

**City of Kodiak Regular Council Meeting Agenda for July 25, 2019**  
**7:30 p.m., at 710 Mill Bay Road, Assembly Chambers (Room 232)**

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<b>I. Call to Order/Roll Call</b>	
Invocation/Pledge of Allegiance	
<b>II. Previous Minutes</b>	
Approval of Minutes of the June 13, 2019, Regular Council Meeting.....	1
<b>III. Persons to Be Heard</b>	
a. Public Comments (limited to 3 minutes) (486-3231)	
b. Public Hearing: Retail Marijuana Store Application No. 21609 for Wildflower .....	10
c. Public Hearing: Resolution No. 2019–13 Amending Section 14, Utilities (Sewer), of the Schedule of Fees, Charges, and Tariffs and Authorizing Implementation of a Five-Year Rate Structure .....	12
<b>IV. Unfinished Business</b>	
a. Second Reading and Public Hearing Ordinance No. 1387, Replacing the Existing Addendum B, Sexual Harassment and Anti-Harassment Policy in the City Personnel Rules and Regulations with a New Addendum B, Non-Discrimination, Anti-Harassment and Equal Employment Policy.....	20
<b>V. New Business</b>	
a. First Reading, Ordinance No. 1388 Authorizing Amendment No. 4 to the Lease Between the City of Kodiak and NOAA for Office and Warehouse Space on Pier II.....	32
b. Resolution No. 2019–13 Amending Section 14, Utilities (Sewer), of the Schedule of Fees, Charges, and Tariffs and Authorizing Implementation of a Five-Year Rate Structure .....	46
c. Consideration of Retail Marijuana Store Application No. 21609 for Wildflower.....	56
d. Authorization of the Regional and Community Jail Contract with the Alaska Department of Corrections.....	90
e. Authorization of Lease Amendment 1 to Adjust the Rental Rate for the Five-Year Renewal of a City of Kodiak-Afognak Lease.....	108
f. Authorization of FY2020 Marketing and Tourism Development Agreement.....	114
g. Authorization of Bid Award for Bid No. 2019-009 Sodium Chloride FY2020.....	120
h. Authorization of Bid Award for FY2020 Petroleum Products.....	128
i. Authorization to Purchase a Cat 950GC Loader from NC Machinery.....	134
j. Recommendation of Appointment to City Planning and Zoning Commission Seat.....	178
<b>VI. Staff Reports</b>	
a. City Manager	
b. City Clerk	
<b>VII. Mayor’s Comments</b>	
<b>VIII. Council Comments</b>	
<b>IX. Audience Comments</b> (limited to 3 minutes) (486-3231)	
<b>X. Adjournment</b>	

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**DRAFT**

**MINUTES OF THE SPECIAL COUNCIL MEETING  
OF THE CITY OF KODIAK  
HELD THURSDAY, JUNE 13, 2019  
IN THE BOROUGH ASSEMBLY CHAMBERS**

**I. MEETING CALLED TO ORDER/INVOCATION/PLEDGE OF ALLEGIANCE**

Mayor Pat Branson called the meeting to order at 7:30 p.m. Councilmembers Laura B. Arboleda Randall C. Bishop, Charles E. Davidson, and John B. Whiddon were present and constituted a quorum. Councilmember Terry J. Haines and Richard H. Walker were absent. City Manager Mike Tvenge, City Clerk Nova Javier, and Deputy Clerk Michelle Shuravloff-Nelson were also present.

Salvation Army Major Dave Davis gave the invocation and the Pledge of Allegiance was recited.

**II. PREVIOUS MINUTES**

Councilmember Whiddon MOVED to approve the minutes of the May 30, 2019, special meeting, as presented.

The roll call vote was Councilmembers Arboleda, Davidson, Bishop, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

**III. PERSONS TO BE HEARD**

**a. Proclamation: Filipino American Heritage Month**

Councilmember Bishop read the proclamation, which recognizes Filipino Americans for their vital contributions to the Kodiak community and urges citizens to participate in festivities celebrating the rich heritage and traditions of the Philippine Islands.

**Nita Nicolas, Michaela Alonzo, and Lisa Pascua** came forward to accept the proclamation. Ms. Nicolas the secretary of Fil-Am thanked the Mayor and Council for the proclamation.

**b. Public Hearing About Amending Sections 9 and 12 of the Schedule of Fees, Charges, and Tariffs**

The City sets its fees and charges for various services by a resolution of the Council. The Council has requested a public hearing prior to amending fees, which is scheduled as New Business item V. b, Resolution No. 2019–10, Amending Section 9, (Harbor) and Section 12 (Parks and Recreation) of the Schedule of Fees, Charges and Tariffs. The proposed fee changes are recommended to become effective July 1, 2019.

Mayor Branson closed the special meeting, opened and closed the public hearing, and reopened the special meeting when no one came forward to testify.

**c. Public Comments**

**Sarah Harrington**, Kodiak History Museum Executive Director, said that the Baranov building is the oldest Russian building in Alaska and America. She shared they have reopened and the Kodiak History Museum has been remodeled. She said that she is blessed to be a part of the Kodiak community and she thanked the Mayor and Council for their continued support.

**Meghan Kelly**, Kodiak History Museum President, welcomed the new Deputy City Manager and thanked the Mayor and Council for their support and looks forward to the future activities.

#### **IV. UNFINISHED BUSINESS**

**a. Second Reading and Public Hearing, Ordinance No. 1386, Levying Taxes and Appropriating Funds for the Expenses and Liabilities of the City of Kodiak for the Fiscal Year Commencing on the First Day of July 2019 and Ending on the Thirtieth Day of June 2020**

Mayor Branson read Ordinance No. 1386 by title. Ordinance No. 1386 provides for the adoption of the City of Kodiak's FY2020 budget. The budget document, which supports the ordinance, estimates all sources of revenue the City anticipates receiving between July 1, 2019, and June 30, 2020. The budget document also establishes an operating and capital expenditure plan for FY2020 that is based on staff's assessment of operational and community needs and the Council's FY2020 budget goals. Staff made the FY2020 budget presentation to Council and the public during a special budget work session on April 27, 2019.

Councilmember Arboleda MOVED to adopt Ordinance No. 1386.

Councilmembers Davidson, Whiddon, and Arboleda expressed that they were pleased with this year's budget.

Mayor Branson closed the special meeting, opened and closed the public hearing, and when no one came forward to testify, she reopened the special meeting.

The roll call vote was Councilmembers Arboleda, Davidson, Bishop, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

#### **V. NEW BUSINESS**

**a. First Reading, Ordinance No. 1387, Replacing the Existing Addendum B, Sexual Harassment and Anti-Harassment Policy in the City Personnel Rules and Regulations with a New Addendum B, Non-Discrimination, Anti-harassment and Equal Employment Policy**

The City of Kodiak entered into a settlement agreement with the Alaska State Commission for Human Rights (ASCHR) as a result of Michael Chiesa v. City of Kodiak, Kodiak Police Department, per Settlement Agreement J-15-068 and J-16-291. The City, as required in the agreement, needs to comply with remedial provisions to include adopting a revised non-discrimination, anti-harassment and equal employment policy by ordinance and provide training to a select group, identified in the agreement.

The existing policy in the Personnel Rules and Regulations, Addendum B needs to be replaced with the new Non-Discrimination, Anti-Harassment and Equal Employment Policy.

Councilmember Bishop MOVED to pass Ordinance No. 1387 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

**b. Resolution No. 2019–10, Amending Sections 9, and 12 of the Schedule of Fees, Charges, and Tariffs**

Mayor Branson read Resolution No. 2019–10 by title. The City sets its fees and charges for various services by a resolution of the Council. It is important to review and adjust the fee schedule on a regular basis to ensure the City is receiving adequate revenues with which to provide services. The City Council identified the importance of an annual review and update of the schedule of fees and charges by including this as a budget goal since FY2011. Staff completed the review and submitted a list of proposed changes to fees pertaining to the Harbor and Parks & Recreation departments. Changes are proposed to take effect on July 1, 2019. Additional changes were discussed at the Council work session on June 11, 2019.

Councilmember Arboleda MOVED to adopt Resolution No. 2019–10.

Councilmember Davidson MOVED to amend Resolution No. 2019-10 by substituting Resolution No. 2019–10(SUB).

The roll call vote on the amendment was Councilmembers Arboleda, Bishop, Davidson, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

Councilmember Whiddon stated a 2.8% increase at the harbor were a planned increase. He said the future rates will be tied to outcomes that will relate to infrastructure changes.

The roll call vote on the main motion as amended was Councilmembers Arboleda, Bishop, Davidson, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

**c. Resolution No. 2019–11, Appropriating Necessary Funds From the Sewer Improvement Fund for Emergency Sewer Lift Station Repairs**

Mayor Branson read Resolution No. 2019–11 by title. On May 9, 2019, a waste water overflow occurred on Metrokin Way. The overflow was discovered at approximately 5 p.m. Thursday when a waste water leak was reported to the City Public Works Department. City personnel responded immediately and shut down Lift Station Number 5 on Metrokin Way. The cause of the leak is due to aging sewer infrastructure.

Councilmember Arboleda MOVED to adopt Resolution No. 2019–11.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

**d. Authorization of FY2020 Special Services Contract with Alaska Department of Public Safety**

The Alaska Department of Public Safety (DPS) requests the renewal of its contract with the City to provide services, which support the mission and operations of the Alaska State Troopers (AST) and Alaska Wildlife Troopers (AWT) in Kodiak. In exchange for providing these services, DPS will compensate the City \$78,750 for FY2020.

Councilmember Bishop MOVED to authorize the FY2020 Special Services Contract No. 245223 with the Alaska Department of Public Safety, Division of Alaska State Troopers, and authorize the City Manager to sign the contract on behalf of the City.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

**e. Authorization of Program Agreement with Alaska Public Entity Insurance Agreement or AML/JIA**

The City receives its property, casualty, liability, and Workers' Compensation coverage through its membership in the Alaska Public Entities Insurance (APEI) pool since the City joined APEI in 2010. In September 2018, Council directed staff to work with the City's broker to get quotes for FY2020 to compare rates and benefits between the two municipal insurance pools. The City's broker worked to get quotes, which were presented to Council at the June 11, 2019, work session. Once the quotes have been fully analyzed and presented to the Council, the Manager and broker will have a recommendation of the insurance pool that will serve the City's best interest.

Councilmember Davidson MOVED to authorize the City Manager to sign the three-year agreement with APEI on behalf of the City.

Councilmember Whiddon spoke about the different insurance pools and spoke about the overall benefits to the City.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

**f. Authorization to Purchase a Primary Sludge/Wasting Pump from APSCO, LLC**

This Primary Sludge/Wasting Pump is a critical part of the process at the Waste Water Treatment Plant. This pump moves the solids from the Primary Clarifier to three different areas. The primary sludge/wasting pump mainly delivers sludge to the Gravity Thickener. This pumps six percent solids at a very slow rate and is the preferred method. When a pump fails it increases the organic loading on the activated sludge process by increasing aeration requirements. It also affects the gravity thickening, dewatering and the bio-solids process which in turn affects the Centrifuge process and composting process.

Councilmember Davidson MOVED to authorize the purchase of a Primary Sludge/Wasting Pump from APSCO, LLC in the amount of \$36,107.14 with funds from the Sewer Utility Deferred Maintenance, Machinery and Equipment account and authorize the City Manager to execute documents on behalf of the City.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

**g. Authorization of Amendment No. 3 Lease No. 219595 for City Hall Office Space in the Kodiak Island Borough Building**

The City entered into a five-year lease for office space in 2015 that included new office space on the ground floor of the Borough Building for the City Manager's offices and a conference room. Staff worked with the KIB Borough Manager for a lease amendment in May 2019 to acquire additional office space for the IT personnel. This would encompass three additional offices for an additional 752 square feet at the current rate of \$2.20/sf. The City's total monthly rent will increase from \$12,749 to \$14,403.40.

Councilmember Bishop MOVED to authorize the third amendment to Lease No. 219595 for additional Office Space in the Kodiak Island Borough Building, Rooms 110, 111, and 120 in the additional amount of \$1,654.40 per month from the General Fund Non-departmental Building Rental line item and authorize the City Manager to execute the lease amendment document on behalf of the City.

The roll call was Councilmembers Arboleda, Bishop, Davidson, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

**h. Authorization to Cancel the June 27 and July 11, 2019, Regular Meetings and Authorize the City Manager to Schedule a Special Meeting if Needed**

The regularly scheduled Council meetings for June and July may be cancelled to reflect the summer meeting schedule. Staff discussed the meeting schedule with the Council at the May 28, 2019, work session, and Council recommended cancelling the June 27 and July 11, 2019, regular meetings and scheduling a special meeting if needed.

Councilmember Bishop MOVED to cancel the June 27 and July 11, 2019, regular meetings and authorize the City Manager to schedule a special meeting if needed.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

**VI. STAFF REPORTS**

**a. City Manager**

Manager Tvenge stated that Public Works staff is painting crosswalks this month and he urged motorists to use caution and yield to oncoming traffic. He said the Dog Park at East Addition Park

is closed until July, while staff rebuilds the turf. He shared the library has launched the Kanopy movie streaming program with hundreds of movies available; he encouraged citizens to see library staff for details. He provided an update that Kodiak Fire department conducted rope rescue training on Pillar Mountain and at Bayside Fire station last week. He said that Kodiak is the first department within in Alaska to hold this level of training and received high marks from the State instructors.

**b. City Clerk**

Clerk Javier said the City offices will be closed on July 4 in observance of Independence Day and she provided an overview of the upcoming work session and regular Council meeting schedules.

**VII. MAYOR’S COMMENTS**

Mayor Branson thanked the staff for their work on the FY2020 budget. She said that a second special legislative session will begin in July. She shared that she was grateful that Sarah and Megan were present and appreciated their collaboration with the Alutiiq Museum. She shared that the Alutiiq Ancestors’ Memorial Dedication is tomorrow and was pleased that the City was able to collaborate. She was proud to proclaim Filipino American Heritage Month and commented that she was very proud of the diverse Kodiak community. She said Margaret Hall turns 100 years old and she said she salutes this trailblazer and mentor to the community; she thanked her for her contributions.

**VIII. COUNCIL COMMENTS**

Councilmember Davidson wished Margaret a birthday wish. He reminded the public about the Alutiiq Ancestors’ Memorial Dedication on June 14. He wished everyone a Happy 4<sup>th</sup> of July.

Councilmember Arboleda wished the local fisherman a safe and good season. She encouraged everyone to be bear aware at Buskin.

Councilmember Whiddon congratulated Margaret Hall for the centennial birthday. He shared a story about meeting her 40 years ago. He commented that the City expects that the \$200,000 transfer regarding the sewer and lift station repairs will be covered by insurance. He shared that the Fisheries Work Group will have their next meeting in August.

Councilmember Bishop congratulated High Rise a new business within the community. He said the co-chairs would like to reconvene the Marijuana Committee meeting this fall.

**IX. AUDIENCE COMMENTS**

**Mary Forbes** via telephone thanked the Mayor and Council for their work on the budget.

**X ADJOURNMENT**

Councilmember Davidson MOVED to adjourn the meeting.



The meeting adjourned at 8:16 p.m.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, Walker, and Whiddon in favor. Councilmembers Haines and Walker were absent. The motion passed.

CITY OF KODIAK

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MAYOR

ATTEST:

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CITY CLERK

Minutes Approved:

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## **PERSONS TO BE HEARD**

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**MEMORANDUM TO COUNCIL**

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**Date:** July 25, 2019

**Agenda Item: III. b. Public Hearing: Retail Marijuana Store Application No. 21609 for Wildflower**

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**SUMMARY:** The City received notice from the State of Alaska on June 27, 2019, of a new application from Wildflower for a retail marijuana store license at 158 Alimaq Drive. As part of the license application review process established by Ordinance No. 1378, this hearing allows the public to comment before the Council considers the application later in the agenda.

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## MEMORANDUM TO COUNCIL

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**Date:** July 25, 2019

**Agenda Item:** **III. c. Public Hearing: Resolution No. 2019–13 Amending Section 14, Utilities (Sewer), of the Schedule of Fees, Charges, and Tariffs and Authorizing Implementation of a Five-Year Rate Structure**

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**SUMMARY:** The City sets its fees and charges for various services by resolution of the Council. This public hearing on proposed fee schedule amendments is scheduled prior to New Business agenda item V.c. Resolution No. 2019–13 Amending Section 14, Utilities (Sewer), of the Schedule of Fees, Charges, and Tariffs and Authorizing Implementation of a Five-Year Rate Structure. The proposed changes to fees pertain to the sewer rate increases. The sewer rate fee changes are proposed to take effect on August 1, 2019. The Council has requested a public hearing prior to amending fees.

**NOTES/ATTACHMENTS:**

Attachment A. Resolution No. 2019–13.

**CITY OF KODIAK  
RESOLUTION NUMBER 2019-13**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AMENDING SECTION 14, UTILITIES (SEWER), OF THE SCHEDULE OF FEES, CHARGES, AND TARIFFS AND AUTHORIZING IMPLEMENTATION OF A FIVE-YEAR RATE STRUCTURE**

WHEREAS, in 2014, the City contracted with Jacobs CH (formerly CH2MHill) to complete a review and to recommend an updated rate structure for the sewer system; and

WHEREAS, the purpose of the update was to determine revenue requirements related to sewer system operation and maintenance and capital improvement needs for the next ten years; and

WHEREAS, the study shows existing sewer fees are not sufficient to fund operation and maintenance and capital improvements for the sewer system into the future; and

WHEREAS, in February 2018, staff requested Jacobs CH to complete a sewer rate update and made recommendations to the Council, if rates need adjusting; and

WHEREAS, the Council held multiple work sessions in 2018 and 2019 and discussed the sewer rate recommendations; and

WHEREAS, the Council agreed to adopt the five-year rate structure with the condition that the rates be reviewed on annual basis.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that Section 14, Utilities (sewer) of the City's Schedule of Fees, Charges and Tariffs, which is attached hereto and incorporated by reference, is hereby amended and a five-year rate structure is hereby authorized.

BE IT FURTHER RESOLVED that the changes to the Schedule of Fees, Charges, and Tariffs herein shall be effected on August 1, 2019, unless subsequently amended by the City Council.

CITY OF KODIAK

\_\_\_\_\_  
MAYOR

ATTEST:

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CITY CLERK

Adopted:



**City of Kodiak  
Projected Inside City Sewer Rates, FY 2020-2024**

		5.0%	7.0%	7.0%	4.0%	4.0%	
<b>Service Charge - Inside City</b>	<b>Basis for Charge</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Apartments, per unit	one unit per dwelling	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Auditorium	on unit per 3,500 sf of floor area or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Bakery	one unit per 200 sf of patron area or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Bar	one unit per 200 sf of patron area or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Beauty Shops/Barber/Animal Grooming	one unit per facility/residence	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
B&B / Boarding House	one-half unit per operator chair/tub	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
	one unit per facility/residence	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
	plus one-half unit per guest room	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
Churches	one unit per facility	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Construction	one-half the regular rate for intended use of building						
Day Care Facilities	one unit per business/dwelling unit plus one-quarter unit for each 5 persons or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Dining Facility/Café/Bakeries	one unit per 200 sf of patron area	\$20.04	\$21.04	\$22.51	\$24.09	\$25.05	\$26.05
	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Doctor's office, medical clinic, dentist	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Dry Cleaners	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Gas Station / Auto Repair Shop	2 units per business	\$160.31	\$168.33	\$180.11	\$192.72	\$200.43	\$208.45
Hospital/Major Care Center	one unit per bed	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23

Hotel/Motel	one-half unit per guest room w/o cooking	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
	three-quarter unit per guest room w/cooking	\$60.11	\$63.12	\$67.54	\$72.26	\$75.15	\$78.16
Industrial	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Laundries and bath houses	three-quarter unit per washing machine	\$60.11	\$63.12	\$67.54	\$72.26	\$75.15	\$78.16
Meats or Produce Retail Stores	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Museums	one unit per dwelling	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Office/Retail	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Powerhouses	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Residential (no additional charge for home-based office/retail use)	one unit per dwelling	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Rest Home/Long Term Care	one unit per 2 beds or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Schools	one unit per 20 persons in daily attendance, including staff	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Senior Citizens (primary residence)	one-half unit	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
Vacant Rate, per month	one-half the regular rate for intended use of building	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
Vacant Rate Noncompliance Fee		\$248.94	\$261.39	\$279.68	\$299.26	\$311.23	\$323.68
Warehouses	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Dump Fee							
disposal domestic sludge	per gallon	\$0.41	\$0.43	\$0.46	\$0.49	\$0.51	\$0.53
disposal septic tank/portable toilet water	per gallon	\$0.29	\$0.31	\$0.33	\$0.35	\$0.37	\$0.38

**City of Kodiak  
 Projected Outside City Sewer  
 Rates, FY 2020-2024**

		5.0%	7.0%	7.0%	4.0%	4.0%	
<b>Service Charge - Outside City</b>	<b>Basis for Charge</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Apartments, per unit	one unit per dwelling	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Auditorium	on unit per 3,500 sf of floor area or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Bakery	one unit per 200 sf of patron area or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Bar	one unit per 200 sf of patron area or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Beauty Shops/Barber/Animal Grooming	one unit per facility/residence	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
B&B / Boarding House	one-half unit per operator chair/tub	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
	one unit per facility/residence	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
	plus one-half unit per guest room	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
Churches	one unit per facility	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Construction	one-half the regular rate for intended use of building						
Day Care Facilities	one unit per business/dwelling unit	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
	plus one-quarter unit for each 5 persons or fraction thereof	\$24.03	\$25.23	\$27.00	\$28.89	\$30.05	\$31.25
Dining Facility/Café/Bakeries	one unit per 200 sf of patron area	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Doctor's office, medical clinic, dentist	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Dry Cleaners (one unit per 6 employees or fraction thereof)	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Gas Station / Auto Repair Shop	2 units per business	\$192.18	\$201.79	\$215.92	\$231.03	\$240.27	\$249.88
Hospital/Major Care Center (one unit per bed)	one unit per bed	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94

Hotel/Motel	one-half unit per guest room w/o cooking	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
	three-quarter unit per guest room w/cooking	\$72.07	\$75.68	\$80.97	\$86.64	\$90.11	\$93.71
Industrial	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Laundries and bath houses	three-quarter unit per washing machine	\$72.07	\$75.68	\$80.97	\$86.64	\$90.11	\$93.71
	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Meats or Produce Retail Stores	one unit per dwelling	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Museums	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Office/Retail	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Powerhouses	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Residential (no additional charge for hom-based office/retail use)	one unit per dwelling	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Rest Home/Long Term Care	one unit per 2 beds or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Schools	one unit per 20 persons in daily attendance, including staff	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Senior Citizens (primary residence)	one-half unit	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
Vacant Rate, per month	one-half the regular rate for intended use of building	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
Vacant Rate Noncompliance Fee		\$248.94	\$261.39	\$279.68	\$299.26	\$311.23	\$323.68
Warehouses	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Dump Fee							
disposal domestic sludge	per gallon	\$0.39	\$0.41	\$0.44	\$0.47	\$0.49	\$0.51
disposal septic tank/portable toilet water	per gallon	\$0.28	\$0.29	\$0.31	\$0.34	\$0.35	\$0.36

# **UNFINISHED BUSINESS**

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Mike Tvenge, City Manager *MT*

**Date:** July 25, 2019

**Agenda Item: IV. a. Second Reading and Public Hearing, Ordinance No. 1387, Replacing the Existing Addendum B, Sexual Harassment and Anti-Harassment Policy in the City Personnel Rules and Regulations with a New Addendum B, Non-Discrimination, Anti-harassment and Equal Employment Policy**

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**SUMMARY:** The City of Kodiak entered into a settlement agreement with the Alaska State Commission for Human Rights (ASCHR) as a result of Michael Chiesa v. City of Kodiak, Kodiak Police Department, per Settlement Agreement J-15-068 and J-16-291. The City, as required in the agreement, needs to comply with remedial provisions to include adopting a revised non-discrimination, anti-harassment and equal employment policy by ordinance and provide training to a select group, identified in the agreement.

The existing policy in the Personnel Rules and Regulations, Addendum B will be replaced with the new Non-Discrimination, Anti-Harassment and Equal Employment Policy. The effective date of the change will be August 31, 2019. All City employees will receive and sign, acknowledging receipt of the Addendum.

**PREVIOUS COUNCIL ACTION:**

- On March 14, 2019, at a regular meeting the Council had an executive session to receive legal advice regarding the Chiesa lawsuit.
- On April 25, 2019, the Council moved to enter into a Settlement Agreement J-15-068 and J-16-291 in the amount of \$56,447 with Michael Chiesa and authorize the City Manager to sign documents on behalf of the City.
- On June 13, 2019, the Council passed Ordinance No. 1387 in first reading to advance it to public hearing at the July 25, 2019 meeting.

**LEGAL:** The non-discrimination, anti-harassment and equal employment policy has been reviewed and recommended by Patrick Munson, with Boyd, Chandler, Falconer & Munson, LLP.

**CITY MANAGER'S COMMENTS:** The City is complying with a component of the provisions in the agreement by adopting a revised non-discrimination, anti-harassment and equal employment policy by ordinance. The draft policy has been reviewed by Carleen Mitchell, Deputy Director with Alaska Public Entity Insurance (APEI) and Patrick Munson, with Boyd, Chandler, Falconer & Munson, LLP and is recommended for adoption.

**ATTACHMENTS:**

Attachment A: Ordinance No. 1387

**PROPOSED MOTION:**

Move to adopt Ordinance No. 1387.

**CITY OF KODIAK  
ORDINANCE NUMBER 1387**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK REPLACING THE EXISTING ADDENDUM B, SEXUAL HARASSMENT AND ANTI-HARASSMENT POLICY IN THE CITY PERSONNEL RULES AND REGULATIONS WITH A NEW ADDENDUM B, NON-DISCRIMINATION, ANTI-HARASSMENT AND EQUAL EMPLOYMENT POLICY**

WHEREAS, it is necessary to amend the Personnel Rules and Regulations (PR&R) to comply with the Settlement Agreement entered into by the City of Kodiak with the Alaska State Commission for Human Rights (ASCHR); and

WHEREAS, the City is required to adopt and disseminate to all City of Kodiak employees a non-discrimination, anti-harassment, and equal employment policy that is approved by ASCHR; and

WHEREAS, the Non-Discrimination, Anti-Harassment, and Equal Employment Policy in Section 1 of this ordinance was submitted and approved by the ASCHR.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

**Section 1:** The existing Addendum B, Sexual Harassment and Anti-Harassment Policy in the PR&R which was adopted in Section 23 of Ordinance No. 1383 is hereby rescinded and replaced as follows:

**NON-DISCRIMINATION, ANTI-HARASSMENT,  
AND EQUAL EMPLOYMENT POLICY**

The following sets forth the City of Kodiak's policy of non-discrimination, anti-harassment and equal employment.

All City employees are responsible for complying with this policy, for maintaining a high level of professional conduct in the workplace, and for treating others with respect and fairness. An employee who violates this policy may be subject to disciplinary action, up to and including dismissal.

**EQUAL EMPLOYMENT OPPORTUNITIES**

The City of Kodiak is committed to the principle of equal employment opportunities being available to everyone. Specifically, all employees will be afforded equal consideration for hiring, promotions, transfers, reassignments, employee benefits, and all other aspects of employment related activities. These decisions will be based on merit principles of qualifications and

performance without regard to age, race, sex, religion, marital status, changes in marital status, pregnancy, parenthood, color, national origin, genetic information, veteran status, physical or mental disability or any other protected class.

## **DISCRIMINATION**

The City strictly prohibits and does not tolerate discrimination of any kind, including harassment, against employees and applicants on the basis of age, race, sex, religion, marital status, changes in marital status, pregnancy, parenthood, color, national origin, genetic information, veteran status, physical or mental disability or any other protected class. This policy also prohibits discrimination against employees and applicants who are perceived to have any of the characteristics listed above or who associate with persons who have any of these characteristics. This policy applies to all employment practices and actions, including, but not limited to, recruitment, hiring, transfer and reassignment, training, discipline, compensation, promotion, dismissal, and any other term or condition of employment.

## **HARASSMENT**

It is the City's policy that harassment relating to an employee's age, race, sex, religion, marital status, changes in marital status, pregnancy, parenthood, color, national origin, genetic information, veteran status, physical or mental disability or any other protected class or an affiliation with any other protected class is a violation of policy.

The City intends to provide a respectful work environment free from intimidation, hostility, or other conduct which might interfere with work performance.

The following examples of harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation of policy:

- Verbal harassment may include offensive, unwanted or unwelcome comments, slurs, jokes, or innuendoes regarding a person's national origin, race, color, religion, gender, gender identity, sexual orientation, age, body, disability or appearance.
- Nonverbal harassment may include the distribution, display, or discussion of any written or graphic material that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group because of age, race, sex, religion, marital status, changes in marital status, pregnancy, parenthood, color, national origin, genetic information, veteran status, physical or mental disability or any other protected class.



Courteous, mutually respectful, pleasant, noncoercive interactions between employees that are appropriate in the workplace and acceptable to and welcomed by both parties are not considered to be harassment.

## **SEXUAL HARASSMENT**

In addition to prohibiting other forms of harassment, the City maintains a strict policy prohibiting sexual harassment. All such harassment is unlawful and will not be tolerated. The City is committed to taking all reasonable steps to prevent sexual harassment from occurring.

Federal and state laws define sexual harassment as unwanted sexual advances, requests for sexual favors, or visual, verbal, or physical conduct of a sexual nature when: (1) submission to such conduct is made a term or condition of employment; (2) submission to or rejection of such conduct is used as a basis for employment decisions affecting the individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile or offensive working environment.

The above definition includes many forms of offensive behavior. The following is a non-exclusive list of conduct that may constitute harassment:

- Unwelcome or unwanted sexual advances. This means stalking, patting, pinching, brushing up against, hugging, cornering, kissing, fondling or any other similar physical contact that would be considered unacceptable by a reasonable individual.
- Verbal or written abuse, making jokes or comments of a sexual nature that would be considered unacceptable by a reasonable individual. This includes verbal, written, or electronically communicated comments about an individual's body or appearance where such comments go beyond mere courtesy, telling "dirty jokes" or any other tasteless, sexually oriented comments, innuendos, or actions that offend others. The harassment policy applies to employees' text messages, emails, social media posts, tweets, etc., that are directed to, about, or may be seen by other employees, customers, etc.
- Requests or demands for sexual favors. This includes subtle or obvious expectations, pressures, or requests for any type of sexual favor, along with an implied or specific promise of favorable treatment (or negative consequence) concerning one's current or future job or any term or condition of employment.

Both victim and the harasser can be either a woman or a man, and the victim and harasser can be the same sex. The harasser can be the victim's supervisor, a supervisor in another area, a coworker, or someone who is not an employee of the City, such as a contractor.

## **REPORTING VIOLATIONS**

The City of Kodiak strongly encourages employees to promptly report incidents of discrimination, harassment and retaliation. If you believe that you have been discriminated against or harassed, or if you witness someone discriminating against or harassing another person(s), you should promptly report such conduct to your immediate supervisor, manager, Human Resource Manager or Department Head. If your immediate supervisor, manager, Human Resource Manager, or Department Head is the subject of the complaint, or if you feel uncomfortable reporting within your chain of command or to the Human Resource Manager, the complaint should be reported to any supervisor, manager, Department Head or to the City Manager. Employees are encouraged to report incidents of discrimination, harassment and retaliation in writing, but may also report incidents verbally. Employees may also contact the Alaska State Commission for Human Rights or the Equal Employment Opportunity Commission.

## **DISCRIMINATION & HARASSMENT INVESTIGATION PROCEDURES**

The City is committed to providing a prompt, thorough and impartial investigation of any claim of unlawful harassment or discriminatory treatment and administering appropriate corrective action. Appropriate remedies will be made available for any victim of harassment. Supervisors and/or the Human Resource Manager will use the following guidelines when receiving an allegation of harassment or discriminatory treatment:

**Step 1:** When an employee comes forward with a workplace complaint, supervisors should inform the employee that the City cannot guarantee complete confidentiality due to the need to conduct an effective investigation, which may require revealing certain information to the alleged violator and potential witnesses. Confidentiality of the information received, the privacy of the individuals involved, and the wishes of the employee will be protected to as great a degree as possible. The expressed wishes of the employee for confidentiality will be considered in the context of the City's obligation to act on the harassment allegations.

**Step 2:** The supervisor must notify his or her supervisor and the Human Resource Manager about the allegations (assuming the allegations do not involve the supervisor).

**Step 3:** If the nature of the allegations warrants a simple intervention, the supervisor will consult with the Human Resource Manager and the course of action may be to handle the matter informally. The supervisor and/or Human Resource Manager may conduct a coaching session with the offender, explaining the impact of his/her actions and requiring the conduct not reoccur.

This approach is particularly appropriate when there is some ambiguity about whether the conduct was disrespectful.

**Step 4:** If a formal investigation is warranted, the individual alleging a violation of this policy will be interviewed to discuss the nature of the allegations. The person being interviewed may have someone of his/her own choosing present during the interview. Typically, the investigator will obtain the following description of the incident(s), including date(s), time(s) and place(s):

- Corroborating evidence.
- A list of witnesses.
- Identification of the offender.

**Step 5:** In most cases, as soon as practical after receiving the written or verbal complaint, the alleged policy violator will be informed of the allegations, and the alleged violator will have the opportunity to answer questions and respond to the allegations. The alleged policy violator will be informed that retaliation is prohibited and that retaliating may result in disciplinary action up to and including dismissal. The individual conducting the investigation will follow any other applicable policies or laws in the investigatory process.

**Step 6:** After investigation and consultation with the appropriate personnel, a decision will be made regarding whether disciplinary action will be taken.

**Step 7:** The alleged violator and complainant will be advised of the findings and conclusions as soon as practical. Any employee who submits in bad faith a false claim of harassment will be subject to disciplinary action up to and including dismissal.

## **RETALIATION**

The City will not knowingly permit any retaliation against any employee who complains of discrimination or harassment or who participates in an investigation, proceeding or hearing relating to the report of alleged violations. Retaliation includes, but is not limited to, any form of intimidation, reprisal, harassment, or other mistreatment towards an employee based on his or her decision to oppose or report harassment or another discriminatory practice.

Any report of retaliation by the person accused of harassment or by coworkers, supervisor/manager, will also be promptly, thoroughly and impartially investigated in accordance with the investigation procedure outlined above. If a complaint of retaliation is substantiated, the City will take appropriate disciplinary action, up to and including dismissal.

For more information, contact your immediate supervisor or the City's Human Resource Manager. You may also contact the Alaska State Commission for Human Rights or the Equal Employment Opportunity Commission.

## **EQUAL ACCESS TO THE WORKPLACE**

It is the City's policy to reasonably accommodate individuals with disabilities and individuals with religious beliefs or practices where the accommodation does not pose an undue hardship to the City or to fellow employees. The City commits to providing a qualified applicant with a disability a reasonable accommodation to ensure the person has an equal opportunity to compete for a job. Additionally, the City will provide a qualified employee with a disability a reasonable accommodation to enjoy equal access to the benefits and privileges of employment, to perform the essential function of the job, and/or to gain access to the workplace. Essential functions are the basic job duties that an employee must be able to perform.

### **Definition of a disability:**

An individual with a disability is a person who:

1. Has a physical or mental impairment that substantially limits one or more major life activity; or
2. Has a condition that may require the use of a prosthesis, special equipment for mobility, or a service animal; or
3. Has a record of such an impairment; or
4. Is regarded as having such an impairment.

### **Definition of a religious belief:**

Religious beliefs are those associated both with known, established religions, as well as those that are new, uncommon, and not part of a formal church or sect. All aspects of religious belief and observance that are sincerely held will be considered as part of this policy.

### **Definition of a service animal:**

A service animal is a dog, or in some cases another animal, that has been trained to perform tasks or do work for the benefit of a person with a disability. A service animal may also be any animal that alerts a person with a disability to the present impairment of a vital function which is a condition of the individual's disability, and whose ability to alert is verified in writing by a licensed health care provider who has conducted a physical examination of the individual in person. The tasks or work the animal does must be directly related to the person's disability, such as alerting

the handler of a seizure or reminding handlers to take necessary medication. A comfort or support animal is not considered a service animal under the Americans with Disabilities Act (ADA).

## **ACCOMMODATION PROCEDURES**

The City will use the following guidelines when an employee or applicant requests an accommodation based on a disability (including the use of a service animal) or religious belief or practice:

**Step 1:** The individual should make such a request to his or her supervisor or to the Human Resource Manager, who will then promptly engage in the interactive process to clarify the needs of the person making the request. Although employees are strongly encouraged to submit their requests in writing, they are not required to do so.

**Step 2:** An employee should clearly communicate to his or her supervisor or to the Human Resource Manager that the employee believes he or she needs a reasonable accommodation. Any such request shall initiate an interactive process by which the employee and the City will determine whether a reasonable accommodation is required and appropriate to allow the employee to carry out the essential functions of his or her job. The interactive process may require that the person requesting the accommodation submit medical documentation to allow the City to ascertain that the disability is protected by law, whether the disability requires an accommodation, and if so, what reasonable accommodation would be most appropriate consistent with the City's legitimate business needs. Any medical information received as part of an accommodation request or during the accommodation process will be kept confidential and in a separate medical file. The nature of the disability and requested accommodation will be kept as confidential as possible under the circumstances. However, the City may need to discuss potential or proposed accommodations with others in order to evaluate the potential impact of the request on other employees or the workplace in general, as well as the specifics of the implementation of the request.

A request to use a service animal will be evaluated just like any other request for an accommodation. Employees and the City will engage in the interactive process to determine whether the presence of the animal is a reasonable accommodation. The City may request information explaining how the service animal's presence will relate to the employee's ability to perform the duties of the job and will discuss potential options for effective accommodations. Service animals may be excluded from the workplace if they pose either an undue hardship or a direct threat in the workplace.

**Step 3:** If it is determined that the request should be denied, this decision will be explained to the person requesting the accommodation. The City will continue the interactive process with the employee or applicant and explore an alternative request for accommodation if the person making the request desires to do so.

**Step 4:** If it is determined the request is reasonable and will not impose an undue hardship, the City will provide the accommodation in a timely fashion, will not retaliate against an individual for requesting an accommodation, and will not knowingly tolerate or permit retaliation against an employee or applicant requesting an accommodation by management, employees, or coworkers.

The following is a non-exhaustive list of accommodations that may be considered reasonable, depending on the circumstances:

- Granting breaks or providing a leave of absence
- Altering how, where, or when job duties are performed
- Removing and/or substituting a nonessential or marginal job function
- Providing assistive technology, including information technology and communication equipment, specially designed furniture, or modified tools
- Modification of work schedules
- Allowing for religious dress and grooming practices, such as religious clothing or hairstyles
- Allowing time for prayer during a work day and/or the ability to attend religious events or observe a religious holiday

Examples of accommodations that are not considered reasonable:

- Job assignments outside of an employee's seniority
- Indefinite leaves of absence
- Creating a different position for the employee to fill or a work schedule that is less than full-time if the employee's position is generally expected to be full-time
- Accommodations that would cause an undue hardship to the City or employees by creating significant difficulty or imposing unreasonable expense
- Accommodations that would pose a significant risk of substantial harm to the health and safety of the employee or others
- Altering the content of the job or job environment in such a manner as to alter the essential nature of the position

Employees or applicants may report discrimination related to reasonable accommodations (such as an improper denial of a reasonable accommodation request) using the same procedures outlined above for reporting harassment or discrimination.

## **SCOPE**

This policy applies to all City of Kodiak temporary and regular employees and those individuals doing business with the City who have contact with City employees.

Conduct prohibited by this policy is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

I certify that I have received and read the above policy explaining the City of Kodiak policy of non-discrimination, anti-harassment and equal employment and understand that discipline, up to and including dismissal, may result from any violation of this policy.

IF YOU HAVE QUESTIONS ABOUT THIS POLICY, OR WISH TO REPORT A POTENTIAL VIOLATION, PLEASE CONTACT THE FOLLOWING OFFICE:

**Human Resource Manager  
City of Kodiak  
Tel: (907) 486-8653**

\_\_\_\_\_  
Employee Name Printed

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

Section 2: This ordinance shall be effective one month after final passage and publication.

CITY OF KODIAK

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

First Reading: June 13, 2019  
Second Reading:  
Effective Date:

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# **NEW BUSINESS**

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Mike Tvenge, City Manager *MT*  
**Thru:** Josie Bahnke, Deputy City Manager  
**Date:** July 25, 2019

**Agenda Item:** V. a. **First Reading, Ordinance, No. 1388, Authorizing Amendment No. 4 to the Lease Between the City of Kodiak and NOAA for Warehouse Space on Pier II**

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**SUMMARY:** Ordinance No. 1388 authorizes Amendment No. 4 to the existing NOAA Warehouse Lease at Pier II. Currently NOAA leases warehouse space totaling 5,400 sf at \$17.55 per square foot per year. The current lease allows for this Amendment No. 4 and is supported by the Harbormaster.

**PREVIOUS COUNCIL ACTION:**

- In March 2009 Council approved a ten-year lease to NOAA that included 5,400 sf of Pier II warehouse space on the ground floor, 147 sf of office space on the second floor, and parking adjacent to the warehouse. Ordinance No. 1325 would amend the lease to remove the office space identified in the original lease. Council passed it in the first reading at the regular meeting on August 28, 2014.
- In September 2014, the Council adopted Ordinance No. 1325, which authorizes Amendment No. 1 to the existing NOAA Warehouse Lease at Pier II, which excluded a 147 square foot (sf) office on the second floor. At the time, NOAA leased warehouse and office space totaling 5,547 sf at \$17.55 per square foot per year. NOAA desired to exclude the office space from the lease. Exclusion of the office space resulted in a reduction in rent of \$2,580.33 annually, or \$215.03 per month.
- In March 2019, a Standstill Agreement (Lease Amendment #3) was signed to extend the lease to July 31, 2019.

**DISCUSSION:** NOAA has a long-term commitment with the City of Kodiak to homeport the research vessel OSCAR DYSON at Pier II. In exchange for funding that was provided by NOAA to rebuild Pier II, the vessel is exempt from dock fees. To support vessel operations, NOAA leased warehouse and office space in the Pier II warehouse. Provisions in the lease allow for amendments after the first five years. The original lease was approved in 2009, and the first five-year period started in March 2014. NOAA continues to use the warehouse space for its intended purpose.

**ALTERNATIVES:**

- 1) Approve the amendment to the NOAA warehouse lease. This is the recommendation of staff.
- 2) Do not approve the amendment. NOAA could elect to forfeit the entire lease or ask to re-negotiate the terms. This would not be beneficial to the City. NOAA pays a premium rate for the facility.

**FINANCIAL IMPLICATIONS:** The current lease for the warehouse space is \$94,787.97 annually or \$7,898.97 per month. Under the new negotiated agreement at \$21.25/sf, annual rent will be \$114,744.00 or \$9,562.00 per month.

**LEGAL:** The ordinance was prepared by the City Attorney.

**STAFF RECOMMENDATION:** Staff recommends Council adopt Ordinance No. 1388 to amend the NOAA lease for Pier II Warehouse, effective March 1, 2019 to February 29, 2024.

**CITY MANAGER'S COMMENTS:** I support NOAA's request and the Deputy City Manager's recommendation to authorize the amendment of the lease for Pier II warehouse space. The lease space is primarily used for storage, and supports the Oscar Dyson's mission. Therefore, I recommend Council adopt Ordinance No. 1388 in first reading at tonight's regular meeting and advance to second reading.

**ATTACHMENTS:**

- Attachment A: Ordinance No. 1388, Amendment No. 4
- Attachment B: Standstill Agreement
- Attachment C: NOAA lease amendment 2019-2024

**PROPOSED MOTION:**

Move to pass Ordinance No. 1388 in first reading and advance to second reading and public hearing at the next regular or special Council meeting.

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**CITY OF KODIAK  
ORDINANCE NUMBER 1388**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING AMENDMENT NO. 4 TO THE LEASE BETWEEN THE CITY OF KODIAK AND NOAA FOR OFFICE AND WAREHOUSE SPACE ON PIER II**

WHEREAS, the City owns a warehouse building on Pier II that contains office and warehouse space; and

WHEREAS, under a U.S Government Lease for Real Property dated March 1, 2009 (the "Lease"), the City leased 5,547 square feet of office and warehouse space on Pier II to the U S Department of Commerce National Oceanic and Atmospheric Administration ("NOAA"); and

WHEREAS, NOAA desires to amend the Lease to relinquish the leased office space, with a corresponding reduction in rent; and

WHEREAS, the Council finds that it would be appropriate and in the public interest to authorize the amendment to the Lease.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

**Section 1:** The Council of the City of Kodiak hereby authorizes Lease Amendment No. 4 to Lease No 133954 with the U.S. Department of Commerce, National Oceanic and Atmospheric Administration (the "Amendment") to reduce the leased area to 5,400 square feet and to adjust the annual rent under the Lease to \$94,787.67

**Section 2:** The form and content of the Amendment hereby are in all respects authorized, approved and confirmed, and the City Manager hereby is authorized, empowered and directed to execute and deliver the Amendment to the U.S. Department of Commerce, National Oceanic and Atmospheric Administration on behalf of the City in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as she shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said document now before this meeting; and from and after the execution and delivery of said document the City Manager hereby is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of the Amendment as executed.

**Section 3:** This ordinance shall go into effect one month after its passage and publication.

CITY OF KODIAK

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MAYOR

ATTEST:

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CITY CLERK

First Reading:  
Second Reading:  
Effective Date:

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE	LEASE AMENDMENT No. 3
	TO LEASE NO. GS-10B-07054
LEASE AMENDMENT	
ADDRESS OF PREMISES PIER II WAREHOUSE 727 SHELKOF STREET KODIAK, AK 99615727	PDN Number: N/A

**THIS AMENDMENT** is made and entered into between **City of Kodiak**

whose address is: 710 Mill Bay Road, Kodiak, AK 99615

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

**WHEREAS**, the parties hereto desire to amend the above Lease to extend the lease through 7/31/2019 and memorialize the attached Standstill Agreement.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective 2/28/2019 as follows: Part II Section B TERM Paragraph 3 shall be deleted in its entirety and replaced with the same numbered paragraph, below, and Exhibit LA3-1 is hereby attached to the Lease.

**B. TERM**

3. To have and to hold, for the term commencing on March 1, 2019 and continuing through July 31, 2019 inclusive. This lease shall terminate on the earlier of July 31, 2019, or on the date a new lease agreement is signed in accordance with the attached Exhibit LA3-1.

This Lease Amendment contains 1 pages.

All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

**FOR THE LESSOR:**

Signature: Mike Tvenge  
 Name: Mike Tvenge  
 Title: City Manager  
 Entity Name: City of Kodiak  
 Date: 3-7-19

**FOR THE GOVERNMENT:**

Signature: B. Campbell  
 Name: Breanne Campbell  
 Title: Lease Contracting Officer  
 GSA, Public Buildings Service, Region 10  
 Date: 3/7/2019

**WITNESSED FOR THE LESSOR BY:**

Signature: Debra Marlar  
 Name: Debra Marlar  
 Title: City Clerk  
 Date: March 7, 2019



GSA Northwest Arctic Region

## STANDSTILL AGREEMENT

**THIS AGREEMENT** (hereinafter, "Agreement") is made by and between City of Kodiak, (hereinafter, the "Lessor"), whose address is 710 Mill Bay Road, Kodiak, AK 99615 and the United States of America (hereinafter, the "Government"), acting by and through the General Services Administration ("GSA"), 400 15<sup>th</sup> Street SW (10PRAC), Auburn, WA 98001-6599.

### RECITALS:

1. The Lessor owns certain improved real property located at Pier 2 Warehouse, 727 Shelikof Street, Kodiak, AK 99615 (hereinafter, the "Premises"). The Government currently occupies approximately 5,400 rentable square feet (rsf), 5,400 usable square feet (usf) of office and related space on the Premises under Lease No. GS-10B-07054, (hereinafter, "the Lease") as amended. The Lease expires on February 28, 2019. The Lessor and the Government (hereinafter, collectively, "the Parties") have not consummated a lease extension/new lease agreement to date.
2. The Parties do not want an unnecessary condemnation lawsuit and the Government does not want its operations, services or tenancy interrupted or disturbed. Neither party wants a lease holdover, and the Parties prefer their negotiations to end with a new lease agreement at a new monthly rental rate to be retroactively effective from March 1, 2019.
3. By this Agreement, the Parties seek to preserve the status quo, pending the completion of a leasehold acquisition procedure which could result in a mutually acceptable new lease, by the terms of which the Government could continue to lease the Premises from the Lessor.
4. The Lessor and the Government believe that this Agreement will facilitate settlement negotiations. As evidenced by their signatures to this Agreement, the Parties agree that no right, action or claim either party may otherwise have against the other party will be prejudiced or waived by this agreement.

**NOW THEREFORE**, in consideration of the foregoing recitals and the mutual covenants set forth herein, the adequacy of which is hereby acknowledged by the undersigned, the Parties agree as follows:

### During the term of this Agreement:

1. The Parties agree to negotiate, actively and in good faith, a new lease for the Premises.
2. **The Government will not condemn the Premises by the power of eminent domain, and will not file a Declaration of Taking with respect to the Premises.**



3. The Lessor will not initiate an "inverse condemnation", or breach of lease action in any United States Court or tribunal with respect to the Premises.
4. The Lessor will not:
  - A. undertake to evict the Government from the Premises or;
  - B. interfere with the use or occupancy of the Premises by the Government; or
  - C. market the space to potential tenants; or
  - D. interrupt the operations, building services or utilities of the Government from what they were while the lease was in effect; or
  - E. threaten to do any of the acts or omissions referenced in A, B, C, or D above.
5. Each Party agrees not to take any action to alter its position to the detriment of the other Party in any condemnation type action arising out of these facts.

At all times after this Agreement becomes effective:

6. The Government shall receive full credit for money paid to the Lessor during the term of this Agreement in accordance with Lease No. GS-10B-07054 whether there is a lease extension, new lease, other legal action, or settlement.
7. Neither Party will seek or accept severance damages or attorneys' fees from the other Party for the period this Agreement is in effect.
8. In the event that a lease extension, or new lease, with respect to the Premises, is not executed by the Parties during the course of this Agreement, or that this Agreement is otherwise terminated, then any legal proceedings arising therefrom is stipulated by the Parties to be deemed to have been commenced on March 1, 2019.
9. Termination of Agreement: This Agreement shall terminate on the earlier of **July 31, 2019**, or on the date a lease extension or new lease agreement is signed by the Parties. This termination provision may be amended to extend the termination date of this Agreement by the mutual written consent of the Parties.
10. Successors in Interest: All of the terms, covenants, agreements, and provisions herein contained shall bind and inure to the benefit of the Lessor and the Government, their heirs, executors, administrators, personal representatives, successors, trustees, receivers, and assigns, as applicable, except as otherwise provided herein.
11. Merger Clause: All prior understandings and agreements with respect to the subject matter of this Agreement, written or oral are merged into this Agreement. This Agreement represents the final agreement between the Parties with respect to such subject matter, and may not be superseded, except by a separate written agreement signed and agreed to by the Parties.

12. **Amendments:** Neither this Agreement, nor any terms hereof, may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the Party against which the enforcement of a change, waiver, discharge or termination is sought.
13. **Construction:** Any provision contained in this Agreement which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or enforceability without invalidating the remaining provisions hereof. A waiver by a Party of any right, covenant, condition or remedy in any instance hereunder shall not operate as a waiver of such right, covenant, condition or remedy in any other instance, and waiver by a Party of any breach of the terms hereof shall not be a waiver of any additional or subsequent breach. This Agreement shall be governed by, and construed in accordance with, the laws of the United States of America.
14. **Counterparts:** This Agreement may be executed in photocopied counterparts which, when taken together, shall constitute a single agreement.
15. **Effective Date:** This Agreement is effective and enforceable only after having been first signed by the Lessor, and second, accepted and signed by the Government.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the 1<sup>st</sup> day of March, 2019.

Lessor:

By: Mike Trenge (name)  
City Manager (title)

United States of America

By: B Campbell  
Breanne Campbell  
Lease Contracting Officer  
General Services Administration

**THIS AMENDMENT** is made and entered into between **City of Kodiak**

whose address is: 710 Mill Bay Road, Kodiak, AK 99615

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

**WHEREAS**, the parties hereto desire to amend the above Lease to add and execute a five (5) year renewal term.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective 6/21/2019 as follows: Part II Section B TERM Paragraph 3 and Part II Section C RENTAL paragraphs 5 and 6 shall be deleted in their entirety and replaced with the same numbered paragraph, below.

Upon execution of this Lease Amendment #4, the Standstill Agreement executed in LA #3 shall be terminated.

**B. TERM**

3. To have and to hold, for the term commencing on March 1, 2019 and continuing through February 29, 2024 inclusive. The Government may terminate this lease in whole or in part at any time on or after February 28, 2014, by giving at least 60 days notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

**C. RENTAL**

5. Amount of annual rent: \$114,744.00

6. Rate per month: \$9,562.00

**CITY OF KODIAK  
ORDINANCE NUMBER 1325**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING AN AMENDMENT TO THE LEASE BETWEEN THE CITY OF KODIAK AND NOAA FOR OFFICE AND WAREHOUSE SPACE ON PIER II**

WHEREAS, the City owns a warehouse building on Pier II that contains office and warehouse space; and

WHEREAS, under a U.S Government Lease for Real Property dated March 1, 2009 (the "Lease"), the City leased 5,547 square feet of office and warehouse space on Pier II to the U S Department of Commerce National Oceanic and Atmospheric Administration ("NOAA"); and

WHEREAS, NOAA desires to amend the Lease to relinquish the leased office space, with a corresponding reduction in rent; and

WHEREAS, the Council finds that it would be appropriate and in the public interest to authorize the amendment to the Lease.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska as follows:

**Section 1:** The Council of the City of Kodiak hereby authorizes Lease Amendment No. 1 to Lease No 133954 with the U.S. Department of Commerce, National Oceanic and Atmospheric Administration (the "Amendment") to reduce the leased area to 5,400 square feet and to adjust the annual rent under the Lease to \$94,787.67

**Section 2:** The form and content of the Amendment hereby are in all respects authorized, approved and confirmed, and the City Manager hereby is authorized, empowered and directed to execute and deliver the Amendment to the U.S. Department of Commerce, National Oceanic and Atmospheric Administration on behalf of the City in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as she shall deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said document now before this meeting; and from and after the execution and delivery of said document the City Manager hereby is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of the Amendment as executed.

**Section 3:** This ordinance shall go into effect one month after its passage and publication.



CITY OF KODIAK

*Pat Quinn*

MAYOR

ATTEST:

*Marcia Wilmont-Johnson*

CITY CLERK

First Reading: August 28, 2014

Second Reading: September 11, 2014

Effective Date: October 17, 2014

U.S. GOVERNMENT LEASE FOR REAL PROPERTY  
(Short Form)

LEASE NUMBER  
GS-10B-07054  
Bldg Number AK3475

PART I - SOLICITATION/DESCRIPTION OF REQUIREMENTS (To be completed by Government)

A. REQUIREMENTS

2. The Government of the United States of America is seeking to lease approximately 5,547 rentable square feet of warehouse/office space located in Kodiak, AK for occupancy not later than March 1, 2009 for a term of ten (10) years, five (5) years firm. Rentable space must yield a minimum of 5,547 square feet of ANSI/BOMA Office Area (ABOA) for use by Tenant for personnel, furnishing, and equipment.

3. INITIAL OFFERS ARE DUE ON OR BEFORE CLOSE OF BUSINESS N/A.

B. STANDARD CONDITIONS AND REQUIREMENTS

4. The following standard conditions and requirements shall apply to any premises offered for lease to the UNITED STATES OF AMERICA (the GOVERNMENT):

- a. Space offered must be in a quality building of sound and substantial construction meeting the Government's requirements for the intended use.
- b. The Lessor shall provide floor plans for the offered space and a valid Certificate of Occupancy for the intended use of the Government and shall meet, maintain, and operate the building in conformance with all applicable current (as of the date of this solicitation) codes and ordinances. If space is offered in a building to be constructed for lease to the Government, the building must be in compliance with the most recent edition of the building code, fire code, and ordinances adopted by the jurisdiction in which the building is located.
- c. Offered space shall meet or be upgraded to meet the applicable egress requirements in National Fire Protection Association (NFPA) 101, *Life Safety Code* or an alternative approach or method for achieving a level of safety deemed equivalent and acceptable by the Government. Offered space located below-grade, including parking garage areas, and all areas referred to as "hazardous areas" (defined in NFPA 101) within the entire building (including non-Government areas), shall be protected by an automatic sprinkler system or an equivalent level of safety. Additional automatic fire sprinkler requirements will apply when offered space is located on or above the 6<sup>th</sup> floor. Unrestricted access to a minimum of two remote exits shall be provided on each floor of Government occupancy. Scissor stairs shall be counted as only one approved exit. Open-air exterior fire escapes will not be counted as an approved exit. Additional fire alarm system requirements will apply when offered space is located 2 or more stories in height above the lowest level of exit discharge.
- d. The Building and the leased space shall be accessible to persons with disabilities in accordance with appendices C and D of 36 CFR Part 1191 (ABA Chapters 1 and 2 and Chapters 3 through 10 of the ADA-ABA Accessibility Guidelines).
- e. The leased space shall be free of all asbestos containing materials, except undamaged asbestos flooring in the space or undamaged boiler or pipe insulation outside the space, in which case an asbestos management program conforming to Environmental Protection Agency guidance shall be implemented. The space shall be free of other hazardous materials and in compliance with applicable Federal, State, and local environmental laws and regulations.
- f. Services, utilities, and maintenance will be provided daily, extending from 7 a.m. to 5 p.m. except Saturday, Sunday, and Federal holidays. The Government shall have access to the leased space at all times, including the use of electrical services, toilets, lights, elevators, and Government office machines without additional payment.
- g. The Lessor shall complete any necessary alterations within N/A days after receipt of approved layout drawings.
- h. The Offeror must have an active registration in the Central Contractor Registration (CCR) System (via the Internet at <http://www.ccr.gov>) prior to lease award and throughout the life of the lease. To remain active, the Lessor must update or renew its registration annually. The Government will not process rent payments to Lessors without an active CCR Registration. The Government will recognize no change of ownership of the leased premises until the new owner registers in the CCR system.

5. SERVICES AND UTILITIES (To be provided by Lessor as part of rent)

- |  |  |  |   |   |
|--|--|--|---|---|
| <input type="checkbox"/> HEAT                          | <input type="checkbox"/> TRASH REMOVAL           | <input type="checkbox"/> ELEVATOR SERVICE          | <input checked="" type="checkbox"/> INITIAL & REPLACEMENT LAMPS, TUBES & BALLASTS | <input checked="" type="checkbox"/> OTHER (Specify below) |
| <input type="checkbox"/> ELECTRICITY                   | <input type="checkbox"/> CHILLED DRINKING WATER  | <input checked="" type="checkbox"/> WINDOW WASHING | <input checked="" type="checkbox"/> PAINTING FREQUENCY                            | <u>Sewer, Security Patrol,</u>                            |
| <input type="checkbox"/> POWER (Special Equip.)        | <input type="checkbox"/> AIR CONDITIONING        | Frequency <u>Semi-Annually</u>                     | Space <u>Every 5 Years</u>  | <u>Pest control, Landscape</u>                            |
| <input checked="" type="checkbox"/> WATER (Hot & Cold) | <input type="checkbox"/> FOILET SUPPLIES         | <input type="checkbox"/> CARPET CLEANING           | Public Areas <u>Every 5 Years</u>   | <u>Maintenance</u>  |
| <input checked="" type="checkbox"/> SNOW REMOVAL       | <input type="checkbox"/> JANITORIAL SERV & SUPP. | Frequency <u>Semi-Annually</u>                     |   |   |

6. OTHER REQUIREMENTS

24/7 Access, Use of Dock facilities.

Heat and Electricity are not included in the terms of this lease

Offeror should also include the following with their offers:

Attachment Sheet Number 1, GSA Form 12000 Pre Lease Fire Life Safety Review, SF3881 ACH Enrollment Form, CCR Registration

7. NOTE: All offers are subject to the terms and conditions outlined above, and elsewhere in this solicitation, including the Government's General Clauses and Representations and Certifications.

8. BASIS OF AWARD

- THE ACCEPTABLE OFFER WITH THE LOWEST PRICE PER SQUARE FOOT, ACCORDING TO THE ANSI/BOMA Z65.1-1996 DEFINITION FOR BOMA USABLE OFFICE AREA, WHICH MEANS "THE AREA WHERE A TENANT NORMALLY HOUSES PERSONNEL AND/OR FURNITURE, FOR WHICH A MEASUREMENT IS TO BE COMPUTED"
- OFFER MOST ADVANTAGEOUS TO THE GOVERNMENT, WITH THE FOLLOWING EVALUATION FACTORS BEING:
  - SIGNIFICANTLY MORE IMPORTANT THAN PRICE
  - APPROXIMATELY EQUAL TO PRICE
  - SIGNIFICANTLY LESS IMPORTANT THAN PRICE
  - (Listed in descending order unless stated otherwise)

*AK/ASM*

**PART II - OFFER (To be completed by Offeror/Owner and remain open until lease award)**

**A. LOCATION AND DESCRIPTION OF PREMISES OFFERED FOR LEASE BY GOVERNMENT**

1 NAME AND ADDRESS OF BUILDING (Include ZIP Code)  Pier 2 Warehouse 727 Shelikof Street Kodiak, AK 99615	2 LOCATION(S) IN BUILDING	
	a FLOOR(S) 1 <sup>st</sup> floor – 5,400 RSF 2 <sup>nd</sup> Floor – 147 RSF	b ROOM NUMBER(S) N/A
	c SQ FT RENTABLE <u>5,547</u> ABOA <u>5,547</u> Common Area Factor <u>1.000</u>	d TYPE <input checked="" type="checkbox"/> GENERAL OFFICE <input checked="" type="checkbox"/> OTHER (Specify) <input checked="" type="checkbox"/> WAREHOUSE      Ship Dock Facilities

**B. TERM**

3. To have and to hold, for the term commencing on March 1, 2009 and continuing through February 28, 2019 inclusive. The Government may terminate this lease in whole or in part at any time on or after February 28, 2014, by giving at least 60 days notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

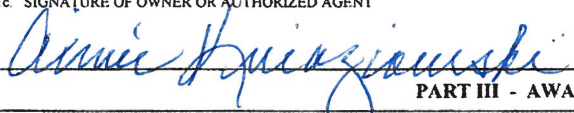
**C. RENTAL**

4. Rent shall be payable in arrears and will be due on the first workday of each month. When the date for commencement of the lease falls after the 15th day of the month, the initial rental payment shall be due on the first workday of the second month following the commencement date. Rent for a period of less than a month shall be prorated.

5 AMOUNT OF ANNUAL RENT \$97,368.00	7 HVAC OVERTIME RATE PER HOUR \$0.00	8 ELECTRONIC FUNDS TRANSFER PAYMENT SHALL BE MADE TO (Name and Address) City of Kodiak 710 Mill Bay Road Kodiak, AK 99615
6 RATE PER MONTH \$8,114.00		

9a. NAME AND ADDRESS OF OWNER (Include ZIP code. If requested by the Government and the owner is a partnership or joint venture, list all General Partners, using a separate sheet, if necessary.)

City of Kodiak, 710 Mill Bay Road, Kodiak, AK 99615

9b TELEPHONE NUMBER OF OWNER 907-486-8080/907-486-8090 fax	10 TYPE OF INTEREST IN PROPERTY OF PERSON SIGNING <input type="checkbox"/> OWNER <input checked="" type="checkbox"/> AUTHORIZED AGENT <input type="checkbox"/> OTHER (Specify)
11a NAME OF OWNER OR AUTHORIZED AGENT (Type or Print) Martin Owen, Harbormaster	11b TITLE OF PERSON SIGNING Aimée Kniazowski, City Manager
11c SIGNATURE OF OWNER OR AUTHORIZED AGENT 	11d DATE 10/17/09

**PART III - AWARD (To be completed by Government)**


1. Your offer is hereby accepted. This award consummates the lease which consists of the following attached documents: (a) this GSA Form 3626, (b) Representations and Certifications, (c) the Government's General Clauses, and (d) the following changes or additions made or agreed to by you:

Attachment Sheet Number 1 to Lease GS-10B-07054 (2 pages)

Exhibit A: Pier 2 Warehouse floor plan  
Exhibit B: Pier 2 Site Plan

Lessor DUNS #: 078191970

**2. THIS DOCUMENT IS NOT BINDING ON THE GOVERNMENT OF THE UNITED STATES OF AMERICA UNLESS SIGNED BELOW BY AUTHORIZED CONTRACTING OFFICER.**

a NAME OF CONTRACTING OFFICER (Type or Print) <b>ANDREW S. MOHL</b>	b SIGNATURE OF CONTRACTING OFFICER 	c DATE <b>NOV 19 2009</b>
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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Mike Tvenge, City Manager *MT*  
**Thru:** Craig Walton, Public Works Director  
**Date:** July 25, 2019

**Agenda Item: V. b. Resolution No. 2019–13, Amending Section 14, Utilities (Sewer), of the Schedule of Fees, Charges, and Tariffs and Authorizing Implementation of a Five-Year Rate Structure**

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**SUMMARY:** Jacobs (formerly CH2MHill) has prepared several water and sewer rate studies for the City of Kodiak dating back to 1982. The last study was completed in 2011 and the Council adopted five years of the rates projected out over a 10-year period for water and a single-year increase for sewer. In February 2018 staff requested Jacobs to complete the sewer rate structure and make recommendations if rates needed to be adjusted. The study showed rates needed to be increased over a five-year period to meet operational and capital improvement needs. The Council has considered the 2019 rate study at several work sessions including presentations by Jacobs.

**PREVIOUS COUNCIL ACTION:**

- September 2004, Council approved a contract with CH2MHill to do a rate study for both the Water and Sewer Utility funds. This was the first rate evaluation in over nine years.
- February 2006, Council approved Resolution No. 06–3 and Resolution No. 06–4, adopting rate increases for both the water and sewer funds.
- August 2009, Council approved a rate study to evaluate the water and sewer rates and adjust if needed to meet operational and capital improvement needs.
- September 2011, Council adopted a five-year water rates structure and authorized a single-year increase for sewer rates.
- May 2014, CH2MHill presented the recommended rate study to the Council at their work session in preparation for the public hearing and regular meeting on May 22.
- May 2014, Council approved Resolution No. 2014–22, which presented a new five-year sewer rate study, which inadvertently excluded a five-year rate for apartments located outside the City.
- July 24, 2014, Council adopted Resolution No. 2014–26, Amending Section 14, Utilities (Sewer), of the Schedule of Fees, Charges, and Tariffs and Authorizing Implementation of a Five-Year Rate Structure and Repealing Resolution No. 2014–22.
- February 2018, staff requested CH2MHill to complete a sewer rate update and make recommendations, if rates need adjusting.



- April 10, 2018, Council discussed the Sewer Rate Study.
- April 23, 2019, Council reviewed the Sewer Rate Study recommendations.
- May 28, 2019, Council received an update on the Sewer Rate Study recommendations.
- June 11, 2019, Council continued discussion of the Sewer Rate Study recommendations.

**DISCUSSION:** The City water and sewer system serves roughly 9,500 people within the City of Kodiak and the nearby service district. The utility system varies in age from the early 1950s to recent times and requires continual maintenance, upgrading and replacement to meet rapidly changing regulations and good operating practices.

The system consists of 52.4 miles of water distribution and transmission lines, three reservoirs consisting of nine dams, two water treatment buildings and two 2.2 million gallon chlorine contact tanks. The wastewater systems consist of the wastewater treatment plant (WWTP), 20 main line lift stations and a few smaller lift stations and 46.3 miles of sewer collection system. The wastewater collection system has some very old lift stations and collection lines that need repair or replacement. This was evident with the catastrophic failure of the City’s largest lift station that serves 80% of the community in May 2019.

The City’s system has an active capital improvement program in both the water and sewer due to its size. Regulations are constantly changing which, at times, require substantial capital projects such as the need to provide additional disinfection to our secondary treatment of effluent discharge.

The Alaska Pollution Discharge Elimination System (APEDS) permit is complete and became effective on July 1, 2018. The new permit includes requirements for disinfection alternatives that will require construction of a new disinfection facility at the Wastewater Treatment Plant and must be operational by July 2023.

This current rate evaluation takes into account a federally-mandated \$4.5 million capital project for a new Ultraviolet Disinfection System to remain compliant with current EPA regulations. It also prepares the City to continue evaluation of the aging sewer infrastructure and the community’s future needs.

**ALTERNATIVES:**

- 1) Adopt Resolution No. 2019–13, which identifies a five-year plan to increase sewer rates to meet operational and capital improvement needs. This is the recommendation of staff, because it will contribute to the construction of a new Waste Water Treatment Plant Ultraviolet Disinfection System and for future infrastructure upgrades.
- 2) Do not adopt Resolution No. 2019–13. This is not recommended because a modest increase in sewer rates will not allow the City to meet current State and Federal environmental health regulations.

**FINANCIAL IMPLICATIONS:** The rate increases are required for enterprise funds to meet operational and maintenance expenditures as well as continuing to replace an aging infrastructure. Replacing utilities

that are well beyond their expected service life is more cost effective than replacing them in an emergency situation.

**LEGAL:** The City must maintain its water and sewer systems to meet federal and state requirements. Periodic rate adjustments address the costs over time and reflect good planning and operating practices.

**STAFF RECOMMENDATION:** Staff recommends Council adopt Resolution No. 2019–13 accepting the proposed five-year sewer rate structure.

**CITY MANAGER'S COMMENTS:** It's very important for the City to review all rates, especially utility rates on a regular basis to ensure that revenues can support ongoing operations, maintenance, debt service, and infrastructure replacement needs. This reflects and supports the City Council's legislative priorities and FY20 budget goals. The City's water and sewer infrastructure is extensive and requires constant maintenance and upgrades. Many system components are aging and require advanced planning for replacement or upgrades. The water and sewer utilities are enterprise funds and should pay for operations and capital replacement costs out of revenues. That's why it's important to maintain rates that can generate adequate revenues. As alternative sources of funding become harder to find, we must be as self-sufficient as possible, which means we have to rely more on customers to help cover these costs. It is also important to note that granting and loaning agencies consider the importance of adequate rate structures when determining loan and grant eligibility.

I recommend you approve this Resolution No. 2019–13 and authorize implementation of a sewer rate increase for a five-year period from FY2020-FY2024 effective on August 1, 2019. It would also be prudent to review the rates annually.

**ATTACHMENTS:**

Attachment A: Resolution No. 2019–13

**PROPOSED MOTION:**

Move to adopt Resolution No. 2019–13.

**CITY OF KODIAK  
RESOLUTION NUMBER 2019-13**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AMENDING SECTION 14, UTILITIES (SEWER), OF THE SCHEDULE OF FEES, CHARGES, AND TARIFFS AND AUTHORIZING IMPLEMENTATION OF A FIVE-YEAR RATE STRUCTURE**

WHEREAS, in 2014, the City contracted with Jacobs CH (formerly CH2MHill) to complete a review and to recommend an updated rate structure for the sewer system; and

WHEREAS, the purpose of the update was to determine revenue requirements related to sewer system operation and maintenance and capital improvement needs for the next ten years; and

WHEREAS, the study shows existing sewer fees are not sufficient to fund operation and maintenance and capital improvements for the sewer system into the future; and

WHEREAS, in February 2018, staff requested Jacobs CH to complete a sewer rate update and made recommendations to the Council, if rates need adjusting; and

WHEREAS, the Council held multiple work sessions in 2018 and 2019 and discussed the sewer rate recommendations; and

WHEREAS, the Council agreed to adopt the five-year rate structure with the condition that the rates be reviewed on annual basis.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that Section 14, Utilities (sewer) of the City's Schedule of Fees, Charges and Tariffs, which is attached hereto and incorporated by reference, is hereby amended and a five-year rate structure is hereby authorized.

BE IT FURTHER RESOLVED that the changes to the Schedule of Fees, Charges, and Tariffs herein shall be effected on August 1, 2019, unless subsequently amended by the City Council.

CITY OF KODIAK

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MAYOR

ATTEST:

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CITY CLERK

Adopted:

**City of Kodiak**  
**Projected Inside City Sewer Rates, FY 2020-2024**

		5.0%	7.0%	7.0%	4.0%	4.0%	
<b>Service Charge - Inside City</b>	<b>Basis for Charge</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Apartments, per unit	one unit per dwelling	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Auditorium	on unit per 3,500 sf of floor area or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Bakery	one unit per 200 sf of patron area or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Bar	one unit per 200 sf of patron area or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Beauty Shops/Barber/Animal Grooming	one unit per facility/residence	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
B&B / Boarding House	one-half unit per operator chair/tub	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
Churches	one unit per facility	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Construction	plus one-half unit per guest room	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
Day Care Facilities	one unit per facility	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Dining Facility/Café/Bakeries	one-half the regular rate for intended use of building	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Doctor's office, medical clinic, dentist	one unit per business/dwelling unit plus one-quarter unit for each 5 persons or fraction thereof	\$20.04	\$21.04	\$22.51	\$24.09	\$25.05	\$26.05
Dry Cleaners	one unit per 200 sf of patron area	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Gas Station / Auto Repair Shop	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Hospital/Major Care Center	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
	2 units per business	\$160.31	\$168.33	\$180.11	\$192.72	\$200.43	\$208.45
	one unit per bed	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23

Hotel/Motel	one-half unit per guest room w/o cooking	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
	three-quarter unit per guest room w/cooking	\$60.11	\$63.12	\$67.54	\$72.26	\$75.15	\$78.16
Industrial	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Laundries and bath houses	three-quarter unit per washing machine	\$60.11	\$63.12	\$67.54	\$72.26	\$75.15	\$78.16
Meats or Produce Retail Stores	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Museums	one unit per dwelling	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Office/Retail	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Powerhouses	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Residential (no additional charge for home-based office/retail use)	one unit per dwelling	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Rest Home/Long Term Care	one unit per 2 beds or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Schools	one unit per 20 persons in daily attendance, including staff	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Senior Citizens (primary residence)	one-half unit	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
Vacant Rate, per month	one-half the regular rate for intended use of building	\$40.09	\$42.09	\$45.04	\$48.19	\$50.12	\$52.12
Vacant Rate Noncompliance Fee		\$248.94	\$261.39	\$279.68	\$299.26	\$311.23	\$323.68
Warehouses	one unit per 6 employees or fraction thereof	\$80.16	\$84.17	\$90.06	\$96.37	\$100.22	\$104.23
Dump Fee							
disposal domestic sludge	per gallon	\$0.41	\$0.43	\$0.46	\$0.49	\$0.51	\$0.53
disposal septic tank/portable toilet water	per gallon	\$0.29	\$0.31	\$0.33	\$0.35	\$0.37	\$0.38

**City of Kodiak  
 Projected Outside City Sewer  
 Rates, FY 2020-2024**

		5.0%	7.0%	7.0%	4.0%	4.0%	
<b>Service Charge - Outside City</b>	<b>Basis for Charge</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Apartments, per unit	one unit per dwelling	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Auditorium	on unit per 3,500 sf of floor area or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Bakery	one unit per 200 sf of patron area or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Bar	one unit per 200 sf of patron area or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Beauty Shops/Barber/Animal Grooming	one unit per facility/residence	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
B&B / Boarding House	one-half unit per operator chair/tub	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
	one unit per facility/residence	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
	plus one-half unit per guest room	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
Churches	one unit per facility	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Construction	one-half the regular rate for intended use of building						
Day Care Facilities	one unit per business/dwelling unit	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
	plus one-quarter unit for each 5 persons or fraction thereof	\$24.03	\$25.23	\$27.00	\$28.89	\$30.05	\$31.25
Dining Facility/Café/Bakeries	one unit per 200 sf of patron area	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Doctor's office, medical clinic, dentist	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Dry Cleaners (one unit per 6 employees or fraction thereof)	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Gas Station / Auto Repair Shop	2 units per business	\$192.18	\$201.79	\$215.92	\$231.03	\$240.27	\$249.88
Hospital/Major Care Center (one unit per bed)	one unit per bed	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94

Hotel/Motel	one-half unit per guest room w/o cooking	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
	three-quarter unit per guest room w/cooking	\$72.07	\$75.68	\$80.97	\$86.64	\$90.11	\$93.71
Industrial	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Laundries and bath houses	three-quarter unit per washing machine	\$72.07	\$75.68	\$80.97	\$86.64	\$90.11	\$93.71
	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Meats or Produce Retail Stores	one unit per dwelling	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Museums	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Office/Retail	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Powerhouses	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Residential (no additional charge for hom-based office/retail use)	one unit per dwelling	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Rest Home/Long Term Care	one unit per 2 beds or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Schools	one unit per 20 persons in daily attendance, including staff	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Senior Citizens (primary residence)	one-half unit	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
Vacant Rate, per month	one-half the regular rate for intended use of building	\$48.04	\$50.44	\$53.97	\$57.75	\$60.06	\$62.46
Vacant Rate Noncompliance Fee		\$248.94	\$261.39	\$279.68	\$299.26	\$311.23	\$323.68
Warehouses	one unit per 6 employees or fraction thereof	\$96.09	\$100.90	\$107.96	\$115.52	\$120.14	\$124.94
Dump Fee							
disposal domestic sludge	per gallon	\$0.39	\$0.41	\$0.44	\$0.47	\$0.49	\$0.51
disposal septic tank/portable toilet water	per gallon	\$0.28	\$0.29	\$0.31	\$0.34	\$0.35	\$0.36



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
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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Mike Tvenge, City Manager 

**Date:** July 25, 2019

**Agenda Item:** **V.c. Consideration of Retail Marijuana Store Application No. 21609 for Wildflower**

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**SUMMARY:** The City received notice from the State of Alaska on June 27, 2019, of a new application from Wildflower for a marijuana retail store license at 158 Alimaq Drive.

Alaska voters approved Ballot Measure 2 on November 4, 2014, which provided for general legalization of marijuana. Alaska Administrative Code 306 stipulates the conditions under which licenses for marijuana establishments will be issued. AS 17.38.210 provides that a local government may designate a local regulatory authority that is responsible for processing applications submitted to operate a marijuana establishment within the boundaries of the local government. Ordinance No. 1365 established the Kodiak City Council as the City's Local Regulatory Authority on Marijuana.

Ordinance No. 1378 established the license application review process for the City Council in Section 4. (This ordinance is included as Attachment B for your reference.) As required by Section 4 of Ordinance No. 1378, the City Clerk sent inquires to the Chief of Police, Fire Chief, Finance Director, and Building Official asking if any had concerns about the proposed license. None expressed concerns that would require the Council to object to the issuance of the license. This section also stipulates, for the purpose of public hearing and Council action, that the clerk place the matter of the application upon the agenda for a regular or special meeting of the Council held not less than fifteen or more than 50 days from receipt of the notice from the Alcohol and Marijuana Control Office. A public hearing was held earlier in tonight's meeting.

Section 5 of Ordinance No. 1378 prohibits a licensed premises within 500 feet of any school ground.

Section 6 of Ordinance No. 1378 prohibits the manufacture and sale of marijuana edible products.

Application documents are included as (Attachment A).

JULY 25, 2019

Agenda Item V. c. Memo Page 1 of 3

**PREVIOUS COUNCIL ACTION:**

- 2015-2016, received information at work sessions from Cynthia Franklin, Director of the Alaska Marijuana Control Office and City attorneys about State Ballot Measure 2 and other considerations regarding marijuana regulation in the City
- May 12, 2016, adopted Resolution No. 2016-16, Establishing a Marijuana Advisory Committee
- May 26, 2016, adopted Ordinance No. 1350, Enacting Kodiak City Code Chapter 5.52 Prohibiting Marijuana Establishments in the City (opt out expired January 1, 2017)
- November 10, 2016, Council postponed acceptance of the recommendations from the City Marijuana Advisory Special Committee
- June 27, 2017, Council discussed and finalized the final recommendations from the City Marijuana Advisory Special Committee
- November 4, 2017, Adopted Ordinance No. 1365, Amending Kodiak Municipal Code Title 7 Entitled "Health and Sanitation" to Adopt Chapter 7.40 Entitled "Marijuana Regulation," and Designating the Kodiak City Council as the City's Local Regulatory Authority on Marijuana
- November 4, 2017, Adopted Ordinance No. 1366, Amending Kodiak Municipal Code Title 8 Entitled "Public Peace, Safety, And Morals" to Adopt Kodiak City Code 8.40, "Prohibited Acts Regarding Marijuana," to Prohibit the Extraction of Tetrahydrocannabinol ("THC") or Any Cannabinoid By Use of Materials or Methods Deemed Dangerous to Public Health and Safety, Unless Otherwise Permitted By Law
- July 20, 2018, Adopted Ordinance No. 1378, Amending Title 5 With the Renumbering of KCC Chapter 7.40 to Chapter 5.24 and the Addition of New Sections for Marijuana Businesses, and Amending Chapter 8.48 to Reflect Alaska Marijuana Law
- March 28, 2019, Council approved Marijuana Retail Store Application No. 20113 for High Rise LLC

**ALTERNATIVES:** Now that the Council has received this administrative report and held a public hearing, the Council may take one of the following actions:

- 1) **Non-objection.** Upon finding that the permit satisfies all legal requirements, the Council may authorize the Clerk to issue a letter of non-objection to the Marijuana Control board.
- 2) **Non-objection with conditions.** If any requirements or obligations are not satisfied, but could be satisfied through further action of the licensee(s), the Council may authorize the Clerk to issue a letter of conditional non-objection setting forth the City's conditions for non-objection.
- 3) **Protest.** Upon determining the existence of one or more of the grounds contained in subsection (d, which stipulates reasons for protest), the Council may direct the clerk to cause a protest to be filed.

JULY 25, 2019

Agenda Item V. c. Memo Page 2 of 3

**FINANCIAL IMPLICATIONS:** The City will collect 7% sales tax on marijuana products sold inside the City limit. The City also receives \$500 from the State, which is one half of the application fee

**CITY MANAGER'S COMMENTS:** Administration does not see any objectionable issues with this license application. As a condition of the license approval, I would suggest the City remind the applicant, the City does not currently allow the manufacture and sale of edible marijuana products. Section 6 of Ordinance No. 1378 prohibits the manufacture and sale of marijuana edible products.

**ATTACHMENTS:**

Attachment A: Application Materials

Attachment B: Ordinance No. 1378

**PROPOSED MOTION:**

Move to direct the City Clerk to issue a letter of non-objection with conditions that prohibit the sale of edible marijuana products to the Marijuana Control Board for Marijuana Retail Store Application No. 21609 for Wildflower

JULY 25, 2019

Agenda Item V. c. Memo Page 3 of 3



Alaska Marijuana Control Board

## Form MJ-08: Local Government Notice Affidavit

### What is this form?

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application to each local government and any community council in the area of the proposed licensed premises. For an establishment located inside the boundaries of city that is within a borough, both the city and the borough must be notified.

This form must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

### Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Three Sisters LLC	License Number:	21069		
License Type:	Retail Marijuana Store				
Doing Business As:	Wildflower				
Premises Address:	158 Alimaq Dr				
City:	Kodiak	State:	AK	ZIP:	99615

### Section 2 – Certification

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government (LG) official(s) and community council (if applicable):

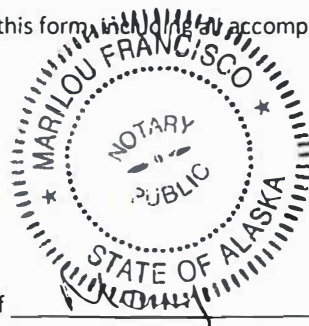
Local Government(s): City of Kodiak Date Submitted: 3/18/2019

Name/Title of LG Official 1: Debra Marlar City Clerk Name/Title of LG Official 2: \_\_\_\_\_

Community Council: N/A Date Submitted: \_\_\_\_\_  
 (Municipality of Anchorage and Matanuska-Susitna Borough only)

I declare under penalty of unsworn falsification that this form, including any accompanying schedules and statements, is true, correct, and complete.

[Signature]  
 Signature of licensee  
Janiese Stevens  
 Printed name of licensee



[Signature]  
 Notary Public in and for the State of Alaska  
 My commission expires: 01/18/2022

Subscribed and sworn to before me this 31 day of March, 2019



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

Alaska Marijuana Control Board

**Form MJ-08: Local Government Notice Affidavit**

**What is this form?**

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application to each local government and any community council in the area of the proposed licensed premises. For an establishment located inside the boundaries of city that is within a borough, both the city and the borough must be notified.

**This form must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.**

**Section 1 – Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Three Sisters, LLC	License Number:	21069
License Type:	Retail Marijuana Store		
Doing Business As:	Wildflower		
Premises Address:	158 Alimaq Drive		
City:	Kodiak	State:	AK
		ZIP:	99615

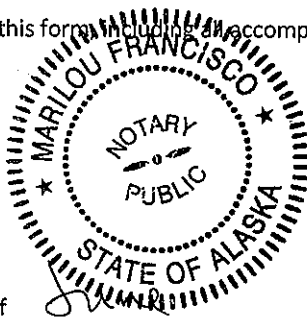
**Section 2 – Certification**

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government (LG) official(s) and community council (if applicable):

Local Government(s): Kodiak Island Borough Date Submitted: 06/17/2019  
 Name/Title of LG Official 1: Tara Welinsky Name/Title of LG Official 2: Borough Clerk  
 Community Council: N/A Date Submitted: \_\_\_\_\_  
 (Municipality of Anchorage and Matanuska-Susitna Borough only)

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee  
Janiese Stevens  
 Printed name of licensee



Notary Public in and for the State of Alaska  
 My commission expires: 01/18/2022

Subscribed and sworn to before me this 18 day of June, 2019.



**Alaska Marijuana Control Board**  
**Form MJ-00: Application Certifications**

**What is this form?**

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

**Section 1 – Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Three Sisters, LLC	License Number:	21069		
License Type:	Retail Marijuana Store				
Doing Business As:	Wildflower				
Premises Address:	158 Alimaq Drive				
City:	Kodiak	State:	Alaska	ZIP:	99615

**Section 2 – Individual Information**

Enter information for the individual licensee.

Name:	George Kirk
Title:	Member of Hibernation Holding Company

**Section 3 – Other Licenses**

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?



Alaska Marijuana Control Board  
**Form MJ-00: Application Certifications**

**Section 4 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

GIC

I certify that I am not currently on felony probation or felony parole.

GIC

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

GIC

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

GIC

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

GIC

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

GIC

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

GIC

I certify that my proposed premises is not located in a liquor licensed premises.

GIC

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

GIC

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

GIC

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.

GIC





Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

GK

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.

GK

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

GK

All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

George Kirk  
Signature of licensee

George Kirk  
Printed name of licensee



Marilou Francisco  
Notary Public in and for the State of Alaska

My commission expires: 01/18/2022

Subscribed and sworn to before me this 14 day of May, 2019



Alaska Marijuana Control Board

**Form MJ-00: Application Certification** Cultivation #12833

V  ; form?

T  on certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

**Section 1 – Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Three Sisters, LLC	License Number:	21069		
License Type:	Retail Marijuana Store				
Doing Business As:	Wildflower				
Premises Address:	158 Alimaq Drive				
City:	Kodiak	State:	Alaska	ZIP:	99615

**Section 2 – Individual Information**

Enter information for the individual licensee.

Name:	Erik Fellows
Title:	Member of Hibernation Holding Company

**Section 3 – Other Licenses**

Ownership and financial interest in other licenses: Yes    No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

I plan (but do not currently have) and ownership in a cultivation license in the future.



Alaska Marijuana Control Board  
**Form MJ-00: Application Certifications**

**Section 4 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

I certify that I am not currently on felony probation or felony parole.

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

I certify that my proposed premises is not located in a liquor licensed premises.

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.



Alaska Marijuana Control Board

**Form MJ-00: Application Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.



I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.



Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.



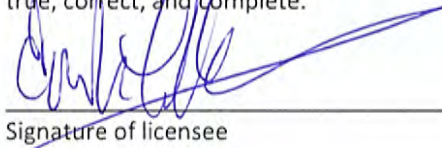
Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.



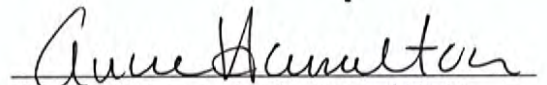
**All marijuana establishment license applicants:**

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

  
\_\_\_\_\_  
Signature of licensee

Erik Fellows  
\_\_\_\_\_  
Printed name of licensee



  
\_\_\_\_\_  
Notary Public in and for the State of Alaska

My commission expires: 8-1-21

Subscribed and sworn to before me this 16 day of May, 2019.



Alaska Marijuana Control Board

## Form MJ-00: Application Certifications

### What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

### Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Three Sisters, LLC	License Number:	21069		
License Type:	Retail Marijuana Store				
Doing Business As:	Wildflower				
Premises Address:	158 Alimaq Drive				
City:	Kodiak	State:	Alaska	ZIP:	99615

### Section 2 – Individual Information

Enter information for the individual licensee.

Name:	Janiese Stevens				
Title:	Manager				

### Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

Cultivation #12833



Alaska Marijuana Control Board

**Form MJ-00: Application Certifications**

**Section 4 – Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

I certify that I am not currently on felony probation or felony parole.

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

I certify that my proposed premises is not located in a liquor licensed premises.

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.



Alaska Marijuana Control Board

**Form MJ-00: Application Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

**All marijuana establishment license applicants:**

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and ~~this form~~, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Janiese Stevens

Printed name of licensee



Notary Public in and for the State of Alaska

My commission expires: 01/18/2022

Subscribed and sworn to before me this 14 day of May, 2019.



Alaska Marijuana Control Board  
**Form MJ-00: Application Certifications**

**What is this form?**

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

**Section 1 - Establishment Information**

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Three Sisters, LLC	License Number:	21069		
License Type:	Retail Marijuana Store				
Doing Business As:	Wildflower				
Premises Address:	158 Alimaq Drive				
City:	Kodiak	State:	Alaska	ZIP:	99615

**Section 2 - Individual Information**

Enter information for the individual licensee.

Name:	Dan Coglianese
Title:	Member of Hibernation Holding Company

**Section 3 - Other Licenses**

Ownership and financial interest in other licenses: Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

12833  
STANDARD





Alaska Marijuana Control Board

## Form MJ-00: Application Certifications

### Section 4 – Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

DC

I certify that I am not currently on felony probation or felony parole.

DC

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

DC

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

DC

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

DC

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

DC

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

DC

I certify that my proposed premises is not located in a liquor licensed premises.

DC

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

DC

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

DC

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.

DC



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[marijuana.licensing@alaska.gov](mailto:marijuana.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

Alaska Marijuana Control Board

**Form MJ-00: Application Certifications**

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

DC

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.

DC

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

DC

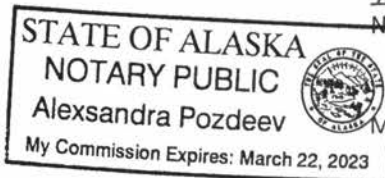
All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

  
 Signature of licensee

Dan Coglianese

Printed name of licensee



  
 Notary Public in and for the State of Alaska

My commission expires: March 22, 2023

Subscribed and sworn to before me this 17<sup>th</sup> day of May, 2019.



## Alaska Marijuana Control Board Form MJ-02: Premises Diagram

### What is this form?

A detailed diagram of the proposed licensed premises is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(8). **All areas designated as the licensed premises of a single license must be contiguous. All diagrams must have the licensed premises area labeled, and outlined or shaded as appropriate.**

### What must be submitted with this form?

Applicants must attach multiple diagrams to this form, including (as applicable):

- **Diagram 1:**  
a diagram showing only the licensed premises areas that will be ready to be **operational at the time of your preliminary inspection** and license issuance;
- **Diagram 2:**  
if different than Diagram 1, a diagram outlining **all areas for which the licensee has legal right of possession** (a valid lease or deed), and clearly showing those areas' relationship to the current proposed licensed premises (*details of any planned expansion areas do not need to be included; a complete copy of Form MJ-14: Licensed Premises Diagram Change must be submitted and approved before any planned expansion area may be added to the licensed premises*);
- **Diagram 3:**  
a **site plan or as-built of the entire lot**, showing all structures on the property and clearly indicating which area(s) will be part of the licensed premises;
- **Diagram 4:**  
an **aerial photo of the entire lot and surrounding lots**, showing a view of the entire property and surrounding properties, and clearly indicating which area(s) will be part of the licensed premises (*this can be obtained from sources like Google Earth*); and
- **Diagram 5:**  
a diagram of the **entire building in which the licensed premises is located**, clearly distinguishing the licensed premises from unlicensed areas and/or premises of other licenses within the building. If your proposed licensed premises is located within a building or building complex that contains multiple business and/or tenants, please provide the addresses and/or suite numbers of the other businesses and/or tenants (*a separate diagram is not required for an establishment that is designating the entire building as a single licensed premises*).

This form, and all necessary diagrams that meet the requirements on Page 2 of this form, must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

### Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Three Sisters, LLC	MJ License #:	21069		
License Type:	Retail Marijuana Facility				
Doing Business As:	Wildflower				
Premises Address:	158 Alimaq Drive				
City:	Kodiak	State:	Alaska	ZIP:	99615



# Form MJ-02: Premises Diagram

## Section 2 – Required Information

For your security, do not include locations of security cameras, motion detectors, panic buttons, and other security devices. Items marked with a double asterisks (\*\*) are only required for those retail marijuana establishments that are also applying for an onsite consumption endorsement.

The following details must be included in all diagrams:

- License number and DBA
- Legend or key
- Color coding
- Licensed Premises Area Labeled and Shaded, or Outlined as appropriate
- Dimensions
- Labels
- True north arrow

The following additional details must be included in Diagram 1:

- Surveillance room
- Restricted access areas
- Storage areas
- Entrances, exits, and windows
- Walls, partitions, and counters
- Any other areas that must be labeled for specific license or endorsement types
- \*\* Serving area(s)
- \*\*Employee monitoring area(s)
- \*\*Ventilation exhaust points, if applicable

The following additional details must be included in Diagram 2:

- Areas of ingress and egress
- Entrances and exits
- Walls and partitions

The following additional details must be included in Diagrams 3 and 4:

- Areas of ingress and egress
- Cross streets and points of reference

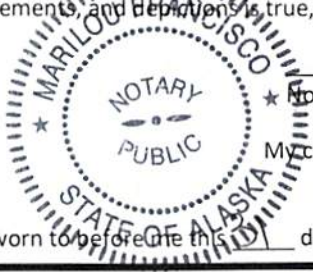
The following additional details must be included in Diagram 5:

- Areas of ingress and egress
- Entrances and exits
- Walls and partitions
- Cross streets and points of reference

I declare under penalty of unsworn falsification that I have attached all necessary diagrams that meet the above requirements, and that this form, including all accompanying schedules, statements, and representations, is true, correct, and complete.

[Signature]  
Signature of licensee

Janiese Stevens  
Printed name of licensee



[Signature]  
Notary Public in and for the State of Alaska

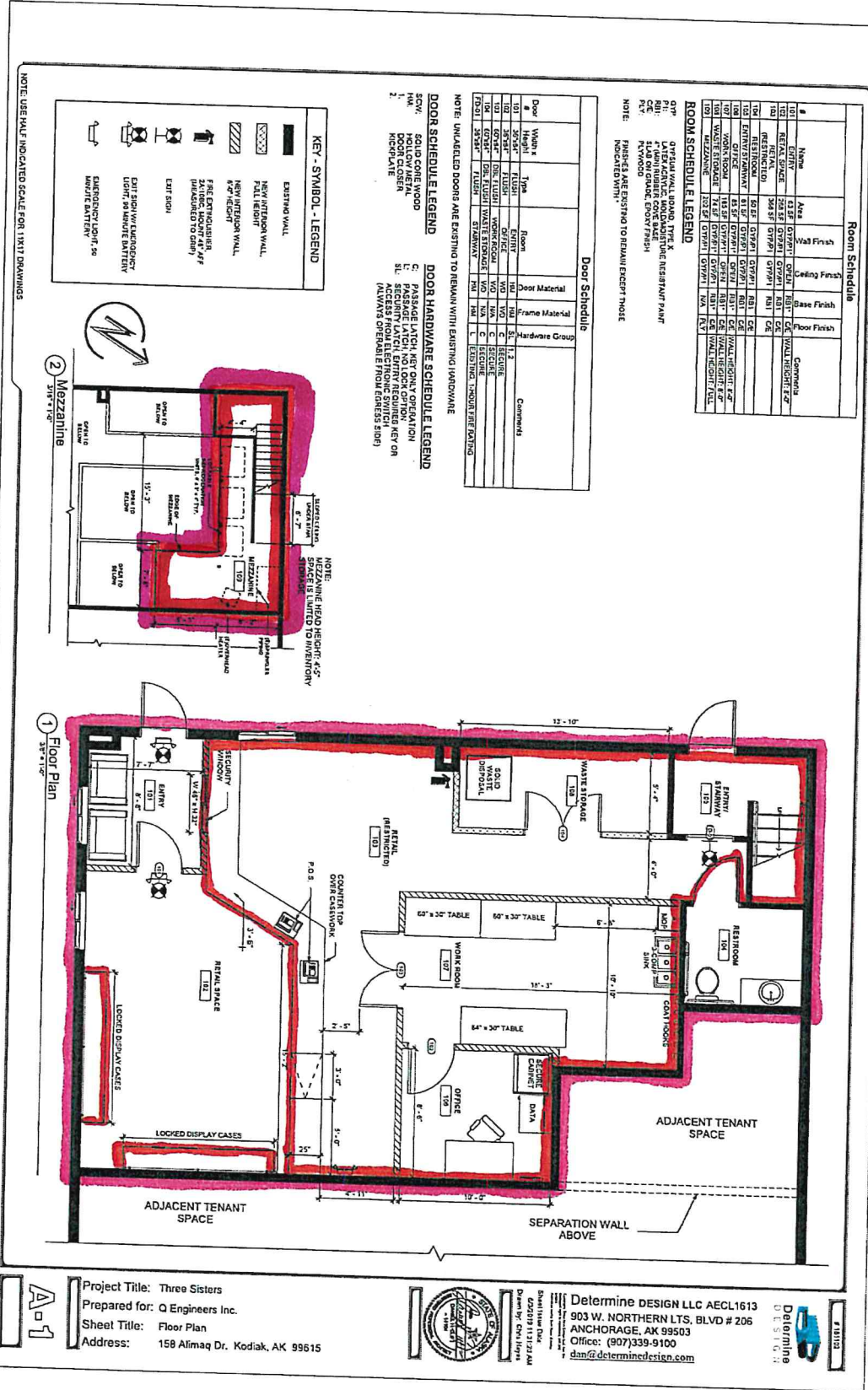
My commission expires: 01/18/2022

Subscribed and sworn to before me this 14 day of May, 2019.

Wildflower license # 21069

Diagrams 1 & 2.

□ - Proposed licensed premises.  
□ - Restricted Access Area.



**Room Schedule**

#	Name	Area	Wall Finish	Ceiling Finish	Base Finish	Floor Finish	Comments
101	RETAIL SPACE	324 SF	GYMFI	GYMFI	NAI	CE	WALL HEIGHT 12'
102	RETAIL	344 SF	GYMFI	GYMFI	NAI	CE	
103	RETAIL	344 SF	GYMFI	GYMFI	NAI	CE	
104	RETAIL	344 SF	GYMFI	GYMFI	NAI	CE	
105	ENTRANCE	115 SF	GYMFI	GYMFI	NAI	CE	
106	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
107	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
108	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
109	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
110	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
111	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
112	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
113	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
114	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
115	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
116	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
117	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
118	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
119	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
120	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
121	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
122	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
123	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
124	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
125	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
126	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
127	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
128	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
129	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
130	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
131	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
132	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
133	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
134	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
135	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
136	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
137	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
138	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
139	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
140	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
141	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
142	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
143	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
144	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
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153	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
154	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
155	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
156	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
157	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
158	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
159	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	
160	OFFICE	115 SF	GYMFI	GYMFI	NAI	CE	

**Room Schedule Legend**

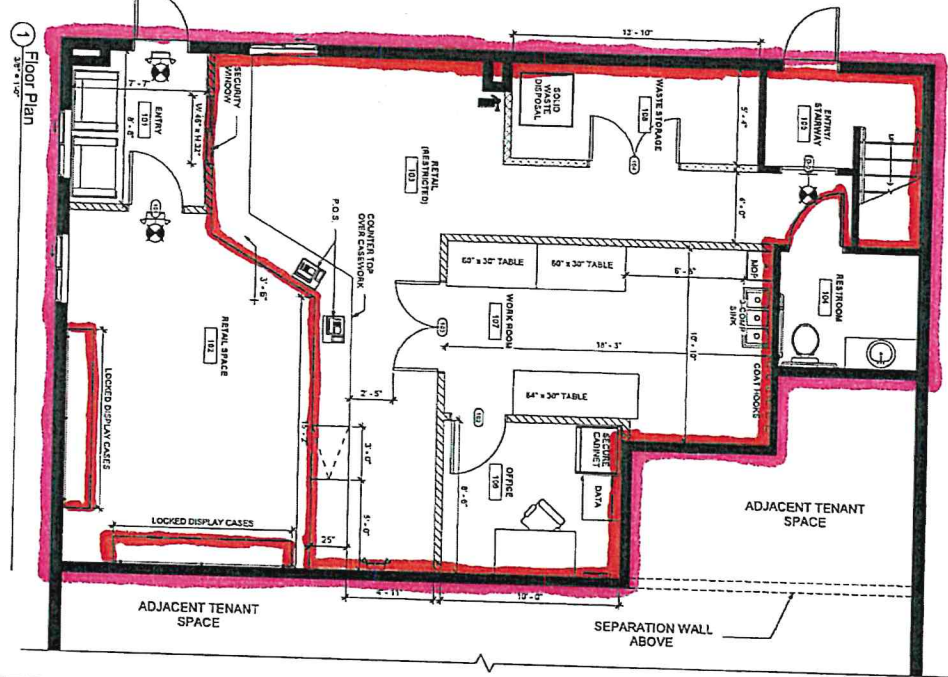
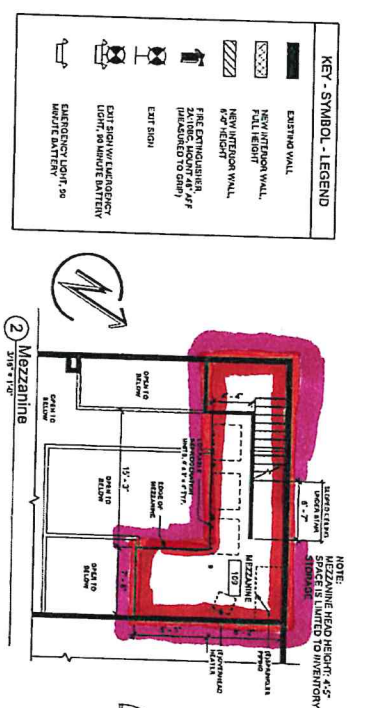
01" OPERATIONAL LIGHT TYPE X  
 02" LAYER ACoustic, NON-DIFFUSING RESISTANT PAINT  
 03" SLAB ON GRADE, GYPSUM FINISH  
 04" FLYWOOD  
 05" FINISHES ARE EXISTING TO REMAIN EXCEPT PHOTO  
 06" INDICATED WITH

**Door Schedule**

Door #	Width	Type	Room	Door Material	Frame Material	Hardware Group	Comments
101	36" x 78"	FLUSH	ENTRANCE	100	100	1	
102	36" x 78"	FLUSH	OFFICE	100	100	1	
103	36" x 78"	FLUSH	OFFICE	100	100	1	
104	36" x 78"	FLUSH	OFFICE	100	100	1	
105	36" x 78"	FLUSH	OFFICE	100	100	1	
106	36" x 78"	FLUSH	OFFICE	100	100	1	
107	36" x 78"	FLUSH	OFFICE	100	100	1	
108	36" x 78"	FLUSH	OFFICE	100	100	1	
109	36" x 78"	FLUSH	OFFICE	100	100	1	
110	36" x 78"	FLUSH	OFFICE	100	100	1	
111	36" x 78"	FLUSH	OFFICE	100	100	1	
112	36" x 78"	FLUSH	OFFICE	100	100	1	
113	36" x 78"	FLUSH	OFFICE	100	100	1	
114	36" x 78"	FLUSH	OFFICE	100	100	1	
115	36" x 78"	FLUSH	OFFICE	100	100	1	
116	36" x 78"	FLUSH	OFFICE	100	100	1	
117	36" x 78"	FLUSH	OFFICE	100	100	1	
118	36" x 78"	FLUSH	OFFICE	100	100	1	
119	36" x 78"	FLUSH	OFFICE	100	100	1	
120	36" x 78"	FLUSH	OFFICE	100	100	1	
121	36" x 78"	FLUSH	OFFICE	100	100	1	
122	36" x 78"	FLUSH	OFFICE	100	100	1	
123	36" x 78"	FLUSH	OFFICE	100	100	1	
124	36" x 78"	FLUSH	OFFICE	100	100	1	
125	36" x 78"	FLUSH	OFFICE	100	100	1	
126	36" x 78"	FLUSH	OFFICE	100	100	1	
127	36" x 78"	FLUSH	OFFICE	100	100	1	
128	36" x 78"	FLUSH	OFFICE	100	100	1	
129	36" x 78"	FLUSH	OFFICE	100	100	1	
130	36" x 78"	FLUSH	OFFICE	100	100	1	
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132	36" x 78"	FLUSH	OFFICE	100	100	1	
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134	36" x 78"	FLUSH	OFFICE	100	100	1	
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136	36" x 78"	FLUSH	OFFICE	100	100	1	
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138	36" x 78"	FLUSH	OFFICE	100	100	1	
139	36" x 78"	FLUSH	OFFICE	100	100	1	
140	36" x 78"	FLUSH	OFFICE	100	100	1	
141	36" x 78"	FLUSH	OFFICE	100	100	1	
142	36" x 78"	FLUSH	OFFICE	100	100	1	
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145	36" x 78"	FLUSH	OFFICE	100	100	1	
146	36" x 78"	FLUSH	OFFICE	100	100	1	
147	36" x 78"	FLUSH	OFFICE	100	100	1	
148	36" x 78"	FLUSH	OFFICE	100	100	1	
149	36" x 78"	FLUSH	OFFICE	100	100	1	
150	36" x 78"	FLUSH	OFFICE	100	100	1	
151	36" x 78"	FLUSH	OFFICE	100	100	1	
152	36" x 78"	FLUSH	OFFICE	100	100	1	
153	36" x 78"	FLUSH	OFFICE	100	100	1	
154	36" x 78"	FLUSH	OFFICE	100	100	1	
155	36" x 78"	FLUSH	OFFICE	100	100	1	
156	36" x 78"	FLUSH	OFFICE	100	100	1	
157	36" x 78"	FLUSH	OFFICE	100	100	1	
158	36" x 78"	FLUSH	OFFICE	100	100	1	
159	36" x 78"	FLUSH	OFFICE	100	100	1	
160	36" x 78"	FLUSH	OFFICE	100	100	1	

**KEY SYMBOL - LEGEND**

- EXISTING WALL
- NEW RETAIN WALL
- FULL HEIGHT
- NEW RETAIN WALL
- EXISTING
- NEW RETAIN WALL (INDICATED TO DEMO)
- EXIT SIGN
- EXIT SIGN WITH EMERGENCY LIGHT, 90 MINUTE BATTERY
- EMERGENCY LIGHT, 90 MINUTE BATTERY



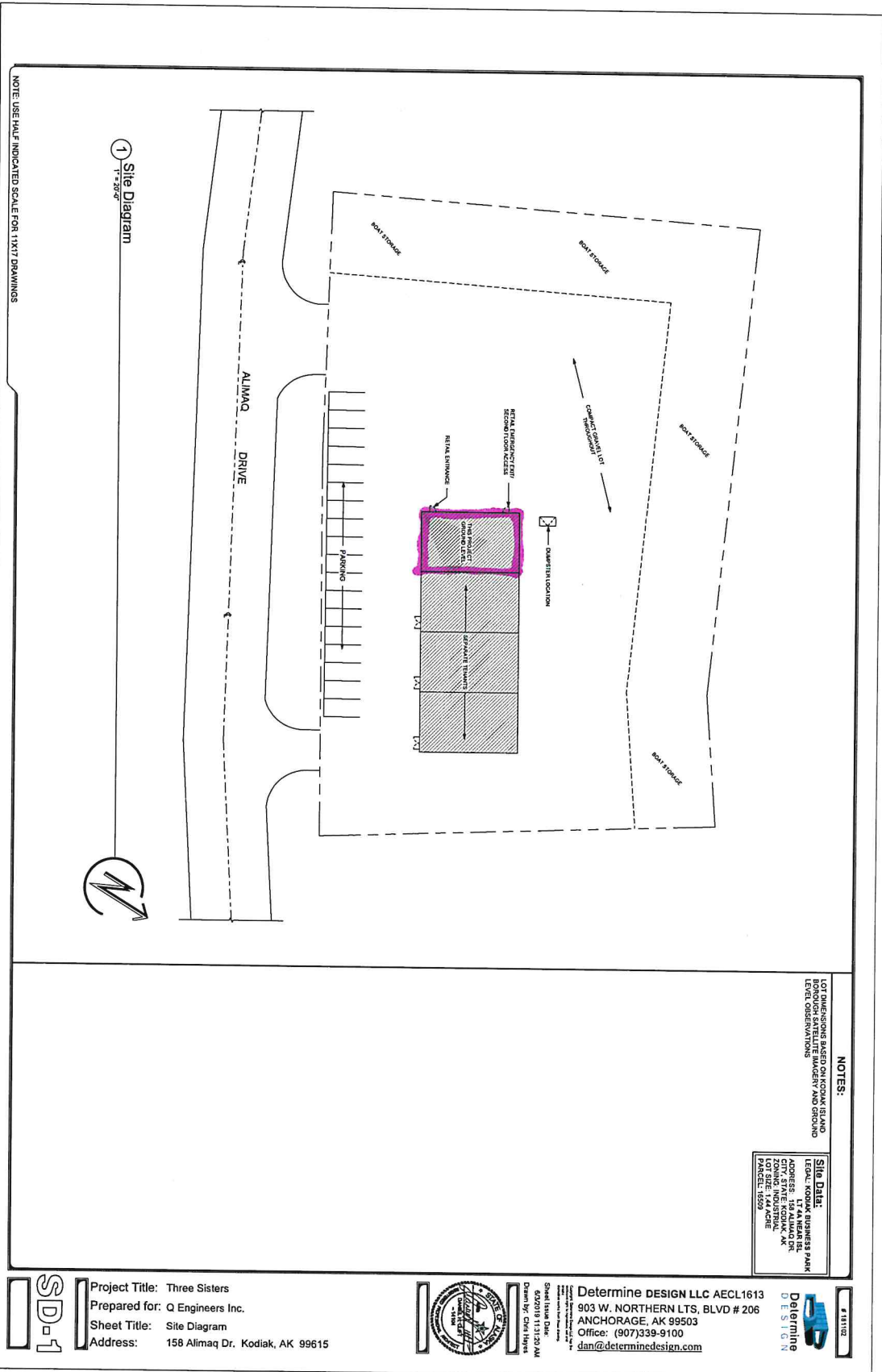
Project Title: Three Sisters  
 Prepared for: Q Engineers Inc.  
 Sheet Title: Floor Plan  
 Address: 158 Alimaq Dr. Kodiak, AK 99615

Determine DESIGN LLC AECL1613  
 903 W. NORTHERN LTS, BLVD # 206  
 ANCHORAGE, AK 99503  
 Office: (907)339-9100  
 dan@determinedesign.com

Date Issued: 02/28/2019 11:31:23 AM  
 Drawn By: CML/HYM

A-1

Wildflower License # 21069



Proposed licensed Premises.

Diagram 3.

NOTES:  
LOT DIMENSIONS BASED ON KODIAK ISLAND LEVEL OBSERVATIONS  
SURFACE ELEVATION AND GROUND

Site Data:  
LEGAL: KODIAK BUSINESS PARK  
ADDRESS: 174 ALIMAQ DR.  
CITY, STATE: KODIAK, AK  
LOT SIZE: 144 ACRES  
PARCEL: 16599

SD-1

Project Title: Three Sisters  
Prepared for: Q Engineers Inc.  
Sheet Title: Site Diagram  
Address: 158 Alimaq Dr. Kodiak, AK 99615

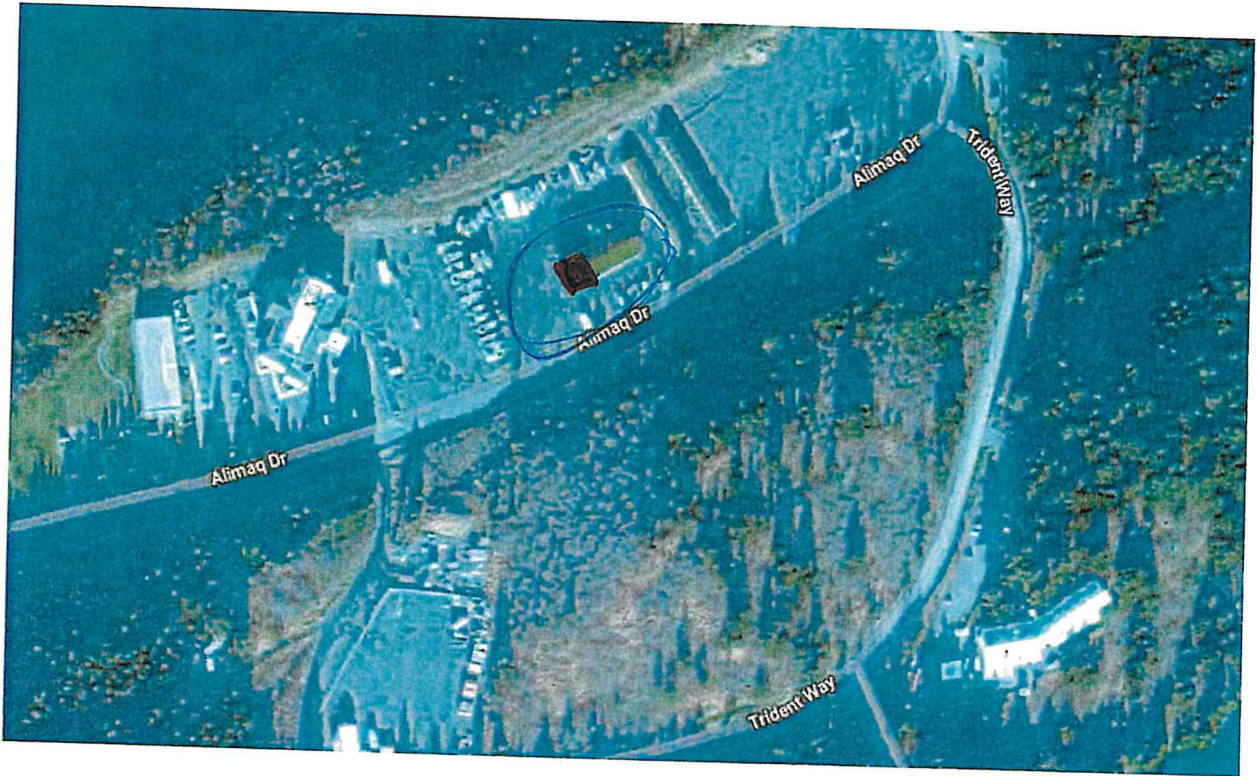


Sheet Issue Date:  
03/20/19 11:32:50 AM  
Drawn By: Dan Hyatt

Determine DESIGN LLC AECL1613  
903 W. NORTHERN LTS, BLVD # 206  
ANCHORAGE, AK 99503  
Office: (907)339-9100  
dan@eterminedesign.com



Wildflower  
# 21069



□ = proposed licensed premises

Wildflower  
# 21069



Diagram 4

Diagram #5

Wildflower License # 21069

- - Proposed Licensed premises
- - NEAR island supply #3
- - Cummins sales + Service #2
- - Vacant







## Alaska Marijuana Control Board Operating Plan Supplemental Form MJ-03: Retail Marijuana Store

### What is this form?

This operating plan supplemental form is required for all applicants seeking a retail marijuana store license and must accompany **Form MJ-01: Marijuana Establishment Operating Plan**, per 3 AAC 306.020(b)(11). Applicants should review **Chapter 306: Article 3** of the **Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of the statutes and regulations.

If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020 and 3 AAC 306.315(2).

### What additional information is required for retail stores?

Applicants must identify how the proposed establishment will comply with applicable regulations regarding the following:

- Prohibitions
- Signage and advertising
- Displays and sales
- Exit packaging and labeling
- Security
- Waste disposal

This form must be completed and submitted to AMCO's main office before any new or transfer application for a retail marijuana store license will be considered complete.

### Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Three Sisters, LLC	MJ License #:	21069		
License Type:	Retail Marijuana Store				
Doing Business As:	Wildflower				
Premises Address:	158 Alimaq Drive				
City:	Kodiak	State:	Alaska	ZIP:	99615



Section 2 – Overview of Operations

2.1. Provide an overview of your proposed facility's operations. Include information regarding the intake and flow of marijuana and marijuana product at your premises, and a description of what a standard customer visit to your establishment would entail:

Wildflower will inspect each shipment of marijuana and marijuana product that arrives at the facility by a designated employee or management. The shipment will be reconciled with the transport manifest, shipment labels and packaging labels to ensure consistency. All product will be weighed by Wildflower and reconciled with the weight listed on the manifest and labels. Any shipments with discrepancies will be rejected. Shipments that pass initial inspection will be accepted into the facility, entered into Metrc and the point of sale software and added to the store's inventory storage or display cases. At the end of each business day, management will reconcile the sales transactions from the point of sale software with the inventory on hand and with Metrc to ensure consistency and that any discrepancies are immediately addressed. Customers will be greeted at the secured entrance and will have to show valid approved government issued photo ID, customers will then be buzzed into the retail area where they will be assisted by a Wildflower employee. Customers will have all their questions answered by knowledgeable staff, browse all the products in the display cases and view a menu of available products. Once a customer transaction is completed and entered in metrc the customer will then exit the premises as loitering is prohibited.

Section 3 – Prohibitions

Review the requirements under 3 AAC 306.310.

3.1. Describe how you will ensure that the retail marijuana store will not sell, give, distribute, or deliver marijuana or marijuana product to a person who is under the influence of an alcoholic beverage, inhalant, or controlled substance:

Wildflower will not sell, offer to sell, give, distribute, or deliver marijuana or marijuana products to any consumers who are:(1) not physically present on the licensed premises; (2) under the influence of an alcoholic beverage, inhalant, or controlled substance; or (3) not at least twenty-one (21) years of age at the time of purchase, as evidenced by valid government issued photo ID. Continued..

3.2. I certify that the retail marijuana store will not:

Initials

- a. sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product in a quantity exceeding the limit set out in 3 AAC 306.355;
b. sell, give, distribute, deliver, or offer to sell, give, distribute, or deliver marijuana or marijuana product over the Internet;
c. offer or deliver to a consumer, as a marketing promotion or for any other reason, free marijuana or marijuana product, including a sample;
d. offer or deliver to a consumer, as a marketing promotion or for any other reason, alcoholic beverages, free or for compensation; or
e. allow a person to consume marijuana or a marijuana product on the licensed premises.

Handwritten initials in boxes for each item a-e.

Answer "Yes" or "No" to the following question:

Yes No

3.3. Do you plan to request future approval of the Marijuana Control Board to permit consumption of marijuana or marijuana product in a designated area on the proposed premises?

Yes: [ ] No: [X]



# Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

## Section 4 – Signage and Advertising

Review the requirements under 3 AAC 306.360 and 3 AAC 306.365. All licensed retail marijuana stores must meet minimum standards for signage and advertising.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

4.1. I understand and agree to follow the limitations regarding the number, placement, and size of signs on my proposed establishment, set forth in 3 AAC 306.360(a).

4.2. The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage the sale of marijuana or marijuana products.

4.3. All advertising for marijuana or marijuana product will contain the warnings required under 3 AAC 306.360(e).

4.4. I understand and agree to post, in a conspicuous location visible to customers, the notification signs required under 3 AAC 306.365.

4.5. I certify that no advertisement for marijuana or marijuana product will contain any statement or illustration that:

- a. is false or misleading;
- b. promotes excessive consumption;
- c. represents that the use of marijuana has curative or therapeutic effects;
- d. depicts a person under the age of 21 consuming marijuana; or
- e. includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana.

4.6. I certify that no advertisement for marijuana or marijuana product will be placed:

- a. within 1,000 feet of the perimeter of any child-centered facility, including a school, childcare facility, or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under the age of 21;
- b. on or in a public transit vehicle or public transit shelter;
- c. on or in a publicly owned or operated property;
- d. within 1,000 feet of a substance abuse or treatment facility; or
- e. on a campus for postsecondary education.

## Section 5 – Displays and Sales

5.1. Describe how marijuana and marijuana products at the retail marijuana store will be displayed and sold:

All Wildflower marijuana and marijuana product will be displayed in a locked display case. The retail store will have glass jars behind the counter with different strains that will be offered for Deli-style and pre-packaged marijuana flower and/or trim. Each point of sale will have a scale and label maker for packaging and labeling at the point of sale. Wildflower will also have menus posted above the point of sales on the wall and also in the arctic entryway where customers wait for entry. The point of sale system will monitor quantity sold to each customer to not exceed the limitation on quantity sold, no more than 1 ounce of marijuana, or 7 grams of concentrate, or a combination of both not to exceed 5600 milligrams of THC.



# Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

## Section 6 – Exit Packaging and Labeling

Review the requirements under 3 AAC 306.345.

6.1. Describe how the retail marijuana store will ensure that marijuana and marijuana products sold on its licensed premises will meet the packaging and labeling requirements set forth in 3 AAC 306.345(a):

All marijuana and marijuana products sold at our retail location will either be served deli style or prepackaged by the cultivation or manufacturing facility from which they originate. All shipments to the retail facility will be inspected for quality and consistency with the transport manifest and shipment labels, and for regulatory compliance. Labels will be checked for: (1) name and license number of the manufacturing or cultivation facility; (2) production lot and/or batch number; (3) strain information; (4) net weight of the product; (5) packaging date and expiration date; and (6) testing lab name and license number. The transport manifest will be checked for: (1) name and license number of the providing entity; (2) delivery date; (3) start time and estimated arrival time; (4) strain and batch information; (5) delivery driver name and handler's card verification; (6) the weight of the products transferred; and (7) testing information. Once a delivery is approved by either the manager, the inventory will be accepted into the retail facility and entered into Metrc with all mandatory information designated by AMCO. The shipment information will be both recorded in Metrc and stored on-site as official business records. Both the transporting agent and the manager will sign all paperwork and documents expressing that all information is deemed correct and the transfer took place. Shall any of the above be missing or inaccurate, the manager will refuse the transfer.

6.2. Provide a sample label that the retail marijuana store will use to meet the labeling requirements set forth in 3 AAC 306.345(b):

Front of Package	Back of Package
<p style="text-align: center;">LOGO TO BE ADDED ONCE COMPLETE</p> <p style="text-align: center;">*window to view product*</p> <p style="text-align: center;"><u>Strain Name</u></p> <p style="text-align: center;"><b>Indica-Dominant</b></p> <p style="text-align: center;">Net Weight: 3.5 g (0.124 oz.)</p>	<p>Cultivator: License # HB#: Strain: Retailer: Wildflower License #21069</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p style="text-align: center;">METRC #: 368875000036451115AB Testing Lab: ABC Lab License #: 12345 Testing Date: 02/05/2018 Fungicides: None Herbicides: None Pesticides: None Cannabinoid Profile: Total THC: XXXX% Total CBD: XXXX% THC: XXXXX% CBD: XXXX% THC-A: XXXX% CBD-A: XXXX% CBN: XXXX%</p> </div> <p><small>Alaska Safety Warning: Marijuana has intoxicating effects and may be habit forming and addictive. Marijuana impairs concentration, coordination and judgment. Do not operate a vehicle or machinery under its influence. There are health risks associated with consumption of marijuana. For use only by adults twenty-one and older. Keep out of the reach of children. Marijuana should not be used by women who are pregnant or breast feeding.</small></p>
*or similar format and content	



# Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

## Section 7 – Security

Review the requirements under 3 AAC 306.350 and 3 AAC 306.720.

7.1. Describe the retail marijuana store's procedures for ensuring a form of valid photographic identification has been produced before selling marijuana or marijuana product to a person, as required by 3 AAC 306.350(a):

Wildflower will not sell, offer to sell, give, distribute, or deliver marijuana or marijuana products to any consumers who are: (1) not physically present on the licensed premises; (2) under the influence of an alcoholic beverage, inhalant, or controlled substance; or (3) not at least twenty one (21) years of age at the time of purchase, as evidenced by valid, government issued photo identification. Wildflower will have an employee greet all customers and check each ID at the arctic entryway window. Continued..

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right:

Initials

7.2. The video surveillance and camera recording system for the licensed premises covers each point-of-sale area.

*[Handwritten initials]*

## Section 8 – Waste Disposal

Review the requirements under 3 AAC 306.740.

8.1. Describe how you will store, manage, and dispose of any marijuana waste, including expired marijuana or marijuana products, in compliance with any applicable laws. Include details about the material(s) you will mix with ground marijuana waste and the processes that you will use to make the marijuana waste unusable for any purpose for which it was grown or produced:

Once marijuana or marijuana product has reached its shelf life or becomes moldy or unsafe for public consumption it will be moved to a room dedicated to marijuana waste storage. It is a locked room that waste will be stored in while AMCO is contacted and waste is logged into Metrc. Wildflower management will then wait three (3) days and then proceed to render marijuana and marijuana product unusable by mixing it with equal parts of non-compostable materials such as: paper, cardboard and plastic waste. Once marijuana waste has been rendered unusable it will be bagged and moved to the locked dumpster that is visible on the video surveillance. Alaska Waste Management will then be called to pick up and take waste to the Kodiak Landfill for disposal.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right:

Initials

8.2. The retail marijuana store shall give the board at least three days written notice required under 3 AAC 306.740(c) before making marijuana waste unusable and disposing of it.

*[Handwritten initials]*

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

*[Handwritten signature]*  
Signature of licensee

*[Handwritten name]*  
Printed name of licensee



*[Handwritten signature]*  
Notary Public in and for the State of Alaska

My commission expires: 01/18/2022

Subscribed and sworn to before me this 14 day of May, 2019.



# Form MJ-03: Retail Marijuana Store Operating Plan Supplemental

(Additional Space as Needed):

3.1 Continued: At the moment a customer is buzzed through the security door Wildflower employees will be watching for signs of impairment. If a person enters the premises exhibiting signs of impairment, employees will refuse all service and sale to that individual, and escort them safely from the premise. Law enforcement will be contacted for back-up when necessary. Additionally, employees and management will exercise strict diligence and compliance with the sale limits and a manager will be on hand to help manage customer ingress and egress and ensure there is an adequate number of employees on the sales floor.

7.1 Continued: No individual will be allowed to pass the ID check window and buzzed through the security door onto the sales floor without their photo identification being verified regardless of how familiar the person is to the employee(s). Employees will be trained to identify forgeries and inconsistencies in ID's and will utilize an ID guide to help recognize ID's from other states and countries. A manager will be on hand to help manage customer ingress and egress on the sales floor. If an ID is not in compliance for any reason, the customer will be asked to leave, and law enforcement will be contacted if necessary.

**CITY OF KODIAK  
ORDINANCE NUMBER 1378**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AMENDING TITLE 5 WITH THE RENUMBERING OF KCC CHAPTER 7.40 TO CHAPTER 5.24 AND THE ADDITION OF NEW SECTIONS FOR MARIJUANA BUSINESSES, AND AMENDING CHAPTER 8.48 TO REFLECT ALASKA MARIJUANA LAW**

WHEREAS, the Kodiak city council has been designated as the city’s local regulatory authority on marijuana;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

**Section 1:** This ordinance is of a permanent and general nature and shall be included in the Kodiak City Code.

**Section 2:** Chapter 7.40 Marijuana Regulation, of the Kodiak City Code, is hereby renumbered to Chapter 5.24, with Section 7.40.010 renumbered to 5.24.010 accordingly.

**Section 3:** Chapter 5.24 Marijuana Regulation, of the Kodiak City Code, is hereby amended with the addition of a new Section 5.24.005 to read as follows:

**5.24.005. Definitions.**

As used in this chapter the following definitions shall apply:

“Edible marijuana product” means a marijuana product that is intended to be consumed orally, whether as food or drink.

“Licensed premises” means any or all designated portions of a building or structure, or rooms or enclosures in the building or structure, at the specific address for which a marijuana establishment license is issued, and used, controlled, or operated by the marijuana establishment to carry out the business for which it is licensed.

“School ground” means any facility operated by a school board or private school, as defined by AS 14.45.200, to provide educational, athletic, or recreational activities for persons under 18 years of age and shall include facilities providing post-secondary education and child care facilities licensed under AS 47.32.010.

**Section 4:** Chapter 5.24 Marijuana Regulation, of the Kodiak City Code, is hereby amended with the addition of a new Section 5.24.020 to read as follows:

**5.24.020. License Application Review.**

(a) Upon receipt of notice from the Alcohol and Marijuana Control Office that a new, renewal, or transfer application for a marijuana business license has been deemed complete, the clerk shall forward the application to appropriate department heads to make investigations within their respective areas of responsibility. The city manager or designee shall compile the responses, and provide the council with the administration's recommended action.

(b) For the purpose of public hearing and council action, the clerk shall place the matter of the application upon the agenda for a regular or special meeting of the council held not less than fifteen or more than 50 days from receipt of the notice from the Alcohol and Marijuana Control Office.

(c) After receiving the administration report and public comment, the council, by motion, may take one of the following actions on the matter of the license:

(1) Non-objection. Upon finding that the permit satisfies all legal requirements, the council may authorize the clerk to issue a letter of non-objection to the Marijuana Control Board.

(2) Non-objection with conditions. If any requirements or obligations are not satisfied, but could be satisfied through further action of the licensee(s), the council may authorize the clerk to issue a letter of conditional non-objection to the Marijuana Control Board for the issuance, transfer, or renewal of the license setting forth the city's conditions for non-objection.

(3) Protest. Upon determining the existence of one or more of the grounds contained in subsection (d) of this section, the council may direct the clerk to cause a protest to be filed with the Marijuana Control Board.

(d) A marijuana license may be protested for one or more of the following reasons:

(1) Failure of the applicant to secure any required city permit, or if the applicant is in violation of any applicable city permit;

(2) That the applicant has violated a provision of AS 17.38 or regulations adopted by the state, or a condition imposed by the Alcohol and Marijuana Control Office on the license, or if issuance of the license would violate a provision of state law or regulations;

(3) The marijuana business operated under the license or any other business owned in whole or in part by any person named in the application as an applicant or on the permit is, on the date the council considers the matter, delinquent in the payment of any sales tax or penalty or interest on sales tax arising out of the operation of any business within the city;

(4) There are delinquent property taxes or local improvement district assessments or penalty or interest thereon arising out of real or personal property



owned in whole or in part by any person named in the application as an applicant or such property as is to be used in the conduct of business under the license;

(5) There is a delinquent charge or assessment owing to the city or borough by the licensee for a municipal service provided for the benefit of the business conducted under the license or for a service or an activity provided or conducted by the city or borough at the request of or arising out of an activity of the business conducted under the license;

(6) The business operated or to be operated under the license is violating or would violate the Kodiak City Code;

(7) The business operated under the license is, on the date the council considers the matter, in violation of a state or municipal fire, health, or safety code, or for any concern identified by the building official, or police chief or fire chief (A conviction for a violation is not a prerequisite for a protest under this section);

(8) The concentration of other marijuana business or alcohol licenses in the area;

(9) Any factor identified by state statute or regulation as appropriate grounds for a protest; or

(10) Any other factor the council determines is generally relevant or is relevant to a particular application.

**Section 5:** Chapter 5.24 Marijuana Regulation, of the Kodiak City Code, is hereby amended with the addition of a new Section 5.24.030 to read as follows:

**5.24.030. Licensed premises not less than 500 feet from schools.**

(a) Licensed premises shall not be located within 500 feet of any school ground.

(b) The distance specified in this section shall be measured by a straight line from the public entrance of the building in which the licensed premises would be located to the lot line or real property boundary for the any lot or parcel containing a school ground.

(c) This section does not prohibit the renewal of an existing marijuana establishment license or the transfer of an existing marijuana establishment license to another person if the licensed premises were in use before the school ground began use of a site within 500 feet.

**Section 6:** Chapter 5.24 Marijuana Regulation, of the Kodiak City Code, is hereby amended with the addition of a new Section 5.24.040 to read as follows:

**5.24.040. Manufacture and Sale of Marijuana Edibles Prohibited.**

Manufacture of edible marijuana products on any licensed premises and all sale of edible marijuana products is unlawful.

**Section 7:** Section 8.48.010 of the Kodiak City Code is hereby amended to read as follows: [deleted text is ~~struck through~~; added text is underlined]

**8.48.010 Use restrictions.**

No person shall have possession of ~~or be addicted to the use of~~ a narcotic drug, or be under the influence of a narcotic drug in the city, except when such narcotic drugs are or have been prescribed or administered by or under the direction of a person licensed by the state of Alaska to prescribe and administer narcotics.

**Section 8:** Section 8.48.020 of the Kodiak City Code is hereby amended to read as follows: [deleted text is ~~struck through~~; added text is underlined]

**8.48.020 Sale or possession of drug paraphernalia.**

(a) No person may knowingly sell or possess drug paraphernalia.

(b) Any drug paraphernalia involved in any violation of subsection (a) of this section shall be subject to seizure and forfeiture by the city of Kodiak.

(c) The term “drug paraphernalia” means any device, equipment, product, or material of any kind which is primarily intended or designed for use in processing, preparing, injecting, ingesting, inhaling, or otherwise introducing into the human body ~~marijuana, cocaine, hashish, hashish oil,~~ PCP, or amphetamines, or any other substance possession of which is unlawful under AS 11.71 except as provided by AS 17.38. It includes, but is not limited to, small metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, ~~hashish heads,~~ or punctured metal bowls which are commonly used for the ingestion of ~~marijuana, cocaine, or hashish.~~ substances described above.

(d) This section shall not apply to:

(1) Any person authorized by local, state, or federal law to manufacture, possess, or distribute such items; or

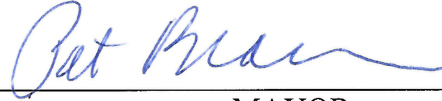
(2) Any item that is traditionally intended for use with tobacco products, including any pipe, paper, or accessory, unless residue or other evidence indicates that the item in question has in fact been used to process, prepare, inject, ingest, or inhale ~~marijuana, cocaine, hashish, hashish oil,~~ PCP, or amphetamines or otherwise in connection with a substance possession of which is unlawful under AS 11.71 except as provided by AS 17.38.

(e) A person charged with violating this section can dispose of the charge, by mail or in person, by paying a fine of \$75.00 plus any surcharge required to be imposed by AS 29.25.07 and checking the “no contest plea” box on the back of

the citation. Alternatively, the person may choose to appear in court and contest the citation. If found guilty, the maximum sentence which may be imposed is the fine amount plus any surcharge required to be imposed by AS 29.25.072. A person charged with a violation of this section does not have a right to a jury or to a court-appointed lawyer.

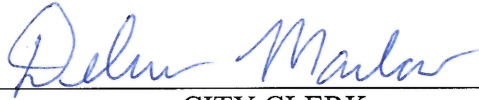
**Section 9:** This ordinance shall be effective one month after final passage and publication.

CITY OF KODIAK



MAYOR

ATTEST:



CITY CLERK

First Reading: May 24, 2018  
Second Reading: June 14, 2018  
Effective Date: July 20, 2018



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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Council members  
**From:** Mike Tvenge, City Manager *MT*  
**Thru:** Timothy Putney, Chief of Police  
**Date:** July 25, 2019

**Agenda Item:** **V. d. Authorization of the Regional and Community Jail Contract with the Alaska Department of Corrections**

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**SUMMARY:** The Alaska Department of Corrections (DOC) has proposed a new one-year contract with the City to provide short-term Regional and Community Jail Services for persons held for violations of State law. The new contract would be effective July 1, 2019, and continue in force through June 30, 2020. The contract can be terminated upon ninety (90) days' notice from the terminating party, and contract amendments for additional work could be incorporated through mutually agreed upon appendices or attachments. The base contract amount is \$991,552 with additional amounts for services the City provides, to include: \$37,380 for Pretrial Electronic Monitoring Services; \$53,400 for Pretrial Supervision; and \$10,000 for Sentenced Electronic Monitoring. The total FY2020 contract amount is \$1,092,332. The Kodiak Community Jail is an integral piece to the overall public safety of Kodiak, and staff recommends approval of this contract.

**PREVIOUS COUNCIL ACTION:**

- Since March 1960 the Council has approved annual jail services contracts.
- On June 27, 2013, Council reviewed and approved a five-year Regional and Community Jail Services contract beginning July 1, 2013, in the amount of \$1,208,290.
- On June 24, 2015, Council reviewed and approved an amendment to the five-year Regional and Community Jail Services contract in FY2016 reducing the annual amount to \$991,552.00.
- On July 14, 2016, Council reviewed and approved an FY2017 contract in the amount of \$991,552.
- On August 9, 2018, Council reviewed and approved a one-year contract in the amount of \$1,028,932.

**DISCUSSION:** The Alaska Department of Corrections (DOC) has proposed the continuation of a contract with the City to provide short-term Regional and Community Jail Services for persons held for violations of State law. Staff believes that the long history between the City and DOC concerning a community jail contract warrants continued support for another contract.

**ALTERNATIVES:**

- 1) Authorize this one-year contract with the Department of Corrections commencing on July 1, 2019, which is staff's recommendation.
- 2) Do not authorize this contract with the Department of Corrections. Staff does not recommend this alternative.

**FINANCIAL IMPLICATIONS:** With capital improvement projects included, staff estimates the FY2020 jail expenses to be \$1,414,080. The total contract offered by DOC for FY2020 is \$1,092,332. Revenues received under this contract may not cover, but do offset, our costs to operate the jail.

**LEGAL:** N/A

**STAFF RECOMMENDATION:** Staff recommends the approval of the contract with the Alaska Department of Corrections (DOC) to provide Regional and Community Jail Services commencing on July 1, 2019, and ending June 30, 2020, for a total of \$1,092,332.

**CITY MANAGER'S COMMENTS:** I recommend the Council approve the FY2020 professional services contract for Regional and Community Jail Service with the Alaska Department of Corrections.

**ATTACHMENTS:**

Attachment A: Professional Services Contract

**PROPOSED MOTION:**

Move to authorize a one-year professional services contract for Regional and Community Jail services with the Alaska Department of Corrections (DOC Contract No. 2001006) commencing on July 1, 2019, and ending on June 30, 2020, for \$1,092,332 and authorize the City Manager to sign the agreement on behalf of the City.

# STANDARD AGREEMENT FORM FOR PROFESSIONAL SERVICES

The parties' contract comprises this Standard Agreement Form, as well as its referenced Articles and their associated Appendices

1. Agency Contract Number 2001006	2. Contract Title Regional and Community Jail: Kodiak	3. Agency Fund Code 1004	4. Agency Appropriation Code 201014600-1600000002-3020-5019
5. Vendor Number CIK84916	6. IRIS GAE Number (if used) 2001006	7. Alaska Business License Number Not Applicable	
<b>This contract is between the State of Alaska,</b>			
8. Department of Corrections		Division Institutions	hereafter the State, and
9. Contractor City of Kodiak, Police Department		hereafter the contractor	
Mailing Address 2160 Mill Bay Road	Street or P.O. Box	City Kodiak	State AK ZIP+4 99615
<p>10. <b>ARTICLE 1. Appendices:</b> Appendices referred to in this contract and attached to it are considered part of it.</p> <p><b>ARTICLE 2. Performance of Service:</b></p> <p>2.1 Appendix A (General Provisions), Articles 1 through 16, governs the performance of services under this contract.</p> <p>2.2 Appendix C sets forth the services to be performed by the contractor.</p> <p><b>ARTICLE 3. Period of Performance:</b> The period of performance for this contract begins <u>July 1, 2019</u>, and ends <u>June 30, 2020</u>.</p> <p><b>ARTICLE 4. Considerations:</b></p> <p>4.1 In full consideration of the contractor's performance under this contract, the State shall pay the contractor a sum not to exceed <u>\$1,092,332.00</u> in accordance with the provisions of Appendix D.</p> <p>4.2 When billing the State, the contractor shall refer to the Authority Number or the Agency Contract Number and send the billing to:</p>			
11. Department of Corrections		Attention: Division of Institutions	
Mailing Address 550 West 7 <sup>th</sup> Avenue, Suite 1800		Attention: Cristy Humphries (ph. 907-269-7426)	
<b>12. CONTRACTOR</b>		<p>14. <b>CERTIFICATION:</b> I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alternations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-.820. Other disciplinary action may be taken up to and including dismissal.</p>	
Name of Firm City of Kodiak			
Signature of Authorized Representative	Date		
Typed or Printed Name of Authorized Representative Mike Tvenge			
Title City Manager (ph. 907-486-8640; fax 907-486-8023)		<p>Signature of Head of Contracting Agency or Designee</p> <p>Date</p>	
<b>13. CONTRACTING AGENCY</b>			
Department/Division Corrections, Division of Institutions	Date		
Signature of Project Director			
Typed or Printed Name of Project Director Dean Marshall		Typed or Printed Name John Schauwecker	
Title Director of Institutions		Title Procurement Manager CPPB, C.P.M	

**NOTICE: This contract has no effect until signed by the head of contracting agency or designee.**

## APPENDIX A

### GENERAL PROVISIONS

#### Article 1. Definitions.

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

#### Article 2. Inspections and Reports.

- 2.1 The department may inspect, in the manner and at reasonable times it considers appropriate, all the contractor's facilities and activities under this contract.
- 2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

#### Article 3. Disputes.

- 3.1 If the contractor has a claim arising in connection with the contract that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – 632.

#### Article 4. Equal Employment Opportunity.

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, disability, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, disability, age, sex, marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.
- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.
- 4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.
- 4.7 Failure to perform under this article constitutes a material breach of contract.

#### Article 5. Termination.

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State. In the absence of a breach of contract by the contractor, the State is liable only for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

#### Article 6. No Assignment or Delegation.

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

#### Article 7. No Additional Work or Material.

No claim for additional services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Project Director and approved by the Agency Head.

#### Article 8. Independent Contractor.

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

#### Article 9. Payment of Taxes.

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

**Article 10. Ownership of Documents.**

All designs, drawings, specifications, notes, artwork, and other work developed in the performance of this agreement are produced for hire and remain the sole property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. Nevertheless, if the contractor does mark such documents with a statement suggesting they are trademarked, copyrighted, or otherwise protected against the State's unencumbered use or distribution, the contractor agrees that this paragraph supersedes any such statement and renders it void. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all the materials.

**Article 11. Governing Law; Forum Selection**

This contract is governed by the laws of the State of Alaska. To the extent not otherwise governed by Article 3 of this Appendix, any claim concerning this contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

**Article 12. Conflicting Provisions.**

Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the contractor may seek to add. The contractor may not add additional or different terms to this contract; AS 45.02.207(b)(1). The contractor specifically acknowledges and agrees that, among other things, provisions in any documents it seeks to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

**Article 13. Officials Not to Benefit.**

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

**Article 14. Covenant Against Contingent Fees.**

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage or contingent fee.

**Article 15. Compliance.**

In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits and bonds.

**Article 16. Force Majeure:**

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.



**ALASKA DEPARTMENT OF CORRECTIONS  
CONTRACT FOR REGIONAL AND COMMUNITY JAILS SERVICES  
July 1, 2019 through June 30, 2020**

**Appendix C  
General Terms**

**Parties**

The parties to this contract are the Alaska Department of Corrections, and the Borough/City of Kodiak, herein referred to as the "Borough/City".

**1. Services**

Provide short-term regional and community jail confinement of persons held under **State** law.

This is a contract for the Borough/City to operate a jail facility and hold prisoners in accordance with this contract and The Standards for Jail Operations adopted by the Governor's Task Force on Community Jails (November 18, 1994 edition), hereafter referred to as "The Standards".

The Standards and the final report of the Governor's Task Force are attached as Appendix E to this contract. As adopted by the Governor's Task Force, and as explained in the Document, Chapter 13, sec. 13.05 of Appendix E, these standards were not, and are not, intended to be used in any legal proceeding to establish a "duty of care", or evidence of a legal duty to any person or entity. Rather, these standards were and are intended:

- a. as a statement of professional goals to be achieved;
- b. to promote recognition of needed improvements, both as to facilities and operations;
- c. to promote efficiency; and
- d. to encourage professionalism in the operations of Alaska jails.

As used in this contract, "Community Jail Administrator", "DOC Oversight Officer" and "State Regional & Community Jail Coordinator" has the meaning given in Chapter 13 of The Standards.

As used in this contract, "prisoner" has the meaning given in AS 33.30.901(12), and specifically excludes persons detained under authority of AS 47. This contract allows the Borough/City to hold persons detained under AS 47 in its jail facility, however the Department is authorized to, and will not, compensate the Borough/City for any direct or indirect costs related as AS 47 detainees, including medical or transportation costs.

**2. Sole Agreement**

This contract is the sole agreement between the parties relating to jail services. There are no other agreements, express or implied. This contract represents the Department's sole obligation for payment for the care and custody of prisoners held at the Kodiak Regional and Community Jail participating in the Regional and Community Jails Program during the term of the contract. It is the intention of the parties that no other sums will be billed to or owed by the Department for jail services.

### 3. Effective Date/Termination/Amendments

This contract is effective **July 1, 2019** and continues in force through **June 30, 2020** except that it may be terminated by either party upon ninety (90) days written notice from the terminating party. This will be a five-year contract.

Contract amendments for additional work can be incorporated through appendices or attachments mutually agreed upon and signed by both parties.

### 4. Responsibilities of the parties

#### General Responsibilities of the Borough/City

##### The Borough/City Shall

- a. Operate a facility for the care and confinement of prisoners in accordance with this contract and with goals set out in The Standards, including any additions or deletions to The Standards by the Commissioner of Corrections following notice to all community jail administrators and an opportunity to comment.
- b. Comply with the U.S. Civil Rights Act of 1964, as amended (P.L. 88-35-42 USC secs. 2000e-2 and 2000e-3) and Federal regulations implementing the act in the hiring and treatment of its employees and will not subject any prisoner to discrimination on the grounds of race, creed, color, religion, national origin, sex.
- c. Permit reasonable visitation for prisoners as set out in The Standards. A record or log of all prisoner visitors will be kept indicating date, time and identity of each visitor.
- d. Protect prisoner property by taking proper precautions and providing the necessary policies and procedures to protect the property from loss or destruction.
- e. Not accept a prisoner into the facility under this contract if the person is unconscious or in immediate need of medical attention, and shall not be entitled to reimbursement for immediate medical services provided to such a person. The Borough/City shall provide necessary medical care for prisoners accepted into the facility under this contract, and shall be entitled to reimbursement by the Department for the cost of such care, per Section C6 of this contract.
- f. Immediately notify the Department of Corrections, the nearest post of the Alaska State Troopers, and any police agencies in the general vicinity of the jail facility if a prisoner escapes or leaves the premises of the facility without authority. The Borough/City shall make every reasonable effort to return the prisoner to the facility without cost to the Department of Corrections, as long as there are reasonable grounds to believe the prisoner is within the Borough/City limits.
- g. Adopt and enforce rules concerning smoking by prisoners and staff consistent with State statutes and regulations, keeping in mind the health and welfare of all prisoners and staff personnel.
- h. Maintain prisoner records showing the prisoner's time served, the date and time the prisoner was booked in, the date and time of changes to custody, notations about the

prisoner's institutional adjustment, and records of medical and dental treatment. These prisoner records must be in a prisoner's file when they are transferred from the regional and community jail facility to another state correctional facility.

- i. Immediately, but, in no event more than 24 hours following receipt of notice, report to the Department of Corrections all claims concerning the jail facility that could foreseeably affect the legal liability of either party to this contract and cooperate with the Department of Corrections in the defense and/or settlement of the claim.
- j. Purchase and maintain in force at all times during the performance of services under this agreement the policies of insurance listed in the contract. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Borough's/City's policy contains higher limits, the State shall be entitled to coverage to the extent of such higher limits.
- k. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the Borough's/City services. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under AS21.
- l. The Borough / City shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and where applicable, any other statutory obligations including but not limited to Federal U.S.L.&H. and Jones Act requirements. This policy must waive subrogation against the state. The Borough/City shall be responsible for insuring that any subcontractor who directly or indirectly provides services under this contract will maintain Worker's Compensation Insurance.
- m. Provide and maintain comprehensive general liability insurance, with a combined single limit per occurrence of not less than \$1,000,000.00 covering activities associated with or arising out of this contract, to include jail keeper's legal liability coverage. The State shall be added as an additional insured under such policies. The Borough/City shall be solely responsible for the payment of claims or losses to the extent they fall within the deductible amount of such insurance. This insurance shall be primary to any other insurance or self insurance carried by the State.
- n. Hold that the Borough / City shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Borough / City under this agreement up to the Borough / City policy limits as noted in Section 4(m). The Borough / City shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Borough / City and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Borough / City" and "Contracting agency", as used within this and the following article, include the employees, agents and other Borough / City who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's

selection, administration, monitoring, or controlling of the Borough / City and in approving or accepting the Borough / City work.

- o. Provide and maintain comprehensive automobile liability insurance, covering all owned, hired and non-owned vehicles used during the provision of services under this contract with coverage limits not less than \$100,000.00 per person, \$300,000.00 per occurrence bodily injury and \$50,000.00 property damage.
- p. The regional and community jail must use an accounting system that records all expenditures on an ongoing basis and must provide a record of these expenditures to the oversight agency on a quarterly basis in a format prescribed by the oversight agency.
- q. The regional and community jail must prepare and present an annual operational budget that reflects the necessary resources required for facility operations. Operational budget will be prepared in the manner and detail prescribed by the oversight agency and will include a staffing plan showing in detail staff assignments and the number of full and part-time positions.
- r. Annual operational budget for each fiscal year is due to the Department's State Regional and Community Jail Administrator on July 15 of each year.
- s. Annual budget request for each fiscal year is due to the State Regional and Community Jail Administrator on October 1 of each year for inclusion in the annual Department of Corrections' fiscal year operating appropriations request annually. For example; Fiscal **Year 2021** is due to the State Regional and Community Jail administrator on **October 1, 2019** for inclusion in the annual Department of corrections' fiscal **year 2021** operating budget request.
- t. By October 1 of each fiscal year, the Regional and Community Jail Administrator must provide their request for the next fiscal year capital project request. Failure to meet this deadline may result in no capital project request for the next fiscal year
- u. Quarterly financial reports are due to the state regional and community jail administrator on the following dates of each fiscal year:
  - July – September – quarterly and year-to-date financial statement due on October 31.
  - October – December – quarterly and year-to-date financial statement due on January 31.
  - January – March – quarterly and year-to-date financial statement due on April 30.
  - April – June– quarterly financial and year-to-date financial statement due on July 31.
- v. Provide a monthly accounting of prisoner statistics by the 15<sup>th</sup> day of the month following the monthly period covered on forms provided by the Department of Corrections. The forms shall include specific information on each prisoner housed during the reporting period to include the prisoner's name, the number of man-days, the charge or reason for incarceration, the dates of incarceration, the arresting agency and other information as requested on the forms.

“Man-day” indicates a prisoner was confined for more than four (4) hours in one twenty-four hour calendar day. If a prisoner had been confined for less than or equal to (4) hours in one calendar day, the accounting shall indicate one-half man-day.

- w. Not operate furlough or release programs for pre-sentenced prisoners held, unless ordered by a court. The Borough/City shall not permit a furlough or release for any sentenced prisoners without the consent of the Department of Corrections.
  
- x. Regional and Community Jails accessing the Agency’s Alaska Corrections Offender Management System (ACOMS) will require all jail personnel using the ACOMS System to undergo a DOC background security check. The Regional and Community Jail Administrator will submit the following information for each person accessing the ACOMS System for security review by DOC:
  - (1) Full name
  - (2) Residence address
  - (3) Telephone
  - (4) Date of birth
  - (5) Valid drivers license and state of issue, or other photo identification
  - (6) Social Security number

The Jail Administrator, with assistance from the State Regional and Community Jail Administrator, will develop Policy and Procedures for monitoring jail staff to ensure system security, confidentiality and the use of the ACOMS System only for Regional and Community Jail business. The Jail Administrator will immediately notify the Regional and Community Jail Coordinator if jail staff with access to the ACOMS System leave their employment.

Regional and Community Jail will be responsible for ongoing telecommunications costs such as line charges, connection fees and internet service provider fees, etc.

- y. The Contractor shall comply with the national standards to prevent, detect, and respond to prison rape under the Prison Rape Elimination Act (PREA), Federal Rule 28 C.F.R. Part 115. The Contractor shall also comply with all Department policies and procedures that relate to PREA to include but not limited to: conducting investigations, background checks, audits and training. The Contractor is responsible for all costs associated with PREA compliance, to include certification by an accredited auditor.

## **5. General Responsibilities of the Department of Corrections**

The Department of Corrections shall:

- a. Reimburse the Borough/City for necessary medical care under section C6 of this Contract.
  
- b. Not be responsible for the management of local jail facility prisoner population. It is

the policy of the Department of Corrections to detain and confine only prisoners from the normally serviced region of the respective facilities. However, in the case of an emergency or for necessary population or security management purposes, prisoners may be transferred from other areas of the State.

- c. Be permitted to inspect, at all reasonable times, any facility used by the Borough/City to house prisoners that are confined, in order to determine if that facility is complying with The Standards and with this agreement.
  - d. Provide on-going technical assistance and training for regional and community jails requesting access to the ACOMS System. The Department of Corrections will conduct security checks, with information provided by the Jail Administrator, for all jail staff requesting access to the ACOMS System. All related telecommunications charges (such as telephone company lines fees or tolls and internet service provider fees, or special charges for initial line installation) will be the responsibility of the community jail.
- E Throughout the contract term, the DOC Oversight Officer will perform audits to ensure that the Borough / City are following PREA guidelines.

## **6. Medical and Dental Care and Reimbursement**

The Borough/City shall:

- a. Provide necessary medical care to prisoners accepted into the Regional and Community Jail facility under this contract. Prisoners who require medical attention are to be provided treatment as soon as possible, taking into consideration the nature of the illness or injury. If medical care is provided outside of the jail facility, the Regional and Community Jail Administrator shall provide transport to the off-site medical facility and necessary security as required by paragraph 7a of this contract.

As used in this contract, “necessary medical care” has the meaning given in Chapter 13 of The Standards. If requirements of this definition are otherwise met, the following are included within the term “necessary medical care” and subject to reimbursement:

- (1) psychological or psychiatric care; and
  - (2) dental care to:
    - i. control bleeding;
    - ii. relieve pain;
    - iii. eliminate acute infection;
    - iv. prevent pulp decay and imminent loss of teeth through operative procedures; and
    - v. treat injuries to teeth or repair supporting dental structures, caused by accident or injury.
- b. Maintain control of and dispense medicines to prisoners in compliance with The Standards and directions specified by a physician or other qualified health care provider, and take reasonable steps to guard against misuse or overdose of medicines by prisoners.

- c. Adopt emergency medical procedures and make available telephone numbers for medical, psychiatric, or other health services, so that staff will have ready access to such information.
- d. Obtain approval from the Department before incurring liability for medical care which reimbursement is sought, except in the case of emergency care that must be provided to the prisoner before approval from the Department of Corrections can be obtained. The Borough/City shall make a reasonable effort to obtain approval from the Department of Corrections and shall promptly, but in no event later than the next working business day, notify the Department of Corrections of any emergency for which medical care was provided before such approval could be obtained. Approval from the Department of Corrections will not be unreasonably withheld. To obtain approval Borough/City staff should contact the Department of Corrections Central Office during normal working hours Monday through Friday 8:00am to 4:30pm at (907) 269-7300, after hours, weekends and holidays contact the Anchorage Correctional Complex Medical Unit at (907) 269-4233.
- e. Be entitled to reimbursement from the Department of Corrections for expenses of necessary medical care provided under paragraph 6a and approved under paragraph 6d. In applying for reimbursement, the Borough/City must follow the procedure set out in paragraph 6f. The Borough/City will not be entitled to reimbursement for the hiring of emergency guards or other medically related security costs, or for medical care for persons
  - (1) held under the authority of AS 47,
  - (2) accepted into the facility while unconscious or in immediate need of medical attention,
  - (3) receiving medical services for elective, cosmetic or other medical services that are unnecessary, or

Medical services provided to prisoners who have been properly accepted into the Borough/City jail facilities under this contract shall not, however, be challenged by the Department merely because they were rendered immediately or shortly after the prisoner was accepted.

- f. Request reimbursement by submitting to the Department of Corrections a properly certified accounting containing:
  - (1) a copy of the medical bill with the prisoner's name and a description of the services rendered,
  - (2) a copy of the monthly booking form showing the prisoner's date and time of booking, and
  - (3) a copy of the medical payment request form.

The Regional and Community Jail Administrator will make reasonable effort and take appropriate steps to assure that the Department of Corrections is billed only for necessary and required medical services beyond the payment limits of the prisoner or any insurance carrier or other third-party payer.

## 7. Transfers and Transportation of Prisoners

The parties agree that:

- a. The Borough/City shall provide transportation and supervision for medical care provided within local boundaries as required by paragraph 6(a). Supervision must be adequate to prevent escapes, prevent inappropriate contact with others, prevent possession of contraband and provide security for the prisoner and the public.
- b. The Borough/City shall immediately notify the Department of Public Safety to request that a prisoner be transferred from the facility to a location outside of local boundaries because;
  - (1) a court has ordered the transportation;
  - (2) the prisoner has been incarcerated in the facility for 7 consecutive days, unless a court has ordered that the prisoner remain in the facility or the prisoner has signed a written waiver requesting to remain in the facility; or
  - (3) the Regional and Community Jail Administrator believes a transfer is necessary for security or population management reasons.
- c. The Borough/City shall continue to hold prisoners, notwithstanding the existence of grounds for a transfer, until the Department of Public Safety arranges transportation for the prisoner.
- d. The City shall, when the prisoner leaves the facility, furnish the transporting officer with the prisoner's file described in paragraph 4h of this agreement.

## 8. Sentenced Electronic Monitoring

The Borough/City has the option to use electronic monitoring. If the Borough/City is interested in electronic monitoring, please contact DOC to coordinate an Amendment to this contract and utilization of the DOC BI, Inc. Electronic Monitoring contract.

### **Sentenced Electronic Monitoring:**

The Department will provide additional funds if the Borough/City will take Sentenced EM placements and supervise them. The Department will provide \$10,000 for the first 1-5 inmates and \$5,000 for each additional 5 inmates annually. If a Borough/City has any number between 1-5 at any given time during a fiscal year, example **7/1/19** through **6/30/20**, they will receive the full \$10,000. If the City/Borough exceeds 5 and has any number between 6-10, they will receive the full \$5,000, for any number between 11-15 at



any given time during the fiscal year they will receive another \$5,000 in full and so on for each additional 5 Sentenced EM placements, they will receive another \$5,000.

To further illustrate, by way of example, if a Borough/City had for any particular month in a fiscal year 26 Sentenced EM placements they would receive \$35,000 for that fiscal year. The breakdown of the \$35,000 is: 1-5 Sentenced EM \$10,000 + 6-10 Sentenced EM \$5,000 + 11-15 Sentenced EM \$5,000 + 16-20 Sentenced EM \$5,000 + 21-25 Sentenced EM \$5,000 + 26<sup>th</sup> Sentenced EM \$5,000 = a total of \$35,000.

If a Borough/City elects to participate in the Sentenced Electronic Monitoring they will automatically receive \$10,000 and it will be added to Appendix D. If at any time throughout the contract they exceed 5 Sentenced EM placements they will receive an additional \$5,000 for each additional 5 Sentenced EM placements. The Department is not going to prorate this by day or period of time, it will add the additional \$5,000 for every additional 5 Sentenced EM placements when either notified by the Borough/City through their monthly count sheets or the DOC recognizes the additional Sentenced EM placements on the monthly count sheets. The DOC will exercise a unilateral amendment and automatically add the funds to their contract. The unilateral amendment will be used to expedite the amendment process for both parties, only as it applies to this Section 8 Sentenced Electronic Monitoring.

If an inmate has been sentenced and only has 20-30 days they can go to Sentenced EM, stay in their community and not have to be housed in the jail or transported out of their community to a prison. If prisoners on Sentenced EM run away or violate the conditions of their EM placements, they will go to prison.

## 9. Pretrial Program Services

### a. Assessment & Database Collection:

Complete training and comply with DOC policies for the following program services:

Complete inmate bookings by utilizing the ACOMS software system. Complete and submit the Alaska pretrial risk assessment tool (AK-2S), located in the ACOMS software application and submit release recommendations for the courts. Meet all risk assessment and recommendation timeline requirements by scheduled initial appearances. Participate in remedial training and quality evaluation as needed.

Document all contacts and pretrial actions with defendants in the ACOMS software application to ensure proper and complete records are maintained. Notify and file pretrial status and/or violation reports and paperwork through the court as needed.

**\*\*\*Service currently not included but can be added via amendment throughout the life of the contract\*\*\*. The amount for this service would be: \$16,020.00**

### b. Community Pretrial Electronic Monitoring:

Complete training and comply with DOC policies for the following program services:

Defendants may be required to have electronic monitoring (EM). Electronic monitoring requires that defendants are fitted with the proper device at the time of release. Related data with regard to the defendant and the EM restrictions should be loaded into the web based database utilized for EM and also noted in the ACOMS software application. Most

defendants on EM will be moderate or high risk defendants, but low risk defendants may also be placed on EM with court orders. EM also requires monitoring of the system and response to EM alarms and alerts. This can be accomplished in a variety of ways, such as EM monitoring by DOC staff, monitoring by community jail staff, or monitoring by local dispatchers, who will then contact local providers, Police Departments (PDs), for response to alerts and alarms. Defendants placed on EM may require occasional action such as notification to the court for those in violation of release conditions. Coordination for arrests may also be required for defendants who are in violation. Community and Regional Jails will not charge pretrial defendants a fee for EM services.

Documentation of all contacts and pretrial actions with defendants must be entered in the ACOMS software application to ensure proper and complete records are maintained. It may be necessary to file reports and paperwork through the court in the event of violations.

**\*\*\*Service currently included in the contract. Price included for this service is \$37,380.00\*\*\***

**c. Community Pretrial Monitoring and Pretrial Supervision**

Complete training and comply with DOC policies for the following program services:

Defendants placed on Pretrial monitoring may require occasional action such as phone contact for reminders about upcoming court appearances, or home visits for defendants to ensure compliance with release conditions. Notification to the court or potential coordination for arrests may also be required for defendants who are in violation.

Provide Pretrial supervision for low, moderate and high risk pretrial defendants who are released from jail. Pretrial supervision involves occasional office visits (when necessary), random home visits, and phone contact with defendants as well as reminders about upcoming court appearances. Defendants placed on Pretrial supervision may require occasional action such as drug and alcohol testing as well as notification to the court for those in violation of release conditions. Coordination with Pretrial for arrests may also be required for defendants who are in violation.

Documentation of all contacts and pretrial actions with defendants must be entered in the ACOMS software application to ensure proper and complete records are maintained. It may be necessary to file reports and paperwork through the court in the event of violations.

**\*\*\*Service currently included in the contract\*\*\*. The amount for this service is: \$53,400.00**

**d. Diversion Programs**

Complete training and comply with DOC policies for the following program services:

Coordinate diversion programs with prosecutors, treatment providers, law enforcement, and other interested parties. Diversion programs will be tailored to each community and what can be offered and supported. Programs will be clearly defined with related performance measurements. Develop and implement programs to divert appropriate defendants to services while still achieving public safety outcomes. Funding allocation

for diversion programs will be distributed upon program authorization by the Pretrial Services Director.

Documentation of all contacts and pretrial actions with defendants must be entered in the ACOMS software application to ensure proper and complete records are maintained. It may be necessary to file reports and paperwork through the court in the event of violations.

**\*\*\*Service currently not included but can be added via amendment throughout the life of the contract\*\*\*. The amount for this service would be: \$35,600.00**

**ALASKA DEPARTMENT OF CORRECTIONS  
CONTRACT FOR REGIONAL AND COMMUNITY JAIL SERVICES  
July 1, 2019 through June 30, 2020**

**Appendix D  
Payment Provisions**

1. The base contract amount for the City / Borough of Kodiak is **\$991,552.00**. The **Pretrial Services contract amount is \$90,780.00 (Community Pretrial Electronic Monitoring is \$37,380.00 plus Community Pretrial Monitoring and Pretrial Supervision which is \$53,400.00)**. This contract also includes the **\$10,000 for Sentenced Electronic Monitoring**. The total contract amount is at **\$1,092,332.00** for the period from **July 1, 2019 through June 30, 2020** and represents the total payment due for **FY 20**. This will be a one-year contract that includes Pretrial Services programs and options to add Sentenced Electronic Monitoring to the contract. 22 Beds
2. It is specifically agreed by the parties that the Department of Corrections will not provide funding for annual in-service training as set out in Section 10.01 of The Standards, unless funding is provided by the Alaska Legislature or the City.
3. The City / Borough shall be prohibited from utilizing funds received under this contract for any purpose other than operation of Regional and Community Jail facility. Any funds received by the City / Borough under this contract that are utilized for purposes other than those authorized by this contract shall be reimbursed to the State and deposited to the general fund.

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Appendix List:

- A General Provisions
- B Not used
- C General Terms and Indemnity and Insurance related language
- D Payment Provisions
- E State of Alaska, Community Jails Program: Standards for Jail Operation  
As produced and adopted by the Governor's Task Force on Community Jails,  
November 1994

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Mike Tvenge, City Manager

**Date:** July 25, 2019

**Agenda Item:** V.e. **Authorization of Lease Amendment 1 to Adjust the Rental Rate for the 5-Year Renewal of a City of Kodiak – Afognak Lease.**

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**SUMMARY:** The City of Kodiak and Afognak Native Corporation entered into a lease agreement in 2014 on a City-owned property. During that time, the Council's decision was not sell City land, therefore the discussions with Afognak Native Corporation turned to the idea of leasing property for the purposes of viewshed protection. City Council intended to complete an updated land use study on Near Island before entering into long-term property leases, therefore approved a 2014 lease, which was for a short duration and staff believed it was a benefit to Afognak Native Corporation and the City. Council passed Ordinance No. 1316 in May 2014.

**PREVIOUS COUNCIL ACTION:**

- December 10, 2013, Afognak made a presentation of their request to the City Council at the work session on December 10, 2013. Council expressed support for moving forward with a lease of this property to them.
- February 4, 2014, Council introduced Ordinance No. 1316, Authorizing a Lease to Afognak Native Corporation of a 15,000 Square Foot (0.34 Acre) Portion of USS 4947 Located Adjacent To Tract D-1B
- May 22, 2014, Council held a public hearing and Adopted Ordinance No. 1316

**DISCUSSION:** Afognak Native Corporation purchased land from the City on Alimaq Drive on Near Island and constructed their corporate headquarters there. They have maintained an interest in acquiring adjacent land on USS 4947 since before 2009.

City and Afognak staff met in 2012 to discuss land availability for a 15,000 sf portion of land adjacent to their property. The City Manager explained that Council decided not to sell anymore City property, especially on Near Island. The Manager suggested Afognak lease the property, which would protect their viewshed and benefit the City through retained ownership and revenue from the rent. Afognak made a written request in March 2013 to request a long-term lease if the option to purchase was not possible. After a brief meeting in July 2013, it was agreed to move forward with a lease of the property.

Afognak completed a survey of the requested parcel in December 2013 and the City received a final appraisal report in early December. The appraisal identified the market value of the parcel at \$95,000, or \$6.34 per square foot and recommended a lease rate of eight percent of value. KCC 18.12.110 states the

minimum rental price would be 1/10<sup>th</sup> of the current appraised value. Therefore, the lease reflects a monthly rate of \$791.67 per month for the duration of the five-year lease, which would become effective approximately 37 days from passage of the ordinance. The lease also provided for two successive five-year renewal options if both parties agree and the request is made in writing to the City. In 2014, staff believed the lease terms were reasonable and gave the City time to conduct a land use analysis and develop an updated plan for its Near Island properties to better address how to oversee development there as a wide variety of development and usage has occurred in recent years.

The existing contract term ended June 27, 2019, and the lease agreement specified rent adjustment including establishing rent for any renewal term. This authorization proposes a five-year renewal term and an increase of rent by 6.15% based on Anchorage CPI which comes up to a monthly rate of \$987.91.

**ALTERNATIVES:**

- 1) Approve this authorization.
- 2) Delay, amend, or do not approve the authorization, which is not recommended.

**FINANCIAL IMPLICATIONS:** The lease, if approved, will provide the General Fund with \$11,854.92 per year in rents over the course of a five-year period.

**LEGAL:** The lease rate is set per KCC 18.12.110 which states the minimum lease rate will be 1/10<sup>th</sup> of the current appraised value of the property which is \$95,000.

**CITY MANAGER’S RECOMMENDATION AND COMMENTS:** I support Afognak Native Corporation’s request to lease the 15,000 sf parcel next to their property on Alimaq Drive. I believe it’s in the City’s best interest to enter this lease, because the City will retain ownership, the lease will provide revenue to the General Fund. I believe the lease supports Afognak’s investment in Kodiak and protects their viewshed, although they would prefer purchase or a longer-term lease.

**ATTACHMENTS:**

- Attachment A: First Amendment Lease between the City and Afognak
- Attachment B: Ordinance No. 1316

**PROPOSED MOTIONS:**

Move to authorize Lease Amendment # 1 to adjust the rental rate for the five-year renewal of a City of Kodiak – Afognak Lease and authorize the City Manager to sign documents on behalf of the City.

**FIRST AMENDMENT TO  
LEASE FOR CITY PROPERTY BY AND BETWEEN  
THE CITY OF KODIAK AND AFOGNAK NATIVE CORPORATION**

WHEREAS, the City of Kodiak, as Lessor, and Afognak Native Corporation, as Lessee entered into that certain Lease for City Property and effective as of the 28<sup>th</sup> day of June 2014 (“Lease Agreement”); and

WHEREAS, the Lease Agreement specifies that rent adjustments, including establishing rent for any renewal term, shall occur as directed under KCC 18.20.220; and

WHEREAS, KCC 18.20.220 requires adjustment to the annual rental payment by the council every fifth year; and

WHEREAS, on July 25, 2019, the council authorized this lease which sets the annual rent for the five-year renewal of the Lease Agreement at \$987.91 per month;

THEREFORE, the City of Kodiak and Afognak Native Corporation hereby agree as follows:

1. Amendment to Paragraph 4.2: Rental Amount and Adjustments. Paragraph 4.2 of the Lease Agreement is amended to read as follows (new terms are **bolded**):

Rental Amount and Adjustments. Rent for the first year of this Lease shall be Nine Hundred Thirty Dollars and Sixty Seven Cents (\$930.67) per month. **Rent for the first five-year renewal shall be \$987.91 per month.** Rent adjustments, including establishing Rent for any Renewal Term entered, shall occur as directed under Kodiak City Code 18.20.220 as amended from time to time.

2. No Further Amendment. All other terms of the Lease Agreement remain in effect without amendment.

3. Effective Date. This amendment is effective when signed, in one or more counterparts, by the Lessor and Lessee.

IN WITNESS WHEREOF, the undersigned have executed this Lease as of the Effective Date.

LESSOR:

LESSEE:

CITY OF KODIAK

AFOGNAK NATIVE CORPORATION

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_



**CITY OF KODIAK  
ORDINANCE NUMBER 1316**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING A LEASE TO AFOGNAK NATIVE CORPORATION OF A 17,727 SQUARE FOOT (0.407 ACRE) PORTION OF USS 4947 LOCATED ADJACENT TO TRACT D-1B**

WHEREAS, the City of Kodiak (“City”) owns a 17,727 square foot (0.407 acre) portion of USS 4947 on Near Island located adjacent to Tract D-1B USS 4947 (“Premises”); and

WHEREAS, Afognak Native Corporation (“Afognak”), the owner of Tract D-1B, has requested to lease the Premises from the City to preserve the Premises as open space and protect the viewshed for Tract D-1B; and

WHEREAS, the City has determined that the Premises is not required for any public purpose, and that it is in the best interest of the City to authorize a lease of the Premises to Afognak.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

**Section 1:** Notwithstanding anything to the contrary in Kodiak City Code Chapter 18.20, the Council of the City of Kodiak hereby authorizes the lease of the Premises to Afognak in the form now before this meeting (“Lease”), for a term of five years plus two five-year renewal options, and the City Manager hereby is authorized, empowered and directed to execute and deliver the Lease on behalf of the City, in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as shall to her seem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all changes, modifications, additions or deletions therein from the form and content of said document now before this meeting, and from and after the execution and delivery of said document, the City Manager and City Clerk, and their respective designees, each hereby is authorized, empowered and directed to do all acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of said document as executed.

**Section 2:** The Lease authorized by this ordinance is subject to the requirements of City Charter Section V-17. Therefore, if one or more referendum petitions with signatures are properly filed within one month after the passage and publication of this ordinance, this ordinance shall not go into effect until the petition or petitions are finally found to be illegal and/or insufficient, or, if any such petition is found legal and sufficient, until the ordinance is approved at an election by a majority of the qualified voters voting on the question. If no referendum petition with signatures is filed, this ordinance shall go into effect one month after its passage and publication.



CITY OF KODIAK

*Pat Knorr*

MAYOR

ATTEST:

*Michelle Amundson Nelson*  
for CITY CLERK

First Reading: Postponed February 13, 2014  
Continued First Reading: April 24, 2014  
Second Reading: May 22, 2014  
Effective Date: June 28, 2014

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Mike Tvenge, City Manager 

**Date:** July 25, 2019

**Agenda Item: V. f. Authorization of FY2020 Marketing and Tourism Development Agreement With Discover Kodiak**

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**SUMMARY:** Council has authorized agreements with the Kodiak Island Convention and Visitors Bureau, known as Discover Kodiak, to provide marketing and tourism outreach for Kodiak since FY2009. This Council action will approve the agreement for FY2020 in the amount of \$108,000, which was approved in the FY2020 budget. There have been no modifications made to the agreement for this new term (Attachment A).

**PREVIOUS COUNCIL ACTION:**

- July 22, 2010, Council authorized the FY2011 Destination Marketing and Tourism Development Program Agreement in the amount of \$90,000
- June 23, 2011, Council authorized the FY2012 program agreement in the amount of \$100,000
- June 21, 2012, Council authorized the FY2013 program agreement in the amount of \$90,000
- May 9, 2013, Council authorized the FY2014 program agreement in the amount of \$90,000
- March 25, 2014, Discover Kodiak made a presentation to Council regarding their request for \$100,000 in funding for FY2015
- June 12, 2014, Council approved the FY2015 contract for \$100,000
- May 26, 2015, Discover Kodiak made their FY2016 request for funding at \$108,000
- June 11, 2015, Council approved additional funding in FY2016 budget
- Discover Kodiak's Executive Director attended several Council meetings to provide a report of work accomplished and to request a three year contract based on 65 percent of the previous year's collected bed tax
- May 7, 2016, staff presented the proposed FY2017 budget to Council which reflected the carryover contract amount of \$108,000 for Discover Kodiak
- June 9, 2016, Council approved the FY2017 contract for \$112,000
- Council reviewed the FY2018 budget at the May 6, 2017, work session and adopted budget Ordinance No. 1363 on June 8, 2017. The budget included \$108,000 for Discover Kodiak.
- Since 2017, the Council has authorized the Marketing and Tourism Development Agreement with Discover Kodiak in the amount of \$108,000 with funds coming from the Special Revenue Funds, Tourism Development Fund and authorized the City Manager to sign the agreement on behalf of the City.

JULY 25, 2019

Agenda Item V. f. Memo Page 1 of 3

- On June 13, 2019, Council approved Ordinance No. 1386 adopting the FY2020 budget that included Marketing and Tourism Development Agreement with Discover Kodiak in the amount of \$108,000

**DISCUSSION:** The City has participated in a community-based tourism development program managed by Discover Kodiak, formerly known as the Kodiak Island Convention and Visitors Bureau, for many years. Funding support from the City of Kodiak and the Kodiak Island Borough has been used to establish a marketing and tourism development program that benefits the City of Kodiak and the Kodiak region.

The City and the Borough agree that economic development and diversification are important aspects of a sustainable economy for Kodiak. Tourism is an important aspect of that diversification, and Discover Kodiak has worked to expand and promote tourism in the region. They have been successful in promoting Kodiak to vacationers and other visitors. Kodiak was just recently chosen as one of the top twenty destinations in the USA.

**ALTERNATIVES:** Council may authorize the agreement with Discover Kodiak for \$108,000 as presented in the FY2020 budget,

- 1) Determine not to authorize the agreement.
- 2) Determine to amend the agreement. Staff recommends Council authorize the agreement as presented.

**FINANCIAL IMPLICATIONS:** The FY2020 budget allocates \$108,000, for this contracted service in the Tourism Development Fund.

Per KCC Chapter 3.08.25, the tourism fund shall be spent based on the following: 70 percent or less to a Council approved tourism program; 20 percent or more for tourism enhancement projects (development of which shall be solely at the Council's discretion); and 10 percent for administration of the bed tax funds. The City allocates all sales tax revenues, including bed tax revenues, based on the upcoming year's budgeted revenues.

Other allocations from the FY2020 budget Tourism Development Fund include \$7,000 to the Chamber of Commerce for the annual litter patrol program. All other expenses for the Tourism Fund are for beautification and administrative costs.

**STAFF RECOMMENDATION:** Staff recommends Council approve the FY2020 Marketing and Tourism Development Agreement with Discover Kodiak in the amount of \$ 108,000 with funds coming from the Tourism Development Fund.

JULY 25, 2019

Agenda Item V. f. Memo Page 2 of 3

**CITY MANAGER'S COMMENTS:** The City realizes that economic development and diversification are keys to a sustainable economy for Kodiak. Council has identified economic development as one of its budget goals for several years now. With financial support from the Borough and the City, Discover Kodiak works to promote Kodiak as a visitor destination. This group is successful and works effectively to draw visitor business to Kodiak.

**ATTACHMENTS:**

Attachment A: Marketing and Tourism Development Agreement, 2020

**PROPOSED MOTION:**

Move to authorize the FY2020 Marketing and Tourism Development Agreement with Discover Kodiak in the amount of \$108,000 with funds coming from the Special Revenue Funds, Tourism Development Fund and authorize the City Manager to sign the agreement on behalf of the City.

JULY 25, 2019

Agenda Item V. f. Memo Page 3 of 3

**MARKETING AND  
TOURISM DEVELOPMENT PROGRAM  
AGREEMENT NO. 245250**

THIS AGREEMENT is entered into by and between the City of Kodiak, Alaska, (City) and Discover Kodiak (CVB) for the purpose of setting forth the terms and conditions pursuant to which the CVB will be contracted to provide destination marketing and tourism development activities for the City of Kodiak.

**Section 1. INTENT OF AGREEMENT.** The CVB is hereby contracted to provide a Board of Directors, which will serve as a policy making body for the CVB and will employ a minimum of one full time equivalent employee (FTE) to focus on destination marketing and tourism development for the City of Kodiak.

**Section 2. SCOPE OF WORK.** The CVB's executive director (ED) will be hired by and work at the direction of the Board of Directors and the (ED) will hire and manage necessary staff to carry out the following tasks:

- a. Produce marketing materials, including the Discover Kodiak Visitor Guide.
- b. Provide information about the City of Kodiak to the traveling public.
- c. Maintain and staff the Kodiak Visitor Center.
- d. Keep the City Council and community at large informed about the results of the CVB's marketing efforts and the state of the local tourism industry.
- e. Work with the Alaska Travel Industry Association (ATIA) and other statewide tourism marketing organizations to ensure that the City of Kodiak is represented in their ongoing national and international marketing programs.
- f. Continue development of the [www.kodiak.org](http://www.kodiak.org) website to improve its usability and visibility to visitors, potential businesses, and residents.
- g. Work with the City of Kodiak to determine the role tourism does and can play in the community's economy.
- h. Work with the Kodiak Chamber of Commerce to transform the visitor industry into a significant component of the City of Kodiak's economy.
- i. Work with the Kodiak Chamber of Commerce, the Kodiak Island Borough School District, Kodiak College, Kodiak Native organizations, and others to encourage entrepreneurship and assist small business development in the tourism industry.
- j. Explore new employment and business opportunities related to the Kodiak tourism industry.
- k. Develop a travel press kit, to be available on the [kodiak.org](http://kodiak.org) website, with a broader distribution plan for the kit to a variety of travel media.
- l. Work with the airline industry and the Alaska Marine Highway System to maintain and improve access for visitors to Kodiak.
- m. Attend travel trade show to promote Kodiak to travel agents and consumers.
- n. Expand advertising and marketing specific to the conventions.

A minimum of four DISCOVER KODIAK Board of Directors meetings will be held during the term of this Agreement for the purpose of maintaining Board input and guiding the efforts of

the CVB. A report of all marketing activities of the CVB will be submitted to the City Manager quarterly and a report will be submitted/presented to the Kodiak City Council annually.

**Section 3. TERM.** This agreement will remain in effect through June 30, 2020, unless earlier terminated. Either party shall have the right to terminate the agreement without penalty upon one month's written notice to the other.

**Section 4. COMPENSATION.** As compensation for all services rendered under this agreement, contractor shall be paid \$108,000 by the City of Kodiak. Said compensation shall be paid in equal installments of \$27,000 on the second Friday of July and October 2019, and January and April 2020.

IN WITNESS WHEREOF the parties have executed this Agreement on this \_\_\_\_ day of \_\_\_\_\_, 2019.

CITY OF KODIAK

DISCOVER KODIAK

\_\_\_\_\_  
Mike Tvenge, City Manager

\_\_\_\_\_  
Aimee Williams, Discover Kodiak Director

Attest:

\_\_\_\_\_  
Nova Javier, City Clerk



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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Mike Tvenge, City Manager *MT*  
**Thru:** Craig Walton, Public Works Director  
**Date:** July 25, 2019  
**Agenda Item:** V. g. Authorization of Bid Award for Bid No. 2019-009 Sodium Chloride FY 2020

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**SUMMARY:** Each year Public Works combines deicing salt with ¼ inch rock chips for winter deicing and traction control on City streets and parking lots. Annually the quantity of product requested is based on the remaining stock on hand and the previous winter's consumption. A bid was advertised on May 6, 2019 for 150 tons of salt for winter deicing. Bids were opened on June 6 and we had two bidders. Staff recommends Council authorize the award of the FY2020 sodium chloride supply to the low bidder, Round Butte Products in the amount of \$57,920.00.

**PREVIOUS COUNCIL ACTION:** The Public Works Department bids for the City's winter sodium chloride supplies each spring. Each year the City Council approves the salt bid award in the late spring or at the start of the new fiscal year.

**BACKGROUND:** In 1997, the Council approved the building of a salt storage building at the Public Works yard. This allowed the City to mix the salt with ¼ inch rock chips and store the mixture for winter use. The salt and chips are mixed in a rough 50/50 mixture based on weight. By mixing, Public Works staff has been able to reduce the amount of salt used in the winter, resulting in cost savings for winter deicing. Public Works has made further cost reductions by distributing the mix at stop signs, on hills, and at intersections rather than along the entire length of a street or road. However, using the mixture of salt and chips increases maintenance costs for street sweeping and storm drainage cleaning in the spring. Public Works continues to monitor the cost effectiveness of the 50/50 mixture to ensure overall savings.

**DISCUSSION:** Based on having salt on hand we put out a bid for 150 tons of salt for FY 20. The last salt bid Public Works issued was in FY19 bid for 250 tons. In FY 2013 the bid price was \$321.50/ton, in FY 2014 the cost was \$329.77/ton and in FY 2015 the cost was \$340.83/ton. In FY19 the bid price awarded was \$393.76/ton having to use Local preference per code. The FY20 bid is for \$386.13/ton.

Two bids were received at the bid opening on June 6, 2019 for our winter salt supply. They are listed in the table below. Morton Salt Inc. declined to bid.

Bidder	Amount
Round Butte Products 36510 SE 13 <sup>th</sup> Street Washougal, WA 98671	\$57,920.00
Brenntag Pacific	\$118,500.00
Morton Salt Inc.	NO BID

**ALTERNATIVES:**

- 1) Authorize the bid award for road salt to the lowest bidder, Round Butte Products, which is the recommended option.
- 2) Do not authorize the bid award, which is not recommended because it would impact the level of service currently provided.

**FINANCIAL IMPLICATIONS:** The annual supply of road salt is budgeted in the Public Works Department Street supplies account. This year’s bid from Round Butte is \$7.63/ton less than in FY2019.

**STAFF RECOMMENDATION:** Staff recommends Council authorize the award of the FY2020 winter sodium chloride supply to Round Butte Products as the low bidder in the amount of \$57,920 with funds coming from the General Fund, Public Works Department, Street Supplies Account.

**CITY MANAGER’S COMMENTS:** The Public Works staff continues their efforts to control costs associated with the purchase and use of road salt. I support staff’s recommendation that Council award the FY2020 sodium chloride bid to Round Butte Products as the low bidder.

**ATTACHMENTS:**

- Attachment A: Round Butte Products salt bid # 2019-009
- Attachment B: Brenntag Pacific salt bid # 2019-009
- Attachment C: Letter from Morton Salt Inc. salt bid #2019-009

**PROPOSED MOTION:**

Move to authorize the FY2020 sodium chloride bid to Round Butte Products in the amount of \$57,920 with funds coming from the FY20 Public Works Department, Street Supplies account and authorize the City Manager to sign documents on behalf of the City.

### BID FORM

TO: Mike Tvenge, City Manager  
City of Kodiak  
710 Mill Bay Road, Rm #114  
Kodiak AK 99615

Any exceptions to the published bid specifications must be listed by item.

In compliance with your Invitation to bid for Bid No. 2019-009 for Sodium Chloride FY 2020 dated May 6, 2019, the undersigned hereby proposes to provide the following:

Item	Total Bid amount
1. 150 Tons of Sodium Chloride (Country of Origin)	<del>458,920</del> \$57,920
2. If the City requires additional quantity over the 150 Tons, will Vendor guarantee the same unit cost per ton through June 30, 2020 As stated in item number above? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

If no, please explain:

Yes but subject to Samson Freight increases

Type of packaging (circle): A or (B)

Alternate Explain

Same packaging in years past.  
(new 2500# Samson sacks w/lines  
on 4 way wood pallets)

(Turn in Page 5 & 6 in as part of your bid)

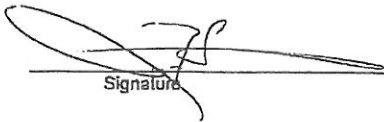
Copy of current Business License and City Sales Tax Registration enclosed.

Bid price valid for 60 days.

Terms Net 30 Dated 5/23/2019

Submitted by:

Dated: 5/23/2019

  
Signature

John Williams dba Round  
Business Name

Butte  
Products

Owner  
Title

36600 SE 13<sup>th</sup> Street  
Address

360 825-0538  
Telephone

Wichouca WA 98671  
City, State, ZIP

### BID FORM

TO: Mike Tvenge, City Manager  
City of Kodiak  
710 Mill Bay Road, Rm #114  
Kodiak AK 99615

Any exceptions to the published bid specifications must be listed by item.

In compliance with your Invitation to bid for Bid No. 2019-009 for Sodium Chloride FY 2020 dated May 6, 2019, the undersigned hereby proposes to provide the following:

Item	Total Bid amount
1. 150 Tons of Sodium Chloride (Country of Origin)	1. <u>\$118,500.00</u>
2. If the City requires additional quantity over the 150 Tons, will Vendor guarantee the same unit cost per ton through June 30, 2020 As stated in item number above? Yes _____ No <u>XX</u>	

If no, please explain:

Cost increases from supplier and freight carriers will come out in late January/early February 2020

Type of packaging (circle):  A or B

Alternate Explain

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(Turn in Page 5 & 6 in as part of your bid)

Copy of current Business License and City Sales Tax Registration enclosed.

Bid price valid for 120 days.

Terms NET 30 Dated June 6, 2019

Submitted by: \_\_\_\_\_ Dated: June 6, 2019

Rhonda Swanson Brenntag Pacific Inc  
Signature Business Name

Sales Representative 4199 LATHROP STREET  
Title Address

907-452-5134 FAIRBANKS, AK 99701  
Telephone City State Zip



**MORTON SALT**

MAY 31, 2019

City of Kodiak  
710 Mill Bay Road, RM #114  
Kodiak, AK 99615

Subject: BID No. 2019-003  
Opening: 6/6/19@3pm

Dear Sir/Madam:

Thank you very much for submitting to us your "Invitation to Bid" on the above contract.

However, at this time we respectfully submit a No Bid. We request that you retain us on your mailing list for future proposals.

Sincerely,

A handwritten signature in blue ink, appearing to read "Leanne Miller".

\_\_\_\_\_  
Leanne Miller  
Manager, US BDI Planning & Reporting



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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers  
**From:** Mike Tvenge, City Manager *MT*  
**Thru:** Craig Walton, Public Works Director  
**Date:** July 25, 2019

**Agenda Item:** V. h. Authorization of Bid Award for FY2020 Petroleum Products

---

**SUMMARY:** Each year the Public Works Department issues bids for the City's petroleum products. Bids were opened on June 6, 2019, for petroleum products FY2020. Two bids were received. Petro Marine Services was the low bidder for heating and equipment fuel and North Pacific Fuel was low bidder for unleaded gasoline. Staff recommends Council authorize the bid award for the purchase of unleaded gasoline to North Pacific Fuel and heating and equipment fuel to Petro Marine Services.

**PREVIOUS COUNCIL ACTION:** Annually, the City Council awards the petroleum product bid to the lowest bidder.

**DISCUSSION:** This bid provides all the City's fuel needs for FY2020. This includes the City's heating fuel, equipment diesel, and gasoline. Once bids are awarded, the price for each type of product will fluctuate throughout the year as fuel costs move up and down.

Petroleum product bids were opened on June 6, 2019. The bids received are summarized in the following table:

BIDDER	DIESEL Ultra low sulfur	GASOLINE	HEATING FUEL # 2	HEATING FUEL # 1*
Petro Marine Service 104 Marine Way Kodiak, Alaska 99615	\$2.601	\$2.891	\$2.601	\$2.581
North Pacific Fuel P.O. Box 1487 Kodiak, Alaska 99615	\$2.675	\$2.865	\$2.635	\$2.635

\* Heating fuel #1 is needed for blending purposes during cold weather and is awarded to the vendor who is selected to provide heating fuel products.

**ALTERNATIVES:**

- 1) Authorize the award of the FY2020 bid for unleaded gasoline to North Pacific Fuel and heating and equipment fuel to Petro Marine Services for petroleum products as listed above.
- 2) Do not authorize the award of the petroleum bids, which is not recommended because it would not allow City crews to maintain daily operations and services to the public.

**FINANCIAL IMPLICATIONS:** Fuel and heating oil costs are an operational expense. The costs are included in the appropriate departments FY2020 operating budgets. Public Works tracks fuel use by vehicle or piece of equipment and submits a monthly report to the Finance Department. Each department is charged for the fuel used and these funds are returned to the appropriate account.

**STAFF RECOMMENDATION:** Staff recommends Council authorize the award of the City's petroleum products bid for FY2020 as follows, Petro Marine Services for heating and equipment fuel and North Pacific Fuel for unleaded gasoline.

**CITY MANAGER'S COMMENTS:** The award of the fuel bids is done annually with bids normally awarded to the lowest bidder for the needed products. This year we received bids from both local suppliers.

**ATTACHMENTS:**

- Attachment A: Petro Marine Service bid
- Attachment B: North Pacific Fuel bid

**PROPOSED MOTION:**

Move to authorize award of the City's FY2020 petroleum products bid to Petro Marine Services for heating and equipment fuel and to North Pacific Fuel for unleaded gasoline fuel for all four fuel types with funds coming from each department's FY2020 line items and authorize the City Manager to sign documents on behalf of the City.

## BID FORM

TO: Mike Tvenge, City Manager  
 City of Kodiak  
 710 Mill Bay Road, Rm. #114  
 Kodiak AK 99615

Any alternates to the published bid specifications must be listed by item.

In compliance with your Invitation to bid for Bid No. 2019-008 for Petroleum Products FY 2020 dated May 6th, 2019, the undersigned hereby proposes to provide the following:

Item	Bid amount
1. Ultra Low Sulphur Diesel Fuel No. 2 – Estimated 30,000 gallons delivered to:  Fire Hall Generator, Lift Station #1B Mill Bay, Lift Station #2B Spruce Cape, Lift Station #4 Fr. Herman, Lift Station #5 Metrokin, Monashka Pump Station, Pillar Creek Pump Station, Public Works Equipment Tank & UV Bldg Generator	\$ <u>2.601</u> <small>(per gallon)</small>
2. Unleaded Gasoline – Estimated 40,000 gallons delivered to: Public Works Equipment Tank	\$ <u>2.891</u> <small>(per gallon)</small>
3. Heating Fuel No. 2 – Estimated 90,000 gallons delivered to Barn, Kodiak Police Dept. Bldg, Kodiak Fire Dept, Public Works, Baranof Park Office Bldg, Baranof Museum, Teen Center, Kodiak Public Library, St. Paul Harbormaster Bldg, St. Herman Harbormaster Bldg, Wastewater Treatment Plant, Baranof Park Ice-Rink.	\$ <u>2.601</u> <small>(per gallon)</small>
4. Heating Fuel No. 1 -- This will be needed for blending purposes For cold weather conditions, and will be awarded to the vendor who is selected to provide heating fuel products.	\$ <u>2.581</u> <small>(per gallon)</small>

*The bid will be awarded on an individual basis for each of the above items.*

Invitation to Bid No. 2019-008

May 6, 2019

Copy of current Business License Enclosed.

Bid price valid for \_\_\_\_\_ days.

Terms Net 30 days

Submitted by:

  
Signature

Petro Marine Services - Kodiak  
Business Name

Plant Manager - Kodiak  
Title

104 E Marine Way  
Address

907 486-3471  
Telephone

Kodiak, AK 99615  
City State Zip

Dated: 06-06-2019

**BID FORM**

TO: Mike Tvenge, City Manager  
 City of Kodiak  
 710 Mill Bay Road, Rm. #114  
 Kodiak AK 99615

Any alternates to the published bid specifications must be listed by item.

In compliance with your Invitation to bid for Bid No. 2019-008 for Petroleum Products FY 2020 dated May 6th, 2019, the undersigned hereby proposes to provide the following:

Item	Bid amount
1. Ultra Low Sulphur Diesel Fuel No. 2 – Estimated 30,000 gallons delivered to:  Fire Hall Generator, Lift Station #1B Mill Bay, Lift Station #2B Spruce Cape, Lift Station #4 Fr. Herman, Lift Station #5 Metrokin, Monashka Pump Station, Pillar Creek Pump Station, Public Works Equipment Tank & UV Bldg Generator	\$ <u>2.675</u> (per gallon)
2. Unleaded Gasoline – Estimated 40,000 gallons delivered to: Public Works Equipment Tank	\$ <u>2.865</u> (per gallon)
3. Heating Fuel No. 2 – Estimated 90,000 gallons delivered to Barn, Kodiak Police Dept. Bldg, Kodiak Fire Dept, Public Works, Baranof Park Office Bldg, Baranof Museum, Teen Center, Kodiak Public Library, St. Paul Harbormaster Bldg, St. Herman Harbormaster Bldg, Wastewater Treatment Plant, Baranof Park Ice-Rink.	\$ <u>2.635</u> (Heating fuel #1) (per gallon)
4. Heating Fuel No. 1 – This will be needed for blending purposes For cold weather conditions, and will be awarded to the vendor who is selected to provide heating fuel products.	\$ <u>2.635</u> (per gallon)

*The bid will be awarded on an individual basis for each of the above items.*

Invitation to Bid No. 2019-008

May 6, 2019

Copy of current Business License Enclosed.

Bid price valid for \_\_\_\_\_ days. Bid price valid until a change in NPF plant posted price.

Terms N 30

Submitted by:

Richard M. Berto  
Signature

North Pacific Fuel  
Business Name

Terminal Manager  
Title

715 Shelikof St.  
Address

907-486-3245  
Telephone

Kodiak, AK 99615  
City, State, Zip

Dated: 6/6/2019

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Mike Tvenge, City Manager *MT*

**Thru:** Craig Walton, Public Works Director

**Date:** July 2, 2019

**Agenda Item:** V. i. Authorization to Purchase a Cat 950GC Loader from NC Machinery

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**SUMMARY:** Public Works budgeted to replace our 1995 Case 821 B Loader in the FY 2020 budget. After evaluating the options of bidding on our own for a replacement loader or attaching to the State of Alaska bid, we opted to attach to the State of Alaska's bid as allowed in City Code 3.12.070 (c). NC Machinery currently has a contract with the State to supply Cat loaders. NC Machinery has offered a Cat 950GC equipped as the City requested for \$229,211 (see Attachment A, NC Machinery Proposal). Staff recommends that we attach to the State's bid for a Cat 950GC loader in the amount of \$229,211. FOB Kodiak with funds coming from the Street, Machinery and Equipment account.

**PREVIOUS COUNCIL ACTION:** In the FY2020 budget, funds were approved for the purchase of a replacement loader.

**BACKGROUND:** Last year Public Works replaced one of the two city loaders. The City of Kodiak used Sourcewell to purchase our replacement loader. This year we are attaching to the State of Alaska bid for the purchase of the other loader.

**DISCUSSION:** We are very pleased with the new CAT 926 loader that we purchased last year, especially the new style of coupling system, and the support from NC Machinery for parts and service.

By attaching to the State bid, we are able to keep with a proven piece of equipment that has shown that it holds up really well to the demands of snow removal. Over the years the City has had several different loader manufacturers.

**ALTERNATIVES:** The following is staff's recommendation

- 1) Attach to the State of Alaska bid for the purchase of Cat 950GC Loader. This is the recommended option. Both the City of Anchorage and the local State DOT have been running Cat loaders for some time with excellent dependability and service support. This also allows us to get a loader equipped to meet our needs that is compatible with our existing Cat 926 loader.
- 2) Put together specifications and bid for a loader. The State bidding process has already established a good price on loaders with the specification that we are looking for and need. If we bid, we could be in a situation to accept a machine that our experience has shown does not hold up well to our environment and at a much higher life cycle operating cost. This is not the recommended option.



**FINANCIAL IMPLICATIONS:** The FY2020 budget contains \$320,000 for the replacement of the 1995 Case 821B loader. The quoted cost for a grader equipped per City specifications is \$229,211 FOB Kodiak. We will need to purchase a radio and additional safety items to complete.

**LEGAL:** KCC 3.12.070 (c) Contracts for property or services where other units of government, through their formal bidding process, have established the lowest responsible bidder and where the property or services meets or exceeds the city's specifications, when the best interests of the city would be served thereby, and the same is in accordance with city and state law.

**STAFF RECOMMENDATION:** Staff recommends Council authorize the City to attach to the State of Alaska loader bid to purchase a Cat 950GC loader in the amount of \$229,211.00 with funds coming from the Streets Improvement Fund.

**CITY MANAGER'S COMMENTS:** This is a common practice to source equipment previously bid by the State and still available under the terms of the bidding document. This is typically the best pricing as the number of items requested provides economies of scale.

**ATTACHMENTS:**

Attachment A: NC Machinery Proposal

Attachment B: State Contract Expiration May 28, 2020

**PROPOSED MOTION:**

Move to authorize the purchase of a Cat950GC from NC Machinery in an amount not-to-exceed \$229,211 with funds coming from the Streets Improvement Fund Project No. 5040 Streets Capital Equipment and authorize the City Manager to execute the documents on behalf of the City.



June 19, 2019

CITY OF KODIAK

PO BOX 1397  
KODIAK, Alaska 99615-6635

Attention: CHRIS DOLPH

**RE: Quote 215117-01 – PIGGYBACK PURCHASE OFF AK DOT HIGHWAY WHEEL LOADER CONTRACT CA2111**

We would like to thank you for your interest in our company and our products, and are pleased to quote the following for your consideration.

One (1) New Caterpillar Model: 950GC Wheel Loader with all standard equipment in addition to the additional specifications listed below:

**STOCK NUMBER:** 19A00197

**SERIAL NUMBER:** TBD-NEW

**YEAR:** 2019

**SMU:** NEW

## STANDARD EQUIPMENT

**POWERTRAIN** - Engine Cat C7.1 and ATAAC - Torque converter - Transmission, automatic, power shift (4F/3R), kick-down function, over speed protection - Brakes, full hydraulic enclosed wet-disc - EIMS (Engine Idle Management System) - Fan, radiator, electronically controlled, hydraulically driven, temperature sensing, on demand - Filter, fuel primary-water separator - Radiator, unit core (9.5 fpi) with ATAAC - Starting aid, glow plugs - Switch, transmission neutralizer lockout

**HYDRAULICS** - Load sensing implement system pilot operated - Dedicated load sensing steering pump - Dedicated brake and fan gear pump -

**ELECTRICAL** - Alarm, back-up / main disconnect switch - Alternator (145-amp, brush type) - 24 volt starting and charging system -

**OPERATOR ENVIRONMENT** - Air conditioning (HVAC) with 10 vents and filter unit located outside of cab - Bucket/work tool function lockout - Cab, pressurized and sound suppressed – Hydro-formed (ROPS/FOPS) structure - 12V power port (10A) - Coat hook - Pilot hydraulic controls, lift and tilt function - Computerized monitoring system - Heater and defroster - Horn - Cup holders and personal tray on right console - Storage tray behind seat - Mirrors, rearview external - Seat, Cat Comfort (cloth) suspension - Seat belt - Steering column, adjustable angle - Wipers/washers (front and rear) - Window, sliding (left and right side)

**OTHER STANDARD EQUIPMENT** - Lift and bucket return-to-dig kick outs (Electro-Magnetic), mechanical adjustment - Couplings, Caterpillar O-ring face seal - Doors, service access (locking) - Front fender, steel - Grill, airborne debris - Hitch, drawbar with pin - Hood, non-metallic on steel structure, wing doors - Hoses, Caterpillar XT - Counterweight - Linkage, Z-Bar, fabricated cross tube and tilt lever - SOS oil sampling valves - Diagnostic pressure taps - Transmission speed clutches - Transmission forward and reverse clutches

## MACHINE SPECIFICATIONS

950 GC WHEEL LOADER	554-0849
COLD WEATHER PACKAGE	558-1787
STANDARD LINKAGE W/ 3 VALVE HYDRAULICS	559-4970
COUNTERWEIGHT, 3016LBS	469-3139
AXLE ARR, LIMITED SLIP FRONT / OPEN REAR	573-5683
3 VALVE HYDRAULICS W/RIDE CONTROL	521-7458
8 LED WORK LIGHTS	559-1957
SINGLE AXIS LEVER 3 W/FNR	553-1405
3" SEAT BELT, AUTO-ANTI-CINCH	391-5315
PRODUCT LINK, SATELLITE PL631	474-6206
SECONDARY STEERING SYSTEM	390-5985
TIRES, 23.5R25 BRIDGESTONE VJT * L3	494-8871
QUICK COUPLER HYDRAULIC CONTROL	552-4912
RADIO, AM/FM	474-6212
CONVERTER (24V TO 12V/15A)	474-6209
ROADING FENDER, NON-METALLIC	432-7325
-58F ANTIFREEZE	0P-2407
CAT FUSION QUICK COUPLER	310-9391
114", 4.0 CYD CAT GENERAL PURPOSE BUCKET	382-9834
CUTTING EDGE, BOLT-ON	139-9229
WARNING BEACON, LED	489-2727
ONE FUSION BLANK HOOK ADAPTER	317-5562
SPARE TIRE MOUNTED ON RIM	
1 PAPER SET OF PARTS AND SERVICE MANUALS	
1 DAY OF ON-SITE OPERATOR TRAINING	
FREIGHT FROM FACTORY, FOB KODIAK	
WINTER COVERS	
NEW MACHINE PREP PER AKDOT CA2111 - EXCLUDES WHELEN STROBE KIT PER CUSTOMER REQUEST	

1	2019 Caterpillar 950GC	\$ 189,184.00
1	Publications- Paper	\$ 1,079.00
1	Spare wheel and tire	\$ 10,172.00
1	GP Bucket- 4 CY, CAT FUSION	\$ 13,040.00
1	Training	\$ -
		<b>SUBTOTAL \$ 213,475.00</b>
ITEM NOT INCL. W/ CA2111:	BLANK HOOK FOR FUSION COUPLER, 1 HOOK SET	\$1,986.00
ITEM NOT INCL. W/ CA2111:	FREIGHT FOB KODIAK, AK DOCKSIDE	\$13,750.00
		<b>TOTAL \$ 229,211.00</b>

**WARRANTY**

Standard Warranty: 1 YEAR CAT NEW MACHINE WARRANTY - TECHNICIAN TRAVEL TIME AND MILEAGE NOT INCLUDED  
 Extended Warranty: ADDITIONAL WARRANTY AVAILABLE, PLEASE ASK REP FOR CUSTOM QUOTE

**F.O.B: FREIGHT FOB KODIAK, AK**

**ADDITIONAL CONSIDERATIONS**

- PRICING PER STATE OF ALASKA HIGHWAY WHEEL LOADER CONTRACT CA2111- CITY OF KODIAK PIGGYBACK ORDER

Accepted by \_\_\_\_\_ on \_\_\_\_\_

\_\_\_\_\_  
**Signature**

We wish to thank you for the opportunity of quoting your equipment needs. This quotation is valid for 30 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

Steven Fisher  
 Machine Sales Representative  
 Cell: 907-748-7540  
 SFisher@NCMachinery.com

# CONTRACT AWARD CA2111-18

## SECTIONS:

SECTION I –TERMS AND CONDITIONS

SECTION II – SPECIFICATIONS

SECTION III – PRICE SCHEDULE

## CONTRACTOR:

NC Machinery

6450 Arctic Blvd.

Anchorage, AK 99518

Contact: Adam Hirstein or Steve Fisher

(907) 786-7580

[sfisher@ncmachinery.com](mailto:sfisher@ncmachinery.com)

[ahirstein@ncmachinery.com](mailto:ahirstein@ncmachinery.com)

Alaska Business License No: 276151

Date of Contract: May 29, 2018

Contract Expiration: May 28, ~~2019~~2020

Estimated Value of Initial Term: \$2,000,000.00

Optional Renewals:

Renewal One Expiration: May 28, 2020

Renewal Two Expiration: May 28, 2021

## CONTRACTING AUTHORITY:

State of Alaska

HQ, State Equipment Fleet

2200 E 42<sup>ND</sup> Avenue

Anchorage, AK 99508

## CONTRACTING OFFICER:

Kristi Futrel

(907) 269-0793

[Kristi.Futrel@alaska.Gov](mailto:Kristi.Futrel@alaska.Gov)

Contracting Authority Name & Title:

Kristi Futrel, Contracting Officer III

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Contractor Authority Name & Title:

Adam Hirstein, Government Sales Manager

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## TERMS AND CONDITION

### 1.0 INTENT: PURCHASE OF WHEEL LOADERS.

- 1.1 Contract Period: One Year with 2 One Year Renewal Options
- 1.2 Quantities: Approximately 5 units in first year, renewal quantities will depend on funding.
- 1.3 Location of Use: Statewide
- 1.4 Warranty locations: Anchorage and Fairbanks
- 1.5 In addition to the State of Alaska requirements, the Municipality of Anchorage and other Alaska political subdivisions may cooperatively purchase from the resulting contract.
  - 1.5.1 At no time may the contractor change the terms and conditions, alter the price to another entity, which differs from the contractual price, nor charge undisclosed administrative fees to allow cooperative purchasing.

### 2.0 DELIVERY:

- 2.1 Pre-delivery service: Before delivery, each vehicle, piece of equipment or attachment shall be serviced and inspected by the dealer or his agent. The inspection must include the following (as applicable to the type of equipment):
  - 2.1.1 Dealer and vehicle identification.
  - 2.1.2 Check-off of service and inspection performed including a list of all fluids including type weight and specification that is in the equipment as delivered for all fluid compartments.
  - 2.1.3 The vehicle's crankcase, differential and transmission, and other fluid compartments shall be filled to the manufacturer's recommended capacity.
  - 2.1.4 Fuel tank shall be filled to at least register a minimum  $\frac{1}{4}$  full on the fuel gauge unless restricted by the commercial carrier when the vehicle arrives at the delivery location.
  - 2.1.5 The vehicle shall be clean and free from defects when delivered and should be ready for immediate and continued use upon delivery.
  - 2.1.6 Units delivered in an incomplete state, or which have deficiencies per the specification, are subject to the damage charges as noted in paragraph 4.0 below.
- 2.2 Inspections:
  - 2.2.1 The State's inspection of all materials and equipment upon delivery is for the sole purpose of identification. Such inspection shall not be construed as final or as acceptance of the materials or equipment if materials or equipment do not conform to Contract requirements. If there are any apparent defects in the materials or equipment at the time of delivery, the State will promptly notify the Contractor thereof. Without limiting any other rights of the State, The State at its option may require the Contractor to:
    - 2.2.1.1 repair or replace at contractor's expense, any or all of the damaged goods,
    - 2.2.1.2 refund the price of any or all of the damaged goods, or
    - 2.2.1.3 Accept the return of any or all of the damaged goods.
  - 2.2.2 Costs of remedying all defects, indirect and consequential costs of correcting same, and removing or replacing any or all of the defective materials or equipment will be charged against the bidder.
- 2.3 Acceptance:
  - 2.3.1 Units will not be considered "Accepted" until all deficiencies have been corrected. This includes item 2.5 Line Sheets/Bill of Materials, 2.6 Parts & Service Information, and 8.0 Publications.
- 2.4 Delivery Receipt:
  - 2.4.1 A delivery receipt will be required. The receipt must be filled out by the vendor and acknowledged by state receiving personnel by signature and date of actual receipt of equipment. One copy of this delivery receipt is to be given to the state-receiving agency.
  - 2.4.2 Vendors are cautioned and advised that such delivery forms or other receiving type documents will not in any way be construed to mean the state has formally and fully accepted unit(s) referenced thereon as complete and meeting every specification set forth. Only the Contracting Officer or designee may sign warranty documentation.
- 2.5 Build Sheets/Bill of Materials:
  - 2.5.1 It is required at the time of delivery that the successful bidder provides a comprehensive listing of all components used to assemble the unit.
  - 2.5.2 This includes any components installed by the manufacturer or any subcontractor or the successful bidder.

- 2.5.3 Information will include at a minimum, make, the model serial number on items such as engines, transmissions, axles, tires, bodies, etc. The listings will be specific to each piece of equipment.
- 2.5.4 PDF copies of Build Sheets/Bill of Materials must be emailed to [jonathan.skinner@alaska.gov](mailto:jonathan.skinner@alaska.gov), for archiving and sharing with the proper SOA departments.
- 2.6 Parts & Service information
  - 2.6.1 It is required at the time of delivery that the successful bidder provides a comprehensive listing of parts & service information.
  - 2.6.2 Information will include, at a minimum, list of all required filters, list of all required oil types by compartment, the quantity of oil needed, service schedule listing required service items by hours/miles and date, and a recommended parts stock list.
  - 2.6.3 PDF copies of Parts & Service information must be emailed to [jonathan.skinner@alaska.gov](mailto:jonathan.skinner@alaska.gov), for archiving and sharing with the proper SOA departments.
- 3.0 F.O.B. POINT:
  - 3.1 The F.O.B. point is as listed in Section IV, Bid Schedule. Ownership of and title will remain with the contractor until delivery is complete to the final destination and accepted by the State. Equipment is not to be driven on the Alcan Highway without prior written approval from the contracting officer.
  - 3.2 The cost of shipping and delivery for orders beyond the limits of Seattle/Tacoma dock will be handled as follows. The contractor will prepay the shipping and delivery charges to any destination named by the State in its order. The contractor will charge-back those shipping and delivery charges to the State as a separate line item on the State's invoice.
  - 3.3 All shipping charges over \$100 must be documented by a copy of the actual shipping invoice and received with the invoice charge to the State.
  - 3.4 Shipping must be consolidated for the best possible price. Shipping items separately must be pre-approved by the Contracting Officer PRIOR to shipment. For example, GP Bucket or Spare Tire not being shipped with host unit must be pre-approved.
- 4.0 DAMAGES FOR LATE DELIVERY AND NON-CONFORMING GOODS:
  - 4.1 Time is of the essence in this contract. The Bidder is expected to deliver goods that conform in all material respects to the contract specifications on or before the date provided therein, as may be amended by written agreement of the parties.
  - 4.2 In the event that the equipment is delivered late or does not conform to the contract specifications, the State shall be entitled to offset against the Contract Price, as liquidated damages and not as a penalty, an amount equal to the cost of renting like equipment, multiplied by the number of calendar days elapsing between the delivery date provided in the bid schedule and the delivery date to the State. In the case of equipment in this class, that daily rental fee is determined to be \$800.00. The number of days for which liquidated damages shall apply shall include, in the case of non-conforming goods, the time reasonably necessary for the State to perform the inspection.
  - 4.3 These liquidated damages represent a reasonable estimate of amounts necessary to compensate the State for loss of use of the goods during the period in which the goods would have been available to the State if conforming goods had been timely delivered.
- 5.0 EQUIPMENT RELIABILITY:
  - 5.1 Reliability of equipment is of paramount importance to the State. It is the policy of SEF to require minimum levels of reliability from owned or leased equipment for it to be considered acceptable. Equipment offered for this bid must be capable of meeting the acceptable reliability standard stated below.
  - 5.2 Acceptable Reliability: The State will monitor equipment reliability. Acceptable reliability for this contract is achieved when a machine achieves or maintains a Reliability Ratio (RR) equal to or exceeding the following:
    - 5.2.1 .90 (90 percent) PR during any consecutive 12-months (365 days) during the warranty period.
    - 5.2.2 .75 (75 percent) PR per operational month (recognizing operational as subject to weather and being defined by calendar days) during the consecutive 12-month period.
    - 5.2.3 PR below the state percentages do not meet minimum reliability requirements for state-owned equipment.
  - 5.3 Machine Failure and Downtime:
    - 5.3.1 Machine Failure is any and all loss of capability to perform fully, as specified, which is not attributed to Conditioned Failure. Machine Failure resulting in the unit being out of service is defined as Downtime.

- 5.3.2 Conditioned Failure is any Machine Failure attributable to accident, operator abuse or other external cause not attributable to a defect in the machine itself.
- 5.3.3 Downtime is the actual number of days or fractions of days that the equipment is in a state of Machine Failure. Downtime does not count time used for scheduled maintenance (including preventative maintenance and scheduled major overhauls), time lost for repair maintenance and scheduled major overhauls, time lost for repair of damage as a result of operator abuse or machine misapplication; or time lost as a result of an accident or an act of God. Downtime includes:
  - 5.3.3.1 Actual shop hours (and/or field repair hours) required to return the unit to full operational status following machine failure, including troubleshooting, repair, necessary replacement of parts, and necessary adjustments, plus
  - 5.3.3.2 Time lost waiting for parts and/or vendor assistance. "Waiting downtime" also applies if the need for parts/assistance is discovered during routine maintenance and return to service is deemed counterproductive. In this case, "waiting time" clock begins with a notice of the need to the vendor. Allowance may be considered in "waiting time" calculations if the arrival of parts/assistance is delayed by transportation shutdown, to include verifiable transportation scheduling difficulties such as infrequent flights as long as all reasonable alternatives have been exhausted. Parts and assistance are to be provided by the quickest means reasonably possible to avoid unnecessary delays and downtime.
- 5.3.4 Out of Service Report (OSR): Downtime resulting from machine failure is the actual number of hours a machine is out of service as recorded on the OSR or in the Equipment Maintenance Management System (EMS).
  - 5.3.4.1 The State will record all downtime on an OSR or EMS work order, which will be originated for each occurrence of downtime. The document will show the date and time a unit went down, the location where the machine was based, the reason the machine is down, date and time the vendor was notified (if applicable), the date and time the machine was returned to service, and the total hours of downtime.
    - 5.3.4.1.1 The Contract Manager will finalize and approve the OSR or EMS work order. Both are available for contractor review.
- 5.3.5 Reporting Downtime: The Contracting Officer will maintain documentation of all Downtime, and shall send copies of such documentation to the contractor.
- 5.3.6 Calculation of Reliability Ratio: RR is the mathematical ration of operating time (uptime) to out of service time (downtime). The RR will be calculated according to the following formula:
  - 5.3.6.1.1  $RR = \frac{\text{Days in a Month} - \text{Days Out of Service}^*}{\text{Days in a Month}^{**}} = \frac{DM - DO}{DM}$
  - 5.3.6.1.2 Note\*: Fractional Days apply, i.e., a unit is out of service 8 hours in a 24 hour period equals 1/3 or .33% of a day.
  - 5.3.6.1.3 Note \*\*: A day is allocated as 24 consecutive hours from 12:00 AM to 12:00 PM.
  - 5.3.6.1.4 Example: 30 days DM with 2 days and 8 hours DT would result in:
    - 5.3.6.1.4.1  $RR = \frac{30 - 2.33}{30} = .92$
- 5.3.7 Unacceptable Reliability: If an item of equipment fails to perform at an acceptable level of reliability during the warranty period, the Contracting Officer will notify the contractor and request an immediate remedy. Failure to remedy the piece of equipment within 30 days for failure will result in a breach of contract and the immediate return of the equipment and reimbursement of the Guaranteed Value (V) of the unit:
  - 5.3.7.1 Original Cost of the unit less (-) Freight = \$\_\_\_\_\_ (V)
  - 5.3.7.2 Guaranteed Value (V) less (-) the Cost of Operation as listed in the Equipment Rental Rate Blue Book or comparable equipment or the current Federal Fixed Usage Rate for the Class for the State of Alaska (a, b or c per hour) times (X) the number of hours used = \_\_\_\_\_(DV).

5.4 EXAMPLE:

5.5 Cost of a single unit, less freight = \$150,000. The hourly cost is \$150.00 per hour. The unit was used 150 hours prior to failing the acceptable reliability. The contractor guarantees the unit's worth at \$127,500.00.



- 5.5.1 Prior to return, the State will correct all reasonable cosmetic deficiencies (such as excessive rust) and those deficiencies that are directly related to damage due to accidents, misuse of equipment or failure to operate or maintain equipment as prescribed by the vendor/manufacturer, prior to the public auction.
- 5.5.2 The tires will be serviceable with at least 50% remaining thread.
- 5.5.3 Oil samples, as per manufacturer's service manual recommendations, will be taken by State of Alaska maintenance personnel on the engine, transmission, differentials, and hydraulics.
- 5.5.4 In the case of dispute, at the expense of the State, a qualified agent from Northern Adjusters, Inc. or another professionally recognized appraiser may be commissioned for an independent claim appraisal. Such appraisal shall be binding upon the State and the contractor.

6.0 WARRANTY:

- 6.1 Standard Warranty Package: Unless otherwise stipulated by this ITB, the successful bidder will provide a one-year (12-month) warranty.
  - 6.1.1 Full (100%) Parts and Labor Warranty Coverage of all components for 12 months (year one), from the date the unit is placed in service at the assigned location.
  - 6.1.2 Full (100%) Warranty Coverage includes all cost of labor, parts, freight, lubricants, miscellaneous cost, etc., to place the unit in like-new condition.
  - 6.1.3 Should the manufacturer's standard warranty exceed the minimum State warranty requirements, the manufacturer's warranty will run in conjunction with and enhance the State's warranty, then continue for the remainder of its term.
  - 6.1.4 For clarification, the warranty does not apply to normal wear and tear or maintenance items, accident damages, misuse of equipment or failure to operate or maintain equipment as prescribed by vendor/manufacturer.
  - 6.1.5 Warranty on Attachments: Same as Standard Warranty Package.
  - 6.1.6 In-Service Date: Warranty on vehicles not placed in service immediately upon receipt because of time lag to construct body components and/or installation of special equipment, or due to seasonal usage or another delay, shall be warranted from the date the vehicle is placed in service. The receiving agency shall notify the vendor/manufacturer in writing of the actual "in service" date. Notification of the requirement for delayed warranty will be provided on delivery orders whenever possible.
- 6.2 Warranty Claims:
  - 6.2.1 Warranty will be provided at the unit's assigned (in-service) location. Because of the remote location of some equipment, it is not always practical to deliver equipment to authorized warranty repair facilities. In these cases, the vendor may perform warranty work at the state's location or, the State of Alaska, at its discretion, reserves the right to perform the warranty work and be reimbursed by the vendor. If travel is required by State personnel to perform the work, actual costs will be used for reimbursement.
  - 6.2.2 The State of Alaska has established a warranty procedure whereby the vendor is to be notified via letter, email, or fax, that warranty work needs to be performed. If time is of the essence, a telephone call confirmed by one of the above-written procedures may be utilized.
  - 6.2.3 The vendor must notify the state within 24 hours of verbal or written notification that it will begin to perform the warranty work at the equipment location.
  - 6.2.4 The State may, at its discretion, proceed to make warranty repairs with its own workforce in the case of an emergency situation or to preclude excessive downtime (greater than 24 hours). The State will require a PO to perform the warranty work.
  - 6.2.5 Failure to notify the State that the vendor intends to begin to perform warranty is considered a contractual breach.
  - 6.2.6 The vendor will be invoiced for required warranty work performed by the state. Warranty work performed by the state will be charged at the current SEF shop labor rate at the time of the repair. Actual repair time will be used.
- 6.3 Warranty Performed by Vendor:
  - 6.3.1 The State will reimburse travel costs not reimbursed by the manufacturer for travel to and from the bidder's closest warranty service center within the State of Alaska to the location of the equipment under warranty. Travel costs will be billed as follows:
    - 6.3.1.1 Mileage Charge: Mileage will only be reimbursed for travel within Alaska at the rate allowable by the IRS.
    - 6.3.1.2 Meals are paid at actual, and charges must be accompanied by receipts and are not to exceed the State authorized \$60.00 per day.

- 6.3.1.3 Transportation, such as airfare, shall be reimbursed at actual and all charges are to be accompanied by a receipt/copy of the coach ticket.
- 6.3.1.4 Lodging shall be reimbursed at actual and shall not exceed \$150.00 per night unless no other lodging is available. Requests for reimbursement must be accompanied by a receipt.
- 6.3.2 Travel will only be reimbursed for time in Alaska.
- 6.3.3 After hours, weekend and holiday travel must be approved by the contracting officer to be considered for reimbursement. The State will not pay for weather delays.
- 6.4 Authorized Warranty (Contractor/Bidder):
  - 6.4.1 Contractor (bidder) must have Authorized Warranty Dealer that has all required licenses, facilities and factory certified and trained personnel necessary to perform the warranty servicing and repair work.
    - 6.4.1.1 Provide name and address for each Authorized Warranty Dealer for each location.
    - 6.4.1.2 (\*) Anchorage, Fairbanks, Juneau, Wasilla and Dutch Harbor
  - 6.4.2 The ultimate responsibility for warranty lies with the contractor (bidder).
  - 6.4.3 The State reserves the right to inspect the warranty facility and diagnostic equipment prior to issuing the Notice of Intent to Award a contract.
- 6.5 Factory Recall:
  - 6.5.1 Nationwide factory recall or product update programs are the responsibility of the vendor and/or manufacturer. The State will attempt to bring affected equipment to an authorized repair facility. However, because of the remoteness of some equipment, this is not always practical or economical. In such cases, factory recall and modification work will be handled the same as warranty work. Factory recall notices sent to the state should, in addition to the serial number, include model, year, and dealer.

## 7.0 REPAIR ORDERS AND DOCUMENTATION:

- 7.1 Any work performed by the contractor or approved subcontractor, whether warranty or any other work on a piece of equipment purchased under this ITB, will require a copy of the repair order, any invoices showing parts and commodities including oils and types used.

## 8.0 PUBLICATIONS:

- 8.1 Paper publications are to be received by the State at the time of delivery. Delivery will not be considered complete until the publications for each unit have been received by the State of Alaska. Note: Publications, when required, will be ordered on the same Purchase Order as the unit itself.
  - 8.1.1 All paper manuals are to be pre-assembled in factory binders prior to delivery.
  - 8.1.2 Any electronic copies of manuals and subsequent revisions must be emailed to [jonathan.skinner@alaska.gov](mailto:jonathan.skinner@alaska.gov), for archiving and sharing with the proper SOA departments.
  - 8.1.3 Online access to manuals must be provided at the time of delivery. All shared access credentials shall be provided to [jonathan.skinner@alaska.gov](mailto:jonathan.skinner@alaska.gov), for archiving and sharing with the proper SOA departments.
- 8.2 Service Manuals:
  - 8.2.1 Complete set(s) to include applicable information covering prime unit and attachments:
  - 8.2.2 Body, chassis, and electrical
  - 8.2.3 Engine, transmission, and differential(s) (service and rebuild)
  - 8.2.4 Electrical and vacuum troubleshooting
  - 8.2.5 Wiring diagrams
  - 8.2.6 Service specifications
  - 8.2.7 Engine/emission diagnosis
- 8.3 Parts Manuals:
  - 8.3.1 Complete set(s) including all updates. If updates are not provided during the warranty period, the State may order them from the manufacturer and bill the contractor for the full cost, including shipping.
  - 8.3.2 Parts manuals are to be customized by serial number.
- 8.4 Operator's Manuals: Complete set(s) to include prime unit and attachments.
- 8.5 Quantities: As per Bid Price Schedule.
- 8.6 Service Bulletins, Etc.: The successful bidder must provide appropriate service bulletins, technical support bulletins, service letters, product support bulletins, and/or any other information type notifications that are sent out to the vendor or used by the manufacturer in the maintenance and report of the vehicle, equipment

or attachments being provided. The intent of this clause is that the State of Alaska is provided notification of any and all changes or improvements that may affect the maintenance, reliability, longevity, and safety of our equipment.

- 9.0 STATEMENT OF ORIGIN: The bidder will be required to furnish a manufacturer's statement of origin for automotive or non-automotive rolling stock for each unit. All such documents shall be delivered with the invoice to:
- DOT&PF, HQ State Equipment Fleet  
2200 E. 42nd Avenue Room #318  
Anchorage, Alaska 99508
- 10.0 WEIGHT VERIFICATION SLIPS: If required in the bid price schedule, a weight scale ticket of the completed unit will be included with the statement of origin.
- 11.0 PRICE:
- 11.1 Price Guarantee: The Contractor is responsible for maintaining prices under the contract firm for 180 days after bid opening. All price increases or decreases must remain firm for the following 180 days.
  - 11.2 NO RETROACTIVE PRICE INCREASES WILL BE ACCEPTED.
  - 11.3 Price adjustments, increases or decreases, for subsequent orders, may be made by providing the Contracting Officer satisfactory evidence that all of the following conditions exist:
    - 11.3.1 The increase is a result of the increased cost at the manufacturer's level and not costs under the contractor's control, and that;
    - 11.3.2 The increase will not produce a higher profit margin for the contractor than that on the original contract, and that;
    - 11.3.3 The increase affects only the item(s) that are clearly identified by the contractor.
    - 11.3.4 Satisfactory forms of the evidence of the above facts may include a certified invoice from the manufacturer or an affidavit from an independent professional price-tracking firm that is recognized by the industry as reputable and knowledgeable. The contractor must be able to show the difference between the prior year's price and the current difference in the price being requested.
  - 11.4 Price Decreases: During the period of the contract, the Contractor must pass on to the state all price decreases, such as fleet rebates. A Contractor's failure to adhere strictly and faithfully to this clause will be considered a material breach of contract. The state reserves the right to cancel the contract if the contractor fails to properly perform the duties set out herein.
  - 11.5 Manufacturer's Rebate (Incentives):
    - 11.5.1 In any circumstance during or prior to completion of the contract, whereupon the State of Alaska becomes eligible to receive a rebate for any vehicle purchased under this contract, it shall be the BIDDER'S responsibility to inform the Contracting Officer in writing and to advise the procedures for obtaining such rebates.
- 12.0 REPLACEMENT PARTS AND REPAIRS:
- 12.1 This contract encompasses a full parts and labor contract for manufacturer parts and repairs for the entire warranty period.
  - 12.2 The State of Alaska shall expect the dealer or manufacturer to provide replacement wear parts at their authorized warranty facilities for the entire warranty period within seven (7) days of order. All other parts must be available within ten (10) working days.
  - 12.3 Backorder procedures: Backorders are acceptable; however, the ordering shop shall be appraised at time of original orders as to the expected delay in delivery.
  - 12.4 Warranty: All products supplied by the contractor shall be warranted against defects in materials and workmanship for a minimum of 90 days, commencing at the time of installation as long as the installation is within 12 months of purchase. The cost of any defective product and the labor required to replace the defective product shall be the obligation of the contractor.
    - 12.4.1 If the manufacturer's warranty exceeds the stated warranty then manufacturer's warranty supersedes.
    - 12.4.2 Parts Return: Within 12 months of the invoice date, the State is to be allowed to return new parts with full refund, less actual shipping charges. Cores returned within 12 months of original invoice date will receive full core credit. Returned parts will be in new, resalable condition. Refund will be in the form of a credit/invoice credited to the SOA account with the vendor.
    - 12.4.3 Invoicing: Full description of the item is required on all invoices, packing lists, and billings.

## **CONDITIONS:**

### **13.0 AUTHORITY:**

This ITB is written in accordance with AS 36.30 and 2 AAC 12.

### **14.0 COMPLIANCE:**

In the performance of a contract that results from this ITB, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state, and borough taxes.

### **15.0 SUITABLE MATERIALS, ETC.:**

Unless otherwise specified, all materials, supplies or equipment offered by a bidder shall be new, unused, and in the latest edition, version, model or crop and of recent manufacture.

### **16.0 SPECIFICATIONS:**

Unless otherwise specified in the ITB, product brand names or model numbers specified in this ITB are examples of the type and quality of product required and are not statements of preference. If the specifications describing an item conflict with a brand name or model number describing the item, the specifications govern. Reference to brand name or number does not preclude an offer of a comparable or better product if full specifications and descriptive literature are provided for the product. Failure to provide such specifications and descriptive literature may be cause for rejection of the offer.

### **17.0 FIRM OFFER:**

For the purpose of the award, offers made in accordance with this ITB must be good and firm for a period of ninety (90) days from the date of bid opening.

### **18.0 CONTRACT FUNDING:**

Bidders are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.

### **19.0 CONFLICT OF INTEREST:**

An officer or employee of the State of Alaska may not seek to acquire, be a party to, or possess a financial interest in, this contract if (1) the officer or employee is an employee of the administrative unit that supervises the award of this contract; or (2) the officer or employee has the power to take or withhold official action so as to affect the award or execution of the contract.

### **20.0 ASSIGNMENT(S):**

Assignment of rights, duties, or payments under a contract resulting from this ITB is not permitted unless authorized in writing by the procurement officer of the contracting agency. Bids that are conditioned upon the State's approval of an assignment will be rejected as nonresponsive.

### **21.0 SUBCONTRACTOR(S):**

Within five (5) working days of notice from the state, the apparent low bidder must submit a list of the subcontractors that will be used in the performance of the contract. The list must include the name of each subcontractor and the location of the place of business for each subcontractor and evidence of each subcontractor's valid Alaska business license.

### **22.0 FORCE MAJEURE:**

(Impossibility to perform): The parties to a contract resulting from this ITB are not liable for the consequences of any failure to perform, or default in performing, any of its obligations under the contract, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this ITB, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

### 23.0 CONTRACT EXTENSION:

Unless otherwise provided in this ITB, the State and the successful bidder/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.

### 24.0 DEFAULT:

In case of default by the contractor, for any reason whatsoever, the State of Alaska may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.

### 25.0 DISPUTES:

If a contractor has a claim arising in connection with a contract resulting from this ITB that it cannot resolve with the State by mutual agreement, it shall pursue a claim, if at all, in accordance with the provisions of AS 36.30.620 – 632.

### 26.0 CONSUMER ELECTRICAL PRODUCT:

AS 45.45.910 requires that "...a person may not sell, offer to sell, or otherwise transfer in the course of the person's business a consumer electrical product that is manufactured after August 14, 1990, unless the product is clearly marked as being listed by an approved third-party certification program." Electrical consumer products manufactured before August 14, 1990, must either be clearly marked as being third-party certified or be marked with a warning label that complies with AS 45.45.910(e). Even exempted electrical products must be marked with the warning label. By signature on this bid, the bidder certifies that the product offered is in compliance with the law. A list of approved third-party certifiers, warning labels and additional information is available from Department of Labor and Workforce Development, Labor Standards & Safety Division, Mechanical Inspection Section, P.O. Box 107020, Anchorage, Alaska 99510-7020, (907)269-4925.

### 27.0 SEVERABILITY:

If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

### 28.0 GOVERNING LAW; FORUM SELECTION:

A contract resulting from this ITB is governed by the laws of the State of Alaska. To the extent not otherwise governed by section 17 of these Standard Terms and Conditions, any claim concerning the contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

### 29.0 NEW EQUIPMENT:

Equipment offered in response to this ITB must be new equipment. New equipment means equipment that is currently in production by the manufacturer and is still the latest model, edition or version generally offered. The equipment must be warranted as new by the manufacturer and may not have been used for any purpose, other than display (not demonstration), prior to its sale to the state. The state will not accept remanufactured, used, or reconditioned equipment. It is the contractor's responsibility to ensure that each piece of equipment delivered to the state complies with this requirement. A contractor's failure to comply with this requirement will cause the state to seek remedies under breach of contract.

### 30.0 ACCESSORIES:

When accessories are supplied, they must be certified to be compatible with the rest of the equipment. Certification will be written evidence satisfactory to the state that the accessories are compatible. The bidder's failure to supply this evidence within the time required by the state will cause the state to consider the bid non-responsive and reject the bid.

### 31.0 BRAND SPECIFIC:

Certain items may be designated brand specific. When an item is so designated no substitutions for the brand and model specified will be allowed.

### 32.0 INSPECTION:

Equipment offered for lease may be subject to inspection and approval by the state prior to the award of the ITB. The equipment and attachments must be in good repair and capable of performing the work for which they were designed.

### 33.0 ALTERATIONS:

The contractor must obtain the written approval from the contracting officer prior to making any alterations to the specifications contained in this ITB. The state will not pay for alterations that are not approved in advance and in writing by the contracting officer.

### 34.0 DISCONTINUED ITEMS:

In the event an item is discontinued by the manufacturer during the life of the contract, another item may be substituted, provided that the contracting officer makes a written determination that it is equal to or better than the discontinued item and provided that it is sold at the same price or less than the discontinued item.

### 35.0 ITEM UPGRADES:

The state reserves the right to accept upgrades to models on the basic contract when the upgrades improve the way the equipment operates or improve the accuracy of the equipment. Such upgraded items must be at the same price as the items in the basic contract.

### 36.0 DELIVERY TIME:

The elapsed time between the time the state places an order and the time that order is actually shipped from the contractor's place of business must be entered in space provided under "Bid Schedule". This processing time is to remain constant throughout the life of the contract(s).

### 37.0 DELIVERY CONFIRMATION:

Bidders must obtain a confirmation from the manufacturer that the items offered are scheduled for production in sufficient time to meet the scheduled delivery dates. A copy of the manufacturer's confirmation may be included with the bid or submitted within 10 days of the state's request. The bidder's failure to provide the manufacturer's confirmation as required will cause the state to consider the bid non-responsive and reject the bid.

### 38.0 ADVANCE NOTICE OF DELIVERY:

The contractor must notify the freight company that delivers the order that the state facility receiving the order requires 24 hours advance notice of delivery.

### 39.0 THIRD-PARTY FINANCING AGREEMENTS NOT ALLOWED:

Because of the additional administrative and accounting time required of state agencies when third-party financing agreements are permitted, they will not be allowed under this contract.

### 40.0 CONTINUING OBLIGATION OF CONTRACTOR:

Regardless of the terms and conditions of any third-party financing agreement, the contractor agrees that none of its responsibilities under this contract are transferable and that the contractor alone will continue to be solely responsible until the expiration date of the contract. Such responsibilities include, but are not limited to, the provision of equipment, training, warranty service, maintenance, parts and the provision of consumable supplies. By signature, on the face page of this ITB, the bidder acknowledges this requirement and indicates unconditional acceptance of this continuing obligation clause.

### 41.0 ESTIMATED QUANTITIES:

The quantities referenced in this ITB are the state's estimated requirements and may vary more or less from the quantities actually purchased. The state does not guarantee any minimum purchase. Orders will be issued throughout the contract period on an as-needed basis.

### 42.0 SERVICE CHARGES:

Regardless whether the contractor repairs equipment on-site or off-site, the state will not be liable for any charges associated with the repair of broken equipment, including, but not limited to, unhooking, disassembly, packaging, crating, repair, transportation, replacement, reassembly, or rewiring.

### 43.0 PARTS:

Only parts designed for the purpose they are being used and warranted as new, may be used in the repair of state equipment.

### 44.0 COMPLETION OF SERVICE:

The service will not be complete and the equipment will not be considered serviced, repaired, or acceptable until it

performs in compliance with the manufacturer's published performance specifications.

**45.0 SERVICE TECHNICIAN QUALIFICATIONS:**

Bidders must provide evidence that the person performing the service work is a manufacturer's authorized service technician; or, the bidder may provide evidence that they have contracted with a manufacturer's authorized service technician to perform the service work.

Acceptable evidence of the service technician's competence may take the form of a letter or certificate, signed by an authorized officer of the manufacturer, that the service technician has been trained and authorized by the manufacturer to provide manufacturer's authorized warranty service.

The bidder's failure to provide the evidence mentioned above, within the time required by the state, may cause the state to consider the bid non-responsive and reject the bid.

**46.0 WORKMANSHIP & MATERIALS:**

All work must be performed in a thorough and workmanlike manner and in accordance with current industry practices. The contractor will be held responsible for the quality of the finished item. The state will reject any item that does not meet the specifications of the ITB. Rejected items will be returned to the contractor at the contractor's risk and expense.

**47.0 CONTRACT CANCELLATION:**

The state reserves the right to cancel the contract at its convenience upon 30 calendar day's written notice to the contractor. The state is liable only for payment in accordance with the payment provisions of this contract for services or supplies provided before the effective date of termination.

**SPECIAL CONDITIONS:**

**48.0 ORDER DOCUMENTS:**

Except as specifically allowed under this ITB, an ordering agency will not sign any vendor contract. The State is not bound by a vendor contract signed by a person who is not specifically authorized to sign for the State under this ITB. The State of Alaska Purchase Order, Contract Award, and Delivery Order are the only order documents that may be used to place orders against the contract(s) resulting from this ITB.

**49.0 BILLING INSTRUCTIONS:**

Invoices must be billed to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order, not to the Division of General Services. The ordering agency will make payment after it receives the merchandise or service and the invoice. Questions concerning payment must be addressed to the ordering agency.

**50.0 CONTINUING OBLIGATION OF CONTRACTOR:**

Notwithstanding the expiration date of a contract resulting from this ITB, the contractor is obligated to fulfill its responsibilities under warranty, guarantee, maintenance, and parts availability requirements have completely expired.

**MANDATORY CONTRACT TERMS:**

**51.0 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES:**

Prior to the award of a contract, a bidder must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran and Alaskans with Disabilities Preference, a bidder must hold a valid Alaska business license at the time designated for bid opening. Bidders should contact the Department of Commerce, Community, and Economic Development, Division of Corporations, Business, and Professional Licensing, P. O. Box 110806, Juneau, Alaska 99811-0806, for information on these licenses.

Acceptable evidence that the bidder possesses a valid Alaska business license may consist of any one of the following:

- copy of an Alaska business license;
- certification on the bid that the bidder has a valid Alaska business license and has included the license number in the bid (see front page);

a canceled check for the Alaska business license fee;  
a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office;  
or  
A sworn and notarized affidavit that the bidder has applied and paid for the Alaska business license.

You are not required to hold a valid Alaska business license at the time bids are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:

fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game,  
liquor licenses issued by Alaska Department of Revenue for alcohol sales only,  
insurance licenses issued by Alaska Department of Commerce, Community, and Economic Development, Division of Insurance, or  
Mining licenses issued by Alaska Department of Revenue.

At the time designated for bid opening, all bidders must hold any other necessary applicable professional licenses required by Alaska Statute.

#### 52.0 ALASKA BIDDER PREFERENCE:

An Alaska Bidder Preference of five percent will be applied prior to evaluation. The preference will be given to a bidder who:

holds a current Alaska business license at the time designated for bid opening;  
submits a proposal for goods or services under the name appearing on the bidder's current Alaska business license;  
has maintained a place of business within the state staffed by the bidder, or an employee of the bidder, for a period of six months immediately preceding the date of the bid;  
is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company (LLC) organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and  
If a joint venture is composed entirely of ventures that qualify under (1)-(4) of this subsection.

#### 53.0 ALASKA BIDDER PREFERENCE AFFIDAVIT:

In order to receive the Alaska Bidder Preference, the bid must also include a statement certifying that the bidder is eligible to receive the Alaska Bidder Preference.

If the bidder is an LLC or partnership as identified in (4) of this subsection, the affidavit must also identify each member or partner and include a statement certifying that all members or partners are residents of the state.

If the bidder is a joint venture which includes an LLC or partnership as identified in (4) of this subsection, the affidavit must also identify each member or partner of each LLC or partnership that is included in the joint venture and include a statement certifying that all of those members or partners are residents of the state.

#### 54.0 BIDDERS WITH DISABILITIES:

The State of Alaska complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, and/or special modifications to participate in this procurement should contact the Division of Transportation at one of the following numbers no later than 10 days prior to bid opening to make any necessary arrangements.

Telephone: 907.269.0793

Fax: 907.269.0801

TDD: 907.269.0713

##### COMPLIANCE WITH ADA:

By signature of their bid, the bidder certifies that they comply with the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government.

Services or activities furnished to the general public on behalf of the state must be fully accessible. This is intended to ensure that agencies are in accordance with 28 CFR Part 35 Section 35.130 and that services, programs or



activities furnished to the public through a contract do not subject qualified individuals with a disability to discrimination based on the disability.

**55.0 PREFERENCE QUALIFICATION:**

In order to qualify for an Alaska Veterans Preference, Employment Program Preference, or Alaskans with Disabilities Preference, a bidder must add value by actually performing, controlling, managing, and supervising the services provided, or a bidder must have sold supplies of the general nature solicited to other state agencies, governments, or the general public.

**56.0 CONTRACT PERFORMANCE LOCATION:**

By signature on their bid, the bidder certifies that all services provided under this contract by the contractor and all subcontractors shall be performed in the United States.

If the bidder cannot certify that all work will be performed in the United States, the bidder must contact the procurement officer in writing to request a waiver at least 10 days prior to the deadline for receipt of bids.

The request must include a detailed description of the portion of work that will be performed outside the United States, where, by whom, and the reason the waiver is necessary.

Failure to comply with these requirements may cause the state to reject the bid as non-responsive, or cancel the contract.

**57.0 HUMAN TRAFFICKING:**

By signature on their bid, the bidder certifies that the bidder is not established and headquartered or incorporated and headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <http://www.state.gov/g/tip/>

Failure to comply with this requirement will cause the state to reject the bid as non-responsive, or cancel the contract

**58.0 NOTICE OF INTENT TO AWARD:**

After the responses to this ITB have been opened and evaluated, a tabulation of the bids will be prepared. This tabulation, called a Notice of Intent to Award, serves two purposes. It lists the name of each company or person that offered a bid and the price they bid. It also provides notice of the state's intent to award a contract(s) to the bidder(s) indicated. A copy of the Notice of Intent will be mailed to each company or person who responded to the ITB. Bidders identified as the apparent low responsive bidders are instructed not to proceed until a Purchase Order, Contract Award, Lease, or some other form of written notice is given by the contracting officer. A company or person who proceeds prior to receiving a Purchase Order, Contract Award, Lease, or some other form of written notice from the contracting officer does so without a contract and at their own risk.

**59.0 PAYMENT FOR STATE PURCHASES:**

Payment for agreements under \$500,000 for the undisputed purchase of goods or services provided to a state agency, will be made within 30 days of the receipt of a proper billing or the delivery of the goods or services to the location(s) specified in the agreement, whichever is later. A late payment is subject to 1.5% interest per month on the unpaid balance. Interest will not be paid if there is a dispute or if there is an agreement that establishes a lower interest rate or precludes the charging of interest.

**60.0 CONTRACT ADMINISTRATION:**

The administration of this contract is the responsibility of State Equipment Fleet, Contracting Officer, Department of Transportation.

**61.0 SHIPPING DAMAGE:**

The state will not accept or pay for damaged goods. The contractor must file all claims against the carrier(s) for damages incurred to items in transit from the point of origin to the ultimate destination. The state will provide the contractor with written notice when damaged goods are received. The state will deduct the cost of the damaged goods from the invoice prior to payment. The contractor must file all claims against the carrier(s) for reimbursement

of the loss.

#### 62.0 INDEMNIFICATION:

The contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the contractor under this agreement. The contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the contractor and the independent negligence of the Contracting Agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting agency", as used in this and the following article, including the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the contractor and in approving or accepting the contractor's work.

#### 63.0 INSURANCE:

Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

Proof of insurance is required for the following:

**Workers' Compensation Insurance:** The contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the state.

**Commercial General Liability Insurance:** covering all business premises and operations used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

**Commercial Automobile Liability Insurance:** covering all vehicles used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

Failure to supply satisfactory proof of insurance within the time required will cause the state to declare the bidder non-responsible and to reject the bid.

#### 64.0 BRAND AND MODEL OFFERED:

Unless otherwise specified, when brand names and model numbers are used to specify the type and quality of the goods desired, bidders must clearly indicate the brand names and model numbers they intend to provide. The bidder's failure to identify the brand and model offered will cause the state to consider the offer non-responsive and reject the bid.

#### 65.0 ANNOTATED LITERATURE:

Bidders must annotate their product literature to identify for the state the location of the supporting information regarding each product specification set out in this ITB. A bidder's failure to comply with this clause, within the time set by the state, will cause the state to consider the offer non-responsive and reject the bid.

#### 66.0 SUPPORTING INFORMATION:

The state strongly desires that bidders submit all required technical, specification, and other supporting information with their bid so that a detailed analysis and determination can be made by the contracting officer that the product offered meets the ITB specifications and that other requirements of the ITB have been met. However, provided a bid meets the requirements for a definite, firm, unqualified, and unconditional offer, the state reserves the right to request supplemental information from the bidder, after the bids have been opened, to ensure that the products offered

completely meet the ITB requirements. The requirement for such supplemental information will be at the reasonable discretion of the state and may include the requirement that a bidder will provide a sample product(s) so that the state can make a first-hand examination and determination.

A bidder's failure to provide this supplemental information or the product sample(s), within the time set by the state, will cause the state to consider the offer non-responsive and reject the bid.

**67.0 FIRM, UNQUALIFIED AND UNCONDITIONAL OFFER:**

Bidders must provide enough information with their bid to constitute a definite, firm, unqualified and unconditional offer. To be responsive a bid must constitute a definite, firm, unqualified and unconditional offer to meet all of the material terms of the ITB. Material terms are those that could affect the price, quantity, quality, or delivery. Also included as material terms are those which are clearly identified in the ITB and which, for reasons of policy, must be complied with at risk of bid rejection for non-responsiveness.

**68.0 LOCAL AGRICULTURAL AND FISHERIES PRODUCT PREFERENCE:**

By signature of the bid and by checking the Agricultural and Fisheries Product Preference box beneath each line item, the bidder certifies that the product offered meets the requirements of AS 36.15.050 and is entitled to a preference in accordance with the provisions of that statute.

**69.0 ALASKA PRODUCT PREFERENCE:**

Bidders who offer products which have received certification by the Department of Commerce and Economic Development and that are listed in the current published edition of the "Alaska Products Preference List" will receive this preference. In order to qualify for the Alaska Product Preference, a bidder must provide the qualified product on a 100% basis. There are no provisions under Alaska Statutes or regulations that allow for product exchanges/substitutions or permit the product to be co-mingled with other products. Rather, AS 36.30.330 provides for a penalty for failing to use the designated Alaska products.

Products are classified into one of three categories:  
Class I products receive a three percent preference.  
Class II products receive a five percent preference.  
Class III products receive a seven percent preference.

Bidders must check the correct preference box beneath each line item. When the bids are evaluated, the preference percentage will be deducted from the bid price. If a bidder fails to check one of the product preference boxes, no preference will be given.

**70.0 NONDISCLOSURE AND CONFIDENTIALITY:**

Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential information except as provided for in this section. The contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. "Reasonable care" means compliance by the contractor with all applicable federal and state law, including the Social Security Act and HIPAA. The contractor must promptly notify the state in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

Confidential information, as used herein, means any data, files, software, information or materials (whether prepared by the state or its agents or advisors) in oral, electronic, tangible or intangible form and however stored, compiled or memorialized that is classified confidential as defined by State of Alaska classification and categorization guidelines (i) provided by the state to the contractor or a contractor agent or otherwise made available to the contractor or a contractor agent in connection with this contract, or (ii) acquired, obtained or learned by the contractor or a contractor agent in the performance of this contract. Examples of confidential information include, but are not limited to: technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data (infrastructure, architecture, operating systems, security tools, IP addresses, etc.).

If confidential information is requested to be disclosed by the contractor pursuant to a request received by a third party and such disclosure of the confidential information is required under applicable state or federal law, regulation,

governmental or regulatory authority, the contractor may disclose the confidential information after providing the state with written notice of the requested disclosure ( to the extent such notice to the state is permitted by applicable law) and giving the state opportunity to review the request. If the contractor receives no objection from the state, it may release the confidential information within 30 days. Notice of the requested disclosure of confidential information by the contractor must be provided to the state within a reasonable time after the contractor's receipt of notice of the requested disclosure and, upon request of the state, shall seek to obtain legal protection from the release of the confidential information.

The following information shall not be considered confidential information: information previously known to be public information when received from the other party; information freely available to the general public; information which now is or hereafter becomes publicly known by other than a breach of confidentiality hereof; or information which is disclosed by a party pursuant to subpoena or other legal process and which as a result becomes lawfully obtainable by the general public.

## SPECIFICATION- LOT 1

Spec # 334, Minimum 4.0 Cubic Yard Wheel Loader

### 100.0 GENERAL SPECIFICATION:

It is the purpose of this specification to describe a new, and of the manufacturer's latest current model and design, diesel powered, four-wheel drive, articulating front-end loader, minimum 4.0 cubic yard.

Unit shall include all standard equipment and accessories as advertised in manufacturer's specification sheet of model offered unless otherwise specified herein.

#### APPLICATION:

General severe weather wheel loader application and implement carrier with temperatures ranging from -50 to 110 °F. Material weights up to 3300 lbs./CY.

#### TYPICAL UNIT:

CATERPILLAR 950GC, provided all of the following minimum specifications are met.

### 101.0 POWER TRAIN:

#### 101.1 Engine:

101.1.1 Diesel, 4 cycle, 6.7 Liter minimum.

101.1.2 241 gross HP, J1995 (228 NET HP, ISO 9249)

101.1.3 Minimum torque 811 gross lb-ft, J1995 (768 NET lb-ft, ISO 9249)

101.1.4 The engine shall meet current EPA emission requirements.

#### 101.2 Cooling System:

101.2.1 Winter front: To be a heavy-duty vinyl construction, with stainless steel snaps or swivel locks and include a heavy-duty zipper. Installed over the rear grill area(s). If applicable, to be installed over the upper airflow grills.

101.2.2 Anti-freeze: Extended Life type, affording protection to -50 °F and shall be DELO extended life coolant (red) or compatible.

101.2.3 Cooling system shall include a petcock style drain for the lowest point(s) of the system.

#### 101.3 Intake System:

101.3.1 Air cleaner to be two (2) stage, dual element type.

101.3.2 Pre-cleaner: A cyclonic type Pre-filter is required.

#### 101.4 Exhaust System:

101.4.1 Exhaust stack(s) to include elbow or rain cap.

#### 101.5 Filters:

101.5.1 All fuel and oil filters shall be spin-on or cartridge type with easy access.

#### 101.6 Starting Aids:

101.6.1 Glow plugs or grid heater.

101.6.2 Engine block heater, immersion type, highest wattage available, 110 volt AC (OEM if available).

101.6.2.1 Plug end must be located by the rear bumper and be labeled with metal, stamped id tag as: Block Heater.

101.6.3 110 volt AC power cords for trickle charger and oil pan heaters to be plugged into a single, waterproof, 20 amp, junction box with four (4) receptacles. Must have arctic rated wire.

101.6.4 Battery Trickle Charger: Battery Tender, 022-0158-1, 24V. To be wired into the battery system. A preferred mounting location would be in the cab or in engine compartment area.

- 101.6.5 Engine Oil Pan Heater: One (1) each, 300 watts, 110 volt AC, immersion style heater, if available.
- 101.6.6 Transmission Oil Pan Heater: One (1) each, 300 watts, 110 volt AC, silicone pad heater bonded to the oil pan.
- 101.6.7 Plug end must be located by the rear bumper and be labeled with metal, stamped id tag as: Pan Heaters.

#### 102.0 DRIVETRAIN:

- 102.1 Transmission shall be a power shift, forward and reverse.
- 102.2 TRACTECH No-SPIN, limited-slip, or hydraulic locking differential in front differential. Torque proportioning is not acceptable.
- 102.3 To provide a forward speed of not less than 22 MPH with tires specified herein.
- 102.4 To provide a reverse speed of not less than 14 MPH with tires specified herein.

#### 103.0 CHASSIS:

- 103.1 The following chassis ratings to be based on 4.0 - 4.7 cubic yard, pin on, general purpose bucket with bolt-on cutting edge.
- 103.2 Operating Weight: Minimum 41,554 pounds including counter weight.
- 103.3 Breakout Force: Minimum 34,638 pounds.
- 103.4 Full Turn Tip Load: Minimum 25,875 pounds.
- 103.5 Bucket Hinge Pin Height: Minimum 165 inches.
- 103.6 Dump Height at 45 degrees, full height: 120 inches.
- 103.7 Dump Reach at 45 degrees and bucket at full height: 50 inches.
- 103.8 Tires:
  - 103.8.1 23.5xR25 tires, BRIDGESTONE VJT L3 or BRIDGESTONE VMT L3, Radials
  - 103.8.2 All wheels to include a protector ring.
  - 103.8.3 (\*) OPTIONAL ITEM– Pricing is required: Spare tire and wheel, mounted. Must be matching OEM wheel and matching tire. Aftermarket rims will not be acceptable.
- 103.9 Brakes:
  - 103.9.1 Service Brakes: To be wet (oil) disk.
  - 103.9.2 Secondary (Back-Up) Braking System: Manually and/or automatically applied backup braking system in the event of loss of service brake capacity.
  - 103.9.3 Parking Brake:
    - 103.9.3.1 To be a spring applied hydraulic released, independent of other braking systems, capable of holding machine on a 20% grade.
    - 103.9.3.2 To include parking brake warning light and audible warning device or a parking brake system with a transmission disconnect feature.
- 103.10 Steering:
  - 103.10.1 Emergency Steering System: To include supplemental emergency steering in compliance with SAE-J53 for steering during engine power loss.
- 103.11 Fenders: Front and rear, OEM, full width, full coverage w/ all available extensions.
- 103.12 Tow Hook: Shall be drawbar hitch pin type, with a pin.
- 103.13 Lift arm kick-out shall be automatic.
- 103.14 Bucket leveling shall be automatic.

- 103.15 Vandalism Protection: Shall include locking panels and/or doors to secure batteries, fuel fill, hydraulic tank fill, engine oil fill, and radiator fill.
- 103.16 Paint: Manufacturer's standard.
- 103.17 SMV Emblem: Shall include metal slow-moving vehicle emblem.

104.0 ELECTRICAL SYSTEM:

- 104.1 24-volt system, negative ground system.
- 104.2 Alternator: minimum 80 amps.
- 104.3 Battery(s): Heavy-duty, a minimum total of 1400 CCA at zero degrees Fahrenheit.
- 104.4 Master electrical switch to cut off all power from battery to electrical system.
- 104.5 24V to 12V converter, minimum 15A.
- 104.6 Backup Alarm: Electronic, self-adjusting sound level, OSHA approved, located on the rear of unit per manufacturer's recommendations.
- 104.7 Lighting System:
  - 104.7.1 Front headlights to be halogen or LED.
  - 104.7.2 Work Lights: Two (2) rear work lights and two (2) front work lights LED.
  - 104.7.3 Stop, turn, tail and backup lights shall be LED.
  - 104.7.4 Dome light.
- 104.8 Strobe Lights:
  - 104.8.1 The loader shall include two (2) LED beacons on the roof of the cab. WHELEN model L31HAF4 (amber) and model L31HBF4 (blue).
  - 104.8.2 Left lens (drivers/street side) shall be amber.
  - 104.8.3 Right lens (passengers/curbside) shall be blue.
  - 104.8.4 Each light shall be synchronized to an alternating pattern using the lights "synch" wire function.
  - 104.8.5 To include a DPDT lighted switch installed in the cab. This switch shall function as HI/OFF/LOW (light intensity).
  - 104.8.6 All wiring to be enclosed in non-metallic weatherproof loom.
  - 104.8.7 To be a 24-volt LED light system.
  - 104.8.8 WHELEN sales representative: Kent Bruce, (206) 510-2060, kdbco@comcast.net

105.0 CAB:

- 105.1 Enclosed Roll Over Protection System (EROPS):
  - 105.1.1 OEM, fully enclosed, steel, insulated, sound suppressed, pressurized, "ROPS" (SAE J1040) cab with safety glass front windshield and safety or tempered glass on sides and/or rear windows. To be adequately sealed as to not allow unreasonable cold air or dust into the cab.
- 105.2 Recirculating personnel heater (Minimum 30,000 BTU) with defroster(s). Defroster(s) to be zoned to front windshield wiper area(s), minimum. Caged defroster fans are not acceptable in lieu of the zoned system.
- 105.3 Air Conditioning: To be OEM.
- 105.4 Front and rear window wipers and washers. Wiper motors to be the highest capacity available from OEM. To include OEM intermittent feature on front minimum.
- 105.5 Sun visor required multi-level, dark tint or solid.
- 105.6 Operator's Seat: 6-way adjustable, cloth or cloth/vinyl covered, suspension type with a seat belt.
  - 105.6.1 (\*) OPTIONAL ITEM- Pricing required: Operator's seat- 6-way adjustable, cloth or cloth/vinyl, air-suspension type with a seat belt.

- 105.7 Lockable doors.
- 105.8 Mirrors: To include an interior mounted convex rearview mirror and outside cab mounted heated mirrors.
- 105.9 Back-Up Camera, OEM.
- 105.10 AM/FM radio with aux/ input.
- 105.11 To include mounting for 2-way radio. Must have 12V power connections.
- 105.12 Horn: Electric or air.
- 105.13 Must have a cup holder.
- 105.14 High engine idle control capability, operator controlled or automatic.

106.0 INSTRUMENTATION:

- 106.1 All gauges as noted below shall read in U.S. units of measure (not metric) at time of delivery.
- 106.2 Gauges and/or indicators, as a minimum, shall include, in easy view of the operator:
  - 106.2.1 Hour Meter: Running engine activated.
  - 106.2.2 Ammeter or voltmeter gauge, or alternator malfunction indicator.
  - 106.2.3 Engine Coolant High temperature (to include warning system).
  - 106.2.4 Engine Coolant Low level (to include warning system).
  - 106.2.5 Engine oil pressure (to include warning system).
  - 106.2.6 Air pressure gauge or indicator, if applicable.
  - 106.2.7 Transmission oil temperature gauge or indicator.
  - 106.2.8 Air filter restriction gauge or indicator.
  - 106.2.9 Parking brake "ON" indicator with an audible warning or a parking brake system with a transmission disconnect feature.
  - 106.2.10 Fuel gauge.

107.0 HYDRAULICS:

- 107.1 Shall have two (2) spool control valve.
- 107.2 (\*) OPTIONAL ITEM- Pricing is required: Three (3) spool control valve.
  - 107.2.1 Diverter valves are not permitted.
  - 107.2.2 To include controls and plumbing, including quick disconnects, out to the front of the unit. Must be pressure rated and sized to allow proper flow.
  - 107.2.3 Quick disconnects to include chained caps.
- 107.3 Lift circuit to include float.
- 107.4 To include ride control system.
- 107.5 Hydraulic Hose: To be arctic grade (- 40 °F, minimum).

108.0 ATTACHMENTS:

- 108.1 Quick Attach System:
  - 108.1.1 To be equipped with a quick attach system that is compatible with unit being bid. To be PSM or equivalent matching up with our current WLKAT system.
  - 108.1.2 All functions (locking, unlocking, etc.) to be controlled from in the cab by the operator.
- 108.2 General Purpose Bucket: (\*) OPTIONAL ITEM- Pricing is required:
  - 108.2.1 To be PSM 4CYD GP or equivalent, provided all of the following specifications are met.
  - 108.2.2 Capacity: 4.0 cubic yard SAE heaped.



- 108.2.3 Width: To be equal to or greater than host unit.
- 108.2.4 To include replaceable and reversible bolt-on cutting edge with OEM AASHTO punching.
- 108.2.5 To include lifting eyes or hooks on each top corner and center top of the bucket.
- 108.2.6 To be compatible with the WLKAT quick attach system.
- 108.2.7 Minimum Weight: 3,875 lbs.
- 108.3 Snow Bucket: (\*) OPTIONAL ITEM– Pricing is required:
  - 108.3.1 To be PSM 8CYD or equivalent, provided all of the following specifications are met.
  - 108.3.2 Capacity: 8.0 cubic yard SAE heaped, minimum.
  - 108.3.3 Width: To be equal to or greater than host unit.
  - 108.3.4 To include replaceable and reversible bolt-on cutting edge with OEM AASHTO punching.
  - 108.3.5 To be compatible with the WLKAT quick attach system.
  - 108.3.6 Minimum Weight: 5,400 lbs.
- 108.4 Pallet Forks, 8-Foot: (\*) OPTIONAL ITEM– Pricing is required:
  - 108.4.1 To be PSM 8' or equivalent, provided all of the following specifications are met.
  - 108.4.2 Tine Length: 96 inches.
  - 108.4.3 Tine Spread: Adjustable to minimum 100 inches.
  - 108.4.4 Tine width to be eight (8) inches.
  - 108.4.5 Tine depth to be three (3) inches.
  - 108.4.6 Tine locks (width and swing) to be included.
  - 108.4.7 Full-width carriage backrest to be included.
  - 108.4.8 Capacity: 20,000 pounds, minimum.
  - 108.4.9 To be compatible with the WLKAT quick attach system.
  - 108.4.10 Minimum Weight: 3,200 lbs.
- 108.5 Rear Counterweights:
  - 108.5.1 To include the heaviest OEM counterweight option available.
  - 108.5.2 Filled tires will not be accepted.

109.0 TRAINING:

- 109.1 (\*) OPTIONAL ITEM– Pricing is required: Total of sixteen (16) hours at the State Equipment Fleet Maintenance Facility as listed on the Purchase Order. For award purposes, the price should include all travel and training related costs to Anchorage, Alaska. Any travel beyond Anchorage will be billed at the actual rate and a separate Purchase Order will be issued.
  - 109.1.1 Bidder to provide a qualified factory trained instructor(s), within 30 days of acceptance by the State. Advanced notice is required.
- 109.2 To include a minimum of eight (8) hours of operator training including the following, as a minimum applicable agenda:
  - 109.2.1 Operating procedures per operating manual.
  - 109.2.2 Break-in procedures.
  - 109.2.3 Equipment limitations.
  - 109.2.4 Operator maintenance.
  - 109.2.5 Pre-checks and lubrication.

- 109.2.6 Safety
- 109.2.7 Cold weather operation.
- 109.2.8 Jump-starting.
- 109.2.9 Welding on equipment.
- 109.2.10 Towing or transporting equipment.
- 109.2.11 Instruments and controls.
- 109.2.12 Gauge interpretation.
- 109.2.13 Regen operation.
- 109.2.14 Equipment operation, Do's and Don'ts.
- 109.2.15 Attachment operation, Do's and Don'ts.
- 109.3 To include a minimum of eight (8) hours of mechanics (Journeyman level) training including the following theory:
  - 109.3.1 Troubleshooting and test procedures.
  - 109.3.2 Electronics (Including diagnostic software, computers, Can-Bus systems.)
  - 109.3.3 Emissions.
  - 109.3.4 Electrical systems.
  - 109.3.5 Air systems.
  - 109.3.6 Drivetrain.
  - 109.3.7 Engine and transmission.

110.0 MISCELLANEOUS:

- 110.1 Special Lubricants: If for warranty purposes, manufacturer's specific lubricants are required, the vendor is to provide these lubricants, or provide, at time of delivery, a cross-reference chart between manufacturer's lubricants and any name brand and readily available equivalents.
- 110.2 Labeling: No adhesive style (Dymo) labels will be allowed. Any markings must be etched or engraved, factory style markings.
- 110.3 Auto Lube System (\*) OPTIONAL ITEM– Pricing is required:
  - 110.3.1 To include an automatic lubricating system, GREASE COMMANDER, provided unit will work with NLGI class 2 grease, per all Alaska conditions.
  - 110.3.2 All zerk fittings shall be served (drivelines being the exception).
  - 110.3.3 All lines are to be routed and protected as necessary.
  - 110.3.4 Lines are to be ARCTIC FOX wire braid or state-approved equivalent, on all moving points.
- 110.4 Diagnostic Software (\*) OPTIONAL ITEM– Pricing is required:
  - 110.4.1 Diagnostic software or scanners must be available for purchase by SOA.
  - 110.4.2 Must be capable of retrieving and clearing all chassis, engine, transmission, or cab diagnostic codes.
  - 110.4.3 Must be capable of displaying live streaming data. (E.G. Engine sensor temperatures, pressures, speeds, etc.)
  - 110.4.4 If applicable, must be able to communicate a replaced DPF to the ECM.
  - 110.4.5 Pricing must include ALL cables, readers, hardware and software necessary to perform listed duties. Does not include a laptop, if needed.

END OF SPECIFICATION #334

## SPECIFICATION-LOT 2

### Spec # 338, Minimum 5.0 Cubic Yard Wheel Loader

#### 200.0 GENERAL SPECIFICATION:

It is the purpose of this specification to describe a new, and of the manufacturer's latest current model and design, diesel powered, four-wheel drive, articulating front-end loader, minimum 5.0 cubic yard.

Unit shall include all standard equipment and accessories as advertised in manufacturer's specification sheet of model offered unless otherwise specified herein.

#### APPLICATION:

General severe weather wheel loader application and implement carrier with temperatures ranging from -50 to 110 °F. Material weights up to 3300 lbs. /CY.

#### TYPICAL UNITS:

CAT 966M, provided all of the following minimum specifications are met.

#### 201.0 POWER TRAIN:

##### 201.1 Engine:

- 201.1.1 Diesel, 4-cycle, 9.3 liter displacement
- 201.1.2 311 gross HP, J1995 (299 NET HP, ISO 9249)
- 201.1.3 Torque 1179 gross lb-ft, J1995 (1073 NET lb-ft, ISO 9249)
- 201.1.4 The engine shall meet current EPA emission requirements.

##### 201.2 Cooling System:

- 201.2.1 Winter front: To be a heavy-duty vinyl construction, with stainless steel snaps or swivel locks and include a heavy-duty zipper. Installed over the rear grill area(s). If applicable, to be installed over the upper airflow grills.
- 201.2.2 Anti-freeze: Extended Life type, affording protection to -50 °F and shall be DELO extended life coolant (red) or compatible.
- 201.2.3 Cooling system shall include a petcock style drain for the lowest point(s) of the system.

##### 201.3 Intake System:

- 201.3.1 Air cleaner to be two (2) stage, dual element type.
- 201.3.2 Pre-cleaner: A cyclonic type Pre-filter is required.

##### 201.4 Exhaust System:

- 201.4.1 Exhaust stack(s) to include elbow or rain cap.

##### 201.5 Filters:

- 201.5.1 All fuel and oil filters shall be spin-on or cartridge type with easy access.

##### 201.6 Starting Aids:

- 201.6.1 Glow plugs or grid heater.
- 201.6.2 Engine block heater, immersion type, highest wattage available, 110 volt AC (OEM if available).
  - 201.6.2.1 Plug end must be located by the rear bumper and be labeled with metal, stamped id tag as: Block Heater.
- 201.6.3 110 volt AC power cords for trickle charger and oil pan heaters to be plugged into a single, waterproof, 20 amp, junction box with four (4) receptacles. Must have arctic rated wire.
  - 201.6.3.1 Battery Trickle Charger: Battery Tender, 022-0158-1, 24V. To be wired into the battery system. A preferred mounting location would be in the cab or in engine compartment area.

- 201.6.3.2 Engine Oil Pan Heater: One (1) each, 300 watts, 110 volt AC, immersion style heater, if available.
- 201.6.3.3 Transmission Oil Pan Heater: One (1) each, 300 watts, 110 volt AC, silicone pad heater bonded to the oil pan.
- 201.6.3.4 Plug end must be located by the rear bumper and be labeled with metal, stamped id tag as: Pan Heaters.

## 202.0 DRIVETRAIN:

- 202.1 Transmission shall be a power shift, forward and reverse.
- 202.2 TRACTECH No-SPIN, limited-slip, or hydraulic locking differential in front differential. Torque proportioning is not acceptable.
- 202.3 To provide a forward speed of not less than 22 MPH with tires specified herein.
- 202.4 To provide a reverse speed of not less than 11.5 MPH with tires specified herein.

## 203.0 CHASSIS:

- 203.1 The following chassis ratings to be based on 5.2-5.5 cubic yard, pin on, general purpose bucket with bolt-cutting edge.
  - 203.1.1 Operating Weight: 50,938 pounds including counter weight.
  - 203.1.2 Breakout Force: 38,984 pounds.
  - 203.1.3 Full Turn Tip Load 35,329 pounds.
  - 203.1.4 Bucket Hinge Pin Height: 167 inches.
  - 203.1.5 Dump Height at 45 degrees: 120 inches.
  - 203.1.6 Dump Reach at 45 degrees and bucket at full height: 53 inches.
- 203.2 Tires:
  - 203.2.1 26.5xR25 tires, BRIDGESTONE VJT L3 or BRIDGESTONE VMT L3, Radials
  - 203.2.2 All wheels to include a protector ring.
  - 203.2.3 (\*) OPTIONAL ITEM– Pricing is required: Spare tire and wheel, mounted. Must be matching OEM wheel and matching tire. Aftermarket rims will not be acceptable.
- 203.3 Brakes:
  - 203.3.1 Service Brakes: To be wet (oil) disk.
  - 203.3.2 Secondary (Back-Up) Braking System: Manually and/or automatically applied backup braking system in the event of loss of service brake capacity.
  - 203.3.3 Parking Brake:
    - 203.3.3.1 To be a spring applied hydraulic released, independent of other braking systems, capable of holding machine on a 20% grade.
    - 203.3.3.2 To include parking brake warning light and audible warning device or a parking brake system with a transmission disconnect feature.
- 203.4 Steering:
  - 203.4.1 Emergency Steering System: To include supplemental emergency steering in compliance with SAE-J53 for steering during engine power loss.
- 203.5 Fenders: Front and rear, OEM, full width, full coverage w/ all available extensions.
- 203.6 Tow Hook: Shall be drawbar hitch pin type, with a pin.
- 203.7 Lift arm kick-out shall be automatic.
- 203.8 Bucket leveling shall be automatic.

- 203.9 Vandalism Protection: Shall include locking panels and/or doors to secure batteries, fuel fill, hydraulic tank fill, engine oil fill, and radiator fill.
- 203.10 Paint: Manufacturer's standard.
- 203.11 SMV Emblem: Shall include metal slow-moving vehicle emblem.

204.0 ELECTRICAL SYSTEM:

- 204.1 24-volt system, negative ground system.
- 204.2 Alternator: minimum 80 amps.
- 204.3 Battery(s): Heavy-duty, highest capacity available, a minimum total of 1800 CCA at zero degrees Fahrenheit.
- 204.4 Master electrical switch to cut off all power from battery to electrical system.
- 204.5 24V to 12V converter, minimum 20A.
- 204.6 Backup Alarm: Electronic, self-adjusting sound level, OSHA approved, located on the rear of unit per manufacturer's recommendations.
- 204.7 Lighting System:
  - 204.7.1 Front headlights to be halogen or LED.
  - 204.7.2 Work Lights: Two (2) rear work lights and two (2) front work lights LED.
  - 204.7.3 Stop, turn, tail and backup lights shall be LED.
  - 204.7.4 Dome light.
- 204.8 Strobe Lights:
  - 204.8.1 The loader shall include two (2) LED beacons on the roof of the cab. WHELEN model L31HAF4 (amber) and model L31HBF4 (blue).
  - 204.8.2 Left lens (drivers/street side) shall be amber.
  - 204.8.3 Right lens (passengers/curbside) shall be blue.
  - 204.8.4 Each light shall be synchronized to an alternating pattern using the lights "synch" wire function.
  - 204.8.5 To include a DPDT lighted switch installed in the cab. This switch shall function as HI/OFF/LOW (light intensity).
  - 204.8.6 All wiring to be enclosed in non-metallic weatherproof loom.
  - 204.8.7 To be a 24-volt LED light system.
  - 204.8.8 WHELEN sales representative: Kent Bruce, (206) 510-2060, kdbco@comcast.net

205.0 CAB:

- 205.1 Enclosed Roll Over Protection System (EROPS):
  - 205.1.1 OEM, fully enclosed, steel, insulated, sound suppressed, pressurized, "ROPS" (SAE J1040) cab with safety glass front windshield and safety or tempered glass on sides and/or rear windows. To be adequately sealed as to not allow unreasonable cold air or dust into the cab.
- 205.2 Recirculating personnel heater (Minimum 30,000 BTU) with defroster(s). Defroster(s) to be zoned to front windshield wiper area(s), minimum. Caged defroster fans are not acceptable in lieu of the zoned system.
- 205.3 Air Conditioning: To be OEM.
- 205.4 Front and rear window wipers and washers. Wiper motors to be the highest capacity available from OEM. To include OEM intermittent feature on front minimum.
- 205.5 Sun visor required multi-level, dark tint or solid.
- 205.6 Operator's Seat: 6-way adjustable, cloth or cloth/vinyl covered, suspension type with a seat belt.
  - 205.6.1 (\*) OPTIONAL ITEM- Pricing required: Operator's seat- 6-way adjustable, cloth or cloth/vinyl, air-suspension type with a seat belt.

- 205.7 Lockable doors.
- 205.8 Mirrors: To include an interior mounted convex rearview mirror and outside cab mounted heated mirrors.
- 205.9 Back-Up Camera, OEM
- 205.10 AM/FM radio with aux/ input.
- 205.11 To include mounting for 2-way radio. Must have 12V power connections.
- 205.12 Horn: Electric or air.
- 205.13 Must have a cup holder.
- 205.14 High engine idle control capability, operator controlled or automatic.

206.0 INSTRUMENTATION:

- 206.1 All gauges as noted below shall read in U.S. units of measure (not metric) at time of delivery.
- 206.2 Gauges and/or indicators, as a minimum, shall include, in easy view of the operator:
  - 206.2.1 Hour Meter: Running engine activated.
  - 206.2.2 Ammeter or voltmeter gauge, or alternator malfunction indicator.
  - 206.2.3 Engine Coolant High temperature (to include warning system).
  - 206.2.4 Engine Coolant Low level (to include warning system).
  - 206.2.5 Engine oil pressure (to include warning system).
  - 206.2.6 Air pressure gauge or indicator, if applicable.
  - 206.2.7 Transmission oil temperature gauge or indicator.
  - 206.2.8 Air filter restriction gauge or indicator.
  - 206.2.9 Parking brake "ON" indicator with an audible warning or a parking brake system with a transmission disconnect feature.
  - 206.2.10 Fuel gauge.

207.0 HYDRAULICS:

- 207.1 Shall have two (2) spool control valve.
- 207.2 (\*) OPTIONAL ITEM- Pricing is required: Three (3) spool control valve.
  - 207.2.1 Diverter valves are not permitted.
  - 207.2.2 To include controls and plumbing, including quick disconnects, out to the front of the unit. Must be pressure rated and sized to allow proper flow.
  - 207.2.3 Quick disconnects to include chained caps.
- 207.3 Lift circuit to include float.
- 207.4 To include ride control system.
- 207.5 Hydraulic Hose: To be arctic grade (- 40 °F, minimum).

208.0 ATTACHMENTS:

- 208.1 Quick Attach System:
  - 208.1.1 To be equipped with a quick attach system that is compatible with unit being bid. To be WELDCO-BEALES WLKAT or CWS, HENKE, PSM or equivalent matching up with our current WLKAT system.
  - 208.1.2 All functions (locking, unlocking, etc.) to be controlled from in the cab by the operator.
- 208.2 General Purpose Bucket: (\*) OPTIONAL ITEM- Pricing is required:
  - 208.2.1 To be PSM or equivalent, provided all of the following specifications are met.

- 208.2.2 Capacity: 5.0 cubic yard SAE heaped.
- 208.2.3 Width: To be equal to or greater than host unit.
- 208.2.4 To include replaceable and reversible bolt-on cutting edge with OEM AASHTO punching.
- 208.2.5 To include lifting eyes or hooks on each top corner and center top of the bucket.
- 208.2.6 To be compatible with the WLKAT quick attach system.
- 208.2.7 Minimum Weight: 4,300 lbs.

208.3 Snow Bucket: (\*) OPTIONAL ITEM– Pricing is required:

- 208.3.1 To be PSM or equivalent, provided all of the following specifications are met.
- 208.3.2 Capacity: 10 cubic yard SAE heaped, minimum.
- 208.3.3 Width: To be equal to or greater than host unit.
- 208.3.4 To include replaceable and reversible bolt-on cutting edge with OEM AASHTO punching.
- 208.3.5 To be compatible with the WLKAT quick attach system.
- 208.3.6 Minimum Weight: 6,000 lbs.

208.4 Pallet Forks, 8-Foot: (\*) OPTIONAL ITEM– Pricing is required:

- 208.4.1 To be PSM or equivalent, provided all of the following specifications are met.
- 208.4.2 Tine Length: 96 inches.
- 208.4.3 Tine Spread: Adjustable to minimum 100 inches.
- 208.4.4 Tine width to be eight (8) inches.
- 208.4.5 Tine depth to be three (3) inches.
- 208.4.6 Tine locks (width and swing) to be included.
- 208.4.7 Full-width carriage backrest to be included.
- 208.4.8 Capacity: 20,000 pounds, minimum.
- 208.4.9 To be compatible with the WLKAT quick attach system.
- 208.4.10 Minimum Weight: 3,200 lbs.

208.5 Rear Counterweights:

- 208.5.1 To include the heaviest OEM counterweight option available.
- 208.5.2 Filled tires will not be accepted.

209.0 TRAINING:

- 209.1 (\*) OPTIONAL ITEM– Pricing is required: Total of sixteen (16) hours at the State Equipment Fleet Maintenance Facility as listed on the Purchase Order. For award purposes, the price should include all travel and training related costs to Anchorage, Alaska. Any travel beyond Anchorage will be billed at the actual rate and a separate Purchase Order will be issued.
- 209.2 Bidder to provide a qualified factory trained instructor(s), within 30 days of acceptance by the State. Advanced notice is required.
- 209.3 To include a minimum of eight (8) hours of operator training including the following, as a minimum applicable agenda:
  - 209.3.1 Operating procedures per operating manual.
  - 209.3.2 Break-in procedures.
  - 209.3.3 Equipment limitations.
  - 209.3.4 Operator maintenance.

- 209.3.5 Pre-checks and lubrication.
- 209.3.6 Safety
- 209.3.7 Cold weather operation.
- 209.3.8 Jump-starting.
- 209.3.9 Welding on equipment.
- 209.3.10 Towing or transporting equipment.
- 209.3.11 Instruments and controls.
- 209.3.12 Gauge interpretation.
- 209.3.13 Regen operation.
- 209.3.14 Equipment operation, Do's and Don'ts.
- 209.3.15 Attachment operation, Do's and Don'ts.
- 209.4 To include a minimum of eight (8) hours of mechanics (Journeyman level) training including the following theory:
  - 209.4.1 Troubleshooting and test procedures.
  - 209.4.2 Electronics (Including diagnostic software, computers, Can-Bus systems.)
  - 209.4.3 Emissions.
  - 209.4.4 Electrical systems.
  - 209.4.5 Air systems.
  - 209.4.6 Drivetrain.
  - 209.4.7 Engine and transmission.

210.0 MISCELLANEOUS:

- 210.1 Special Lubricants: If for warranty purposes, manufacturer's specific lubricants are required, the vendor is to provide these lubricants, or provide, at time of delivery, a cross-reference chart between manufacturer's lubricants and any name brand and readily available equivalents.
- 210.2 Labeling: No adhesive style (Dymo) labels will be allowed. Any markings must be etched or engraved, factory style markings.
- 210.3 Auto Lube System (\*) OPTIONAL ITEM– Pricing is required:
  - 210.3.1 To include an automatic lubricating system, GREASE COMMANDER, provided unit will work with NLGI class 2 grease, per all Alaska conditions.
  - 210.3.2 All zerk fittings shall be served (drivelines being the exception).
  - 210.3.3 All lines are to be routed and protected as necessary.
  - 210.3.4 Lines are to be ARCTIC FOX wire braid or state-approved equivalent, on all moving points.
- 210.4 Diagnostic Software (\*) OPTIONAL ITEM– Pricing is required:
  - 210.4.1 Diagnostic software or scanners must be available for purchase by SOA.
  - 210.4.2 Must be capable of retrieving and clearing all chassis, engine, transmission, or cab diagnostic codes.
  - 210.4.3 Must be capable of displaying live streaming data. (E.G. Engine sensor temperatures, pressures, speeds, etc.)
  - 210.4.4 If applicable, must be able to communicate a replaced DPF to the ECM.
  - 210.4.5 Pricing must include ALL cables, readers, hardware and software necessary to perform listed duties. Does not include a laptop, if needed.



END OF SPECIFICATION #338

SPECIFICATION-LOT 3

Spec # 340, Minimum 6.0 Cubic Yard Wheel Loader

300.0 GENERAL SPECIFICATION:

It is the purpose of this specification to describe a new, and of the manufacturer's latest current model and design, diesel powered, four-wheel drive, articulating front-end loader, minimum 6.0 cubic yard.

Unit shall include all standard equipment and accessories as advertised in manufacturer's specification sheet of model offered unless otherwise specified herein.

APPLICATION:

General severe weather wheel loader application and implement carrier with temperatures ranging from -50 to 110 °F. Material weights up to 3300 lbs. /CY.

TYPICAL UNITS:

CAT 972M, provided all of the following minimum specifications are met.

301.0 POWER TRAIN:

301.1 Engine:

- 301.1.1 Diesel, 4-cycle, 9.3-liter displacement
- 301.1.2 Minimum 337 gross HP, J1995 (333 NET HP, ISO 9249)
- 301.1.3 Minimum torque 1,275 gross lb-ft, J1995 (1206 NET lb-ft, ISO 9249)
- 301.1.4 The engine shall meet current EPA emission requirements.

301.2 Cooling System:

- 301.2.1 Winter front: To be a heavy-duty vinyl construction, with stainless steel snaps or swivel locks and include a heavy-duty zipper. Installed over the rear grill area(s). If applicable, to be installed over the upper airflow grills.
- 301.2.2 Anti-freeze: Extended Life type, affording protection to -50 °F and shall be DELO extended life coolant (red) or compatible.
- 301.2.3 Cooling system shall include a petcock style drain for the lowest point(s) of the system.

301.3 Intake System:

- 301.3.1 Air cleaner to be two (2) stage, dual element type.
- 301.3.2 Pre-cleaner: A cyclonic type Pre-filter is required.

301.4 Exhaust System:

- 301.4.1 Exhaust stack(s) to include elbow or rain cap.

301.5 Filters:

- 301.5.1 All fuel and oil filters shall be spin-on or cartridge type with easy access.

301.6 Starting Aids:

- 301.6.1 Glow plugs or grid heater.
- 301.6.2 Engine block heater, immersion type, highest wattage available, 110 volt AC (OEM if available).
  - 301.6.2.1 Plug end must be located by the rear bumper and be labeled with metal, stamped id tag as: Block Heater.
- 301.6.3 110 volt AC power cords for trickle charger and oil pan heaters to be plugged into a single, waterproof, 20 amp, junction box with four (4) receptacles. Must have arctic rated wire.

- 301.6.3.1 Battery Trickle Charger: Battery Tender, 022-0158-1, 24V. To be wired into the battery system. A preferred mounting location would be in the cab or in engine compartment area.
- 301.6.3.2 Engine Oil Pan Heater: One (1) each, 300 watts, 110 volt AC, immersion style heater, if available.
- 301.6.3.3 Transmission Oil Pan Heater: One (1) each, 300 watts, 110 volt AC, silicone pad heater bonded to the oil pan.
- 301.6.3.4 Plug end must be located by the rear bumper and be labeled with metal, stamped id tag as: Pan Heaters.

### 302.0 DRIVETRAIN:

- 302.1 Transmission shall be a power shift, forward and reverse.
- 302.2 TRACTECH No-SPIN, limited-slip, or hydraulic locking differential in front differential. Torque proportioning is not acceptable.
- 302.3 To provide a forward speed of not less than 22 MPH with tires specified herein.
- 302.4 To provide a reverse speed of not less than 15 MPH with tires specified herein.

### 303.0 CHASSIS:

- 303.1 The following chassis ratings to be based on 6.0-6.3 cubic yard, pin on, general purpose bucket with bolt- on cutting edge.
  - 303.1.1 Operating Weight: 54,871 pounds including counter weight.
  - 303.1.2 Breakout Force: 44,075 pounds.
  - 303.1.3 Full Turn Tip Load 38,396 pounds.
  - 303.1.4 Bucket Hinge Pin Height: 176 inches.
  - 303.1.5 Dump Height at 45 degrees: 124 inches.
  - 303.1.6 Dump Reach at 45 degrees and bucket at full height: 53 inches.
- 303.2 Tires:
  - 303.2.1 26.5xR25 tires, BRIDGESTONE VJT L3 or BRIDGESTONE VMT L3, Radials
  - 303.2.2 All wheels to include a protector ring.
  - 303.2.3 (\*) **OPTIONAL ITEM– Pricing is required:** Spare tire and wheel, mounted. Must be matching OEM wheel and matching tire. Aftermarket rims will not be acceptable.
- 303.3 Brakes:
  - 303.3.1 Service Brakes: To be wet (oil) disk.
  - 303.3.2 Secondary (Back-Up) Braking System: Manually and/or automatically applied backup braking system in the event of loss of service brake capacity.
  - 303.3.3 Parking Brake:
    - 303.3.3.1 To be a spring applied hydraulic released, independent of other braking systems, capable of holding machine on a 20% grade.
    - 303.3.3.2 To include parking brake warning light and audible warning device or a parking brake system with a transmission disconnect feature.
- 303.4 Steering:
  - 303.4.1 Emergency Steering System: To include supplemental emergency steering in compliance with SAE-J53 for steering during engine power loss.
- 303.5 Fenders: Front and rear, OEM, full width, full coverage w/ all available extensions.
- 303.6 Tow Hook: Shall be drawbar hitch pin type, with a pin.

- 303.7 Lift arm kick-out shall be automatic.
- 303.8 Bucket leveling shall be automatic.
- 303.9 Vandalism Protection: Shall include locking panels and/or doors to secure batteries, fuel fill, hydraulic tank fill, engine oil fill, and radiator fill.
- 303.10 Paint: Manufacturer's standard.
- 303.11 SMV Emblem: Shall include metal slow-moving vehicle emblem.

304.0 ELECTRICAL SYSTEM:

- 304.1 24-volt system, negative ground system.
- 304.2 Alternator: minimum 80 amps.
- 304.3 Battery(s): Heavy-duty, highest capacity available, a minimum total of 1800 CCA at zero degrees Fahrenheit.
- 304.4 Master electrical switch to cut off all power from battery to electrical system.
- 304.5 24V to 12V converter, minimum 20A.
- 304.6 Backup Alarm: Electronic, self-adjusting sound level, OSHA approved, located on the rear of unit per manufacturer's recommendations.
- 304.7 Lighting System:
  - 304.7.1 Front headlights to be halogen or LED.
  - 304.7.2 Work Lights: Two (2) rear work lights and two (2) front work lights LED.
  - 304.7.3 Stop, turn, tail and backup lights shall be LED.
  - 304.7.4 Dome light.
- 304.8 Strobe Lights:
  - 304.8.1 The loader shall include two (2) LED beacons on the roof of the cab. WHELEN model L31HAF4 (amber) and model L31HBF4 (blue).
  - 304.8.2 Left lens (drivers/street side) shall be amber.
  - 304.8.3 Right lens (passengers/curbside) shall be blue.
  - 304.8.4 Each light shall be synchronized to an alternating pattern using the lights "synch" wire function.
  - 304.8.5 To include a DPDT lighted switch installed in the cab. This switch shall function as HI/OFF/LOW (light intensity).
  - 304.8.6 All wiring to be enclosed in non-metallic weatherproof loom.
  - 304.8.7 To be a 24-volt LED light system.
  - 304.8.8 WHELEN sales representative: Kent Bruce, (206) 510-2060, kdbco@comcast.net

305.0 CAB:

- 305.1 Enclosed Roll Over Protection System (EROPS):
  - 305.1.1 OEM, fully enclosed, steel, insulated, sound suppressed, pressurized, "ROPS" (SAE J1040) cab with safety glass front windshield and safety or tempered glass on sides and/or rear windows. To be adequately sealed as to not allow unreasonable cold air or dust into the cab.
- 305.2 Recirculating personnel heater (Minimum 30,000 BTU) with defroster(s). Defroster(s) to be zoned to front windshield wiper area(s), minimum. Caged defroster fans are not acceptable in lieu of the zoned system.
- 305.3 Air Conditioning: To be OEM.
- 305.4 Front and rear window wipers and washers. Wiper motors to be the highest capacity available from OEM. To include OEM intermittent feature on front minimum.
- 305.5 Sun visor required multi-level, dark tint or solid.

- 305.6 Operator's Seat: 6-way adjustable, cloth or cloth/vinyl covered, suspension type with a seat belt.
- 305.6.1 (\*) OPTIONAL ITEM- Pricing required: Operator's seat- 6-way adjustable, cloth or cloth/vinyl, air-suspension type with a seat belt.
- 305.7 Lockable doors.
- 305.8 Mirrors: To include an interior mounted convex rearview mirror and outside cab mounted heated mirrors.
- 305.9 Back-Up Camera, OEM
- 305.10 AM/FM radio with aux/ input.
- 305.11 To include mounting for 2-way radio. Must have 12V power connections.
- 305.12 Horn: Electric or air.
- 305.13 Must have a cup holder.
- 305.14 High engine idle control capability, operator controlled or automatic.

306.0 INSTRUMENTATION:

- 306.1 All gauges as noted below shall read in U.S. units of measure (not metric) at time of delivery.
- 306.2 Gauges and/or indicators, as a minimum, shall include, in easy view of the operator:
  - 306.2.1 Hour Meter: Running engine activated.
  - 306.2.2 Ammeter or voltmeter gauge, or alternator malfunction indicator.
  - 306.2.3 Engine Coolant High temperature (to include warning system).
  - 306.2.4 Engine Coolant Low level (to include warning system).
  - 306.2.5 Engine oil pressure (to include warning system).
  - 306.2.6 Air pressure gauge or indicator, if applicable.
  - 306.2.7 Transmission oil temperature gauge or indicator.
  - 306.2.8 Air filter restriction gauge or indicator.
  - 306.2.9 Parking brake "ON" indicator with an audible warning or a parking brake system with a transmission disconnect feature.
  - 306.2.10 Fuel gauge.

307.0 HYDRAULICS:

- 307.1 Shall have two (2) spool control valve.
- 307.2 (\*) OPTIONAL ITEM- Pricing is required: Three (3) spool control valve.
  - 307.2.1 Diverter valves are not permitted.
  - 307.2.2 To include controls and plumbing, including quick disconnects, out to the front of the unit. Must be pressure rated and sized to allow proper flow.
  - 307.2.3 Quick disconnects to include chained caps.
- 307.3 Lift circuit to include float.
- 307.4 To include ride control system.
- 307.5 Hydraulic Hose: To be arctic grade (- 40 °F, minimum).

308.0 ATTACHMENTS:

- 308.1 Quick Attach System:
  - 308.1.1 To be equipped with a quick attach system that is compatible with unit being bid. To be WELDCO-BEALES WLKAT or CWS, HENKE, PSM or equivalent matching up with our current WLKAT system.

308.1.2 All functions (locking, unlocking, etc.) to be controlled from in the cab by the operator.

308.2 General Purpose Bucket: (\*) OPTIONAL ITEM– Pricing is required:

308.2.1 To be PSM or equivalent, provided all of the following specifications are met.

308.2.2 Capacity: 6.0 cubic yard SAE heaped.

308.2.3 Width: To be equal to or greater than host unit.

308.2.4 To include replaceable and reversible bolt-on cutting edge with OEM AASHTO punching.

308.2.5 To include lifting eyes or hooks on each top corner and center top of the bucket.

308.2.6 To be compatible with the WLKAT quick attach system.

308.2.7 Minimum Weight: 3,900 lbs.

308.3 Snow Bucket: (\*) OPTIONAL ITEM– Pricing is required:

308.3.1 To be PSM or equivalent, provided all of the following specifications are met.

308.3.2 Capacity: 10 cubic yard SAE heaped, minimum.

308.3.3 Width: To be equal to or greater than host unit.

308.3.4 To include replaceable and reversible bolt-on cutting edge with OEM AASHTO punching.

308.3.5 To be compatible with the WLKAT quick attach system.

308.3.6 Minimum Weight: 5,400 lbs.

308.4 Pallet Forks, 8-Foot: (\*) OPTIONAL ITEM– Pricing is required:

308.4.1 To be PSM or equivalent, provided all of the following specifications are met.

308.4.2 Tine Length: 96 inches.

308.4.3 Tine Spread: Adjustable to minimum 100 inches.

308.4.4 Tine width to be eight (8) inches.

308.4.5 Tine depth to be three (3) inches.

308.4.6 Tine locks (width and swing) to be included.

308.4.7 Full-width carriage backrest to be included.

308.4.8 Capacity: 20,000 pounds, minimum.

308.4.9 To be compatible with the WLKAT quick attach system.

308.4.10 Minimum Weight: 3,200 lbs.

308.5 Rear Counterweights:

308.5.1 To include the heaviest OEM counterweight option available.

308.5.2 Filled tires will not be accepted.

309.0 TRAINING:

309.1 (\*) OPTIONAL ITEM– Pricing is required: Total of sixteen (16) hours at the State Equipment Fleet Maintenance Facility as listed on the Purchase Order. For award purposes, the price should include all travel and training related costs to Anchorage, Alaska. Any travel beyond Anchorage will be billed at the actual rate and a separate Purchase Order will be issued.

309.1.1 Bidder to provide a qualified factory trained instructor(s), within 30 days of acceptance by the State. Advanced notice is required.

309.1.2 To include a minimum of eight (8) hours of operator training including the following, as a minimum applicable agenda:

309.1.3 Operating procedures per operating manual.

- 309.1.4 Break-in procedures.
- 309.1.5 Equipment limitations.
- 309.1.6 Operator maintenance.
- 309.1.7 Pre-checks and lubrication.
- 309.1.8 Safety
- 309.1.9 Cold weather operation.
- 309.1.10 Jump-starting.
- 309.1.11 Welding on equipment.
- 309.1.12 Towing or transporting equipment.
- 309.1.13 Instruments and controls.
- 309.1.14 Gauge interpretation.
- 309.1.15 Regen operation.
- 309.1.16 Equipment operation, Do's and Don'ts.
- 309.1.17 Attachment operation, Do's and Don'ts.
- 309.2 To include a minimum of eight (8) hours of mechanics (Journeyman level) training including the following theory:
  - 309.2.1 Troubleshooting and test procedures.
  - 309.2.2 Electronics (Including diagnostic software, computers, Can-Bus systems.)
  - 309.2.3 Emissions.
  - 309.2.4 Electrical systems.
  - 309.2.5 Air systems.
  - 309.2.6 Drivetrain.
  - 309.2.7 Engine and transmission.

310.0 MISCELLANEOUS:

- 310.1 Special Lubricants: If for warranty purposes, manufacturer's specific lubricants are required, the vendor is to provide these lubricants, or provide, at time of delivery, a cross-reference chart between manufacturer's lubricants and any name brand and readily available equivalents.
- 310.2 Labeling: No adhesive style (Dymo) labels will be allowed. Any markings must be etched or engraved, factory style markings.
- 310.3 Auto Lube System (\*) OPTIONAL ITEM– Pricing is required:
  - 310.3.1 To include an automatic lubricating system, GREASE COMMANDER, provided unit will work with NLGI class 2 grease, per all Alaska conditions.
  - 310.3.2 All zerk fittings shall be served (drivelines being the exception).
  - 310.3.3 All lines are to be routed and protected as necessary.
  - 310.3.4 Lines are to be ARCTIC FOX wire braid or state-approved equivalent, on all moving points.
- 310.4 Diagnostic Software (\*) OPTIONAL ITEM– Pricing is required:
  - 310.4.1 Diagnostic software or scanners must be available for purchase by SOA.
  - 310.4.2 Must be capable of retrieving and clearing all chassis, engine, transmission, or cab diagnostic codes.
  - 310.4.3 Must be capable of displaying live streaming data. (E.G. Engine sensor temperatures, pressures, speeds, etc.)

310.4.4 If applicable, must be able to communicate a replaced DPF to the ECM.

310.4.5 Pricing must include ALL cables, readers, hardware and software necessary to perform listed duties. Does not include a laptop, if needed.

END OF SPECIFICATION #340

**LOT 1**

Item #	Unit	Description	Total Amount
1	ea.	4 Cubic Yard Wheel Loader	\$185,065.00
		Year, Make & Model Offered: <u>2018 Caterpillar 950GC</u>	
8.0		Publications- Paper	\$1,058.00
103.2.3		Spare wheel and tire	\$10,172.00
105.6.1		Air suspension seat	\$0
107.2		3-spool hydraulic valve	\$0
108.2		4 Cubic yard, general purpose bucket. Make/Model: PSM 4CY	\$11,942.00
108.3		8 Cubic yard, snow bucket Make/Model: PSM 8CY	\$15,370.00
108.4		8' Pallet forks Make/Model: PSM 8'	\$10,929.00
109.1.1		Training	\$0
110.3		Auto lube system Make/Model: Grease Commander 1200	\$6,074.00



**LOT 2**

Item #	Unit	Description	Total Amount
1	ea.	5 Cubic Yard Wheel Loader	\$276,068.00

Year, Make & Model Offered:

2018 Caterpillar 966M

OPTIONAL ITEMS- PRICING REQUIRED

8.0		Publications- Paper	\$1,058.00
203.2.3		Spare wheel and tire	\$8,798.00
205.6.1		Air suspension seat	\$0
207.2		3-spool hydraulic valve	\$0
208.2		5 Cubic yard, general purpose bucket	\$12,402.00
		Make/Model: PSM 5CY	
208.3		10 Cubic yard, snow bucket	\$18,489.00
		Make/Model: PSM 10CY	
208.4		8' Pallet forks	\$10,929.00
		Make/Model: PSM 8'	
209.1.1		Training	\$0
210.3		Auto lube system	\$6,074.00
		Make/Model: Grease Commander 1200	

**LOT 3**

Item #	Unit	Description	Total Amount
1	ea.	6 Cubic Yard Wheel Loader	\$290,299.00

Year, Make & Model Offered:

2018 Caterpillar 972M

OPTIONAL ITEMS- PRICING REQUIRED

8.0		Publications- Paper	\$1,058.00
303.2.3		Spare wheel and tire	\$8,798.00
305.6.1		Air suspension seat	\$0
307.2		3-spool hydraulic valve	\$0
308.2		6 Cubic yard, general purpose bucket	\$14,058.00
		Make/Model: PSM 6CY	
308.3		10 Cubic yard, snow bucket	\$18,489.00
		Make/Model: PSM 10CY	
308.4		8' Pallet forks.	\$10,929.00
		Make/Model: PSM 8'	
309.1.1		Training	\$0
310.3		Auto lube system	\$6,074.00
		Make/Model: Grease Commander 1200	

The actual F.O.B. point for all items purchased under this contract is the final destination anywhere within the State of Alaska. Ownership of and title to the ordered items remains with the contractor until the items have been delivered to their final destination and are accepted by the State.

For pricing purposes, the F.O.B. point is dockside Seattle/Tacoma.

The cost of shipping and delivery for orders beyond the limits of Seattle/Tacoma dock will be handled as follows. The contractor will prepay the shipping and delivery charges to any destination named by the State in its order. The contractor will charge-back those shipping and delivery charges to the State as a separate line item on the State's invoice. All shipping charges over \$100 must be documented by a copy of the actual shipping invoice and received with the invoice charge to the State.

Required Delivery: Maximum 180 days after receipt of order (ARO).

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## MEMORANDUM TO COUNCIL

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**To:** Mayor Branson and City Councilmembers

**From:** Mike Tvenge, City Manager *MT*  
Nova Javier, City Clerk

**Date:** July 25, 2019

**Agenda Item:** V. j. Recommendation of Appointment of City Applicant to the Planning and Zoning Commission

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**SUMMARY:** Three of the seven seats on the Planning and Zoning Commission are designated as City seats. There is currently one City seat that is vacant for a term to expire December 2021 which was vacated by Mr. Barry Altenhof.

An application was received from Mr. Duane Dvorak and he was interviewed by Mayor Branson and Councilmembers on Tuesday, July 23, 2019. Mr. Dvorak served on the Commission as a Borough representative and due to his recent move to the City, he resigned from the Borough seat and desires to serve on the City seat.

**BACKGROUND:** Alaska Statute 29.40.020 provides that an appointment to the Planning and Zoning Commission is made by the Borough Mayor for a three-year term from a list of recommendations submitted by the City Council. The Borough Clerk's Office advertised for the vacant position, and received one application from City resident Duane Dvorak. Historically, the Council has submitted the names of one or more applicants for recommendation of appointment. If the Council has had a preference of who is appointed, this list contained only those name(s).

**ATTACHMENTS:**

Attachment A: Planning and Zoning Application  
Attachment B: P&Z Commission List

**PROPOSED MOTION:**

Move to recommend Mr. Duane Dvorak for appointment to the vacant City seat on the Planning and Zoning Commission for a term ending December 2021.

Mayor Dan Rohrer  
Kodiak Island Borough  
710 Mill Bay Road  
Kodiak AK 99615

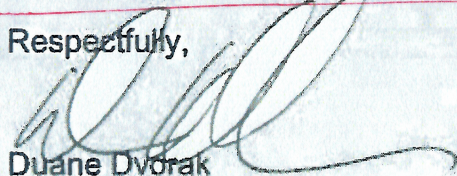
RE: Resignation from the KIB Planning & Zoning Commission

Dear Mayor Rohrer:

It is with great reluctance that I hereby tender my resignation from the KIB Planning & Zoning Commission, effective on July 31, 2019. In the month of July I will be moving from my current residence in the borough and will henceforth reside in the City of Kodiak. My understanding of KIBC 2.105.010 and AS 29.40.020 would indicate to me that I will no longer meet the eligibility requirement for a borough seat on the KIB Planning & Zoning Commission.

If there is the possibility of applying for a city seat on the commission in the future I will certainly be happy to consider re-submitting my name for another opportunity to serve on the KIB Planning & Zoning Commission at that time.

Respectfully,



Duane Dvorak

**Laurie Pardoe**

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**From:** noreply@civicplus.com  
**Sent:** Sunday, November 11, 2018 11:11 AM  
**To:** Clerks  
**Subject:** Online Form Submittal: Board Application Form

### Board Application Form

Please complete the online form below. Please be aware that the information given on your application is made available to the public. Staff will require the use of a mailing address, email address, and contact phone number to provide board and meeting information.

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#### PERSONAL INFORMATION

Select the Board, Commission, **Planning and Zoning Commission** or Committee applying for

Designated seat or group representation (if applicable): **Borough**

Full Name **Duane L. Dvorak**

Residence Address **2999 Scout Circle, Kodiak AK 99615**

Mailing Address **2999 Scout Circle, Kodiak AK 99615**

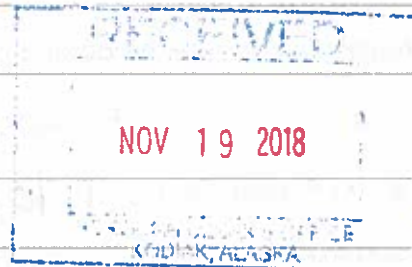
Email Address (This address will be used for correspondence) **duane.dvorak@gmail.com**

Home Phone Number (numeric only) **9079422912**

Work Number (numeric only) **9074861772**

Cell or Fax Number (numeric only) **9070422912**

Employer/Occupation **Business Manager**



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#### RESIDENCY INFORMATION

Length of residency in Kodiak **22 years**

Registered to vote in Kodiak? **Yes**

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#### FOR SERVICE AREA BOARD APPLICANTS

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Length of Residence in Service Area *Field not completed.*

**ORGANIZATION MEMBERSHIP INFORMATION**

Are you currently serving on other Boards, Commissions, or Committees? No

If yes, which *Field not completed.*

Organizations you belong to or participate in Kodiak Elks Lodge #1772, VFW Auxiliary, Brother Francis Shelter, Kodiak Hospice and Palliative Care

Explain your main reason for applying I see substantial vacancies on the P&Z Commission and it may hamper the ability of the borough to take care of the people's business. I have experience working on the staff side of the commission in a support role so believe that I can be a quick study to become an effective commissioner. I'm semi retired so may have more time to give to this than the typical citizen.

What background, experience, or expertise will you bring to the board/committee/commission membership? I have 30 years of experience as a planner and land manager in the States of Alaska and Washington. For many years I was a planner or planning director with the Kodiak Island Borough so am particularly familiar with borough codes and applicable state statutes.

Are you available for regular meetings? Yes

Pursuant to KIBC 2.100.070 (A.6) and 4.15.070 (A.7) Other than by expiration of the members term, the assembly shall declare a seat vacant when a member of the board misses three consecutively held rgular meetings and is not excused.

**FOR CLERKS OFFICE STAFF ONLY**

Registered Voter of the Borough: Y  N

Applicant's Residence: Borough  City

Date of Appointment 12/06/2018

Term Expires On 2019

Appointment Letter

Roster

Oath of Office



## KODIAK ISLAND BOROUGH

## PLANNING AND ZONING COMMISSION

NAME	TERM	HOME PHONE	WORK PHONE	CELL PHONE	EMAIL
Barry Altenhof (C) PO Box 1373 Kodiak, AK 99615	2021 Resignation effective July 17	(907) 486-6238		(907) 539-5828	<a href="mailto:barry.altenhof@kibplanning.org">barry.altenhof@kibplanning.org</a> <a href="mailto:baltenhof@gci.net">baltenhof@gci.net</a>
Kent Cross (B) PO Box 3164 Kodiak, AK 99615	2021	907-942-3189		907-942-3189	<a href="mailto:kent.cross@kibplanning.org">kent.cross@kibplanning.org</a>
<b>VACANT (B)</b>	2021				
Alan Schmitt (C), Vice Chair 3295 Woody Way Loop Kodiak, AK 99615	2020	486-5314		942-0435	<a href="mailto:alan.schmitt@kibplanning.org">alan.schmitt@kibplanning.org</a>
Dave Townsend (B), Chair PO Box 9044 Kodiak, AK 99615	2020			654-4123	<a href="mailto:dave.townsend@kibplanning.org">dave.townsend@kibplanning.org</a>
Duane Dvorak (B) 2999 Scout Circle Kodiak, AK 99615	2019 Resigning from this Borough seat and interested in a city seat			907-942-2912	<a href="mailto:duane.dvorak@kibplanning.org">duane.dvorak@kibplanning.org</a>
Joseph Delgado (C) 1225 Selief LN #4 Kodiak, AK 99615	2019	907-512-7508		907-512-7508	<a href="mailto:egdelgado64@gmail.com">egdelgado64@gmail.com</a>

**B=Borough Seat**  
**C=City Seat**

This commission is governed by Kodiak Island Borough Code 2.105

**STAFF:**

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