibility under this Agreement.

Nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Client or Shannon & Wilson to any third-party. All duties and responsibilities undertaken under this Agreement shall be for the sole and exclusive benefit of Client and Shannon & Wilson. There are no intended third-party beneficiaries. Notwithstanding the foregoing, should a court find a third-party to be a beneficiary of this Agreement, it is the intent of the parties that the judicially created third-party beneficiary be bound by and subject to all of the terms and conditions of this Agreement.

Jurisdiction, Venue, and Choice of Law
Any applicable Statute of Limitation shall be deemed to commence running on the date which the claimant knew, or should have known, of the facts giving rise to their claims. As a condition precedent to commencing a judicial proceeding, a party shall first submit their claims to non-binding mediation through and in accordance with the rules of the American Arbitration Association.

This Agreement shall be construed in accordance with and governed by the laws (except choice and conflict of law provisions) of the state in which the Project is located. Any judicial action shall be brought in the state in which the Project is located.

Attorneys’ Fees
Should any dispute or claims arise out of this Agreement, whether sounding in tort, contract (express or implied), warranty (express or implied), statutory liability, strict liability, or otherwise, the prevailing party shall be entitled to an award of their reasonable attorneys’ fees and costs, including upon appeal and in the enforcement of any judgment. Should neither party prevail on all of their claims or receive all of the relief they sought, then the substantially prevailing party shall be awarded their reasonable attorneys’ fees and costs, including upon appeal and in the enforcement of any judgment.

Waiver
A waiver of any of the terms and conditions or breaches of this Agreement shall not operate as a subsequent waiver.

Headings
The headings used in this agreement are for general ease of reference only. They have no meaning and are not part of this Agreement.

Integration
This Agreement, together with all attachments hereto, are incorporated by reference into each other, and supersede all prior written and oral discussions, representations, negotiations, and agreements on the subject matter of this Agreement and represent the parties’ complete, entire, and final understanding of the subject matter of this Agreement.

Survival
Notwithstanding completion or termination of this Agreement for any reason, all representations, warranties, limitations of liability, and indemnification obligations contained in this Agreement shall survive such completion or termination and remain in full force and effect until fulfilled.

Severability
If any of the terms or conditions of this Agreement are found to be void or unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect, and the court shall attempt to judicially reform the void or unenforceable provisions to the maximum extent possible, consistent with the original intent expressed in the provisions, to render it valid and enforceable. If the court is unable to reform the provisions to render it valid and enforceable, the court shall strike only that portion which is invalid or unenforceable, and this Agreement shall then be construed without reference to the void or unenforceable provisions.
January 12, 2021

To Whom it May Concern:

On Thursday, December 31, 2020, I received a phone call from North Pole Utilities stating I had used 254 thousand gallons of water just within the month of December 2020. This was extremely alarming to hear considering our family had just returned home the day prior. My family and I left our home on the morning of Wednesday, December 16, 2020. We have not been home until returning from out of state on Wednesday, December 30, 2020. I am able to provide the airline itinerary if necessary.

A pipe did in fact break and has caused a significant amount of damage to the house. Although the sewage expense has been waived, which I am grateful for, the remaining balance of $5,529.98 is still extremely steep.

I’m writing in hopes the remaining balance of $5,529.98 can kindly be reviewed to be waived or reduced any further that would help with other repairs that are in desperate need. I am a first-time home owner and have been learning a lot along the way as I continue to navigate this journey of being a homeowner. I am hoping my situation of the pipe bursting while being out of state will kindly be taken into consideration when reviewing the remaining water balance.

Thank you for your time and consideration in this matter.

Sincerely,

Christian J. McCain
Dear Mayor Welch and Council Members,

I am respectfully requesting a pay increase to be brought up to a minimum of the industry standard based on Municipal Solutions salary and compensation study findings.

I have worked for the City of North Pole for a little more than 17 years, during that time I have held several different positions and filled in and picked up tasked that needed to be done outside my job position.

I am requesting an increase to step 19 on the current pay scale. Starting on the first full pay period of 2021 (Jan 3, 2021)

Thank you,
Tricia Fogarty, CFO